

Uganda: Assessing Performance of the Water and Sanitation Sector

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Executive Summary

Decentralization of water and sanitation service delivery in recent years has been accompanied by huge budget increases at the district level in Uganda. But what difference has this investment made – and how can results be improved?

To improve results-based management in the water and sanitation sector, the government enhanced its monitoring and evaluation capacity by developing a new Performance Measurement Framework for the sector. The objectives were to, first, greatly enhance results-oriented measurement within the sector, and second, produce timely information and analysis for the annual sector performance report and ongoing dialogue with donors.

A set of “golden indicators” was developed to assess five performance themes: impact; quantity and quality; access and usage; equity and affordability; functionality and managerial responsibilities; and value for money. The indicators were worked out through consultation and a collaborative effort with sector stakeholders to measure overall sector performance.

Detailed analysis of performance in terms of the golden indicators has become increasingly central to overall management of the sector. The indicators provide not only a way to assess current performance but a longitudinal framework for comparisons over time. The process of indicator selection and definition further helped to harmonize indicators that are used more generally in the country’s main planning documents.

Assessing Sectorwide Performance in Water and Sanitation

Decentralization of water and sanitation service delivery in recent years has been accompanied by huge budget increases at the district level in Uganda. But what difference has this investment made – and how can results be improved?

Traditionally, the evaluation indicators for water and sanitation have focused on physical outputs, not results. They typically report on the number of boreholes drilled and the number of latrines built. But this does not tell us whether people have received improved water and sanitation services.

Improved water and sanitation services have two potential benefits: improved health, and saving time in water collection. Saving time provides the *potential* for increased economic activity, education, and child-care, but other factors are needed to bring these to fruition. Faeco-oral diseases form a substantial part of the disease burden in Uganda, particularly for young children. Although there is no doubt about the impact of improved water and sanitation, it is generally recognized that a disease outcome such as diarrhoeal

disease is not a good measure of water and sanitation services because of the number of confounding variables (e.g. nutritional status, seasonality, other diseases, and so forth).

In Uganda, many entities other than local governments provide water and sanitation services. These include the central government, NGOs, and private sector firms. Some emphasize physical infrastructure, while others emphasize capacity education and capacity building. Virtually all of them make use of monitoring and evaluation to enumerate physical outputs and keep track of activities, yet there is little consistency in what they measure and no overarching framework to translate and aggregate what it all adds up to. Since decentralization, there has also been growing interest in the performance of public sector service delivery in Uganda in response to the general move away from project funding modalities toward a sectorwide approach to planning (SWAp).

In order to standardize and improve measurement of water and sanitation services within the sector, a Performance Measurement Framework (PMF) was developed.



What is a Performance Measurement Framework?

A Performance Measurement Framework is a conceptual device within the monitoring and evaluation system that assesses the overall impact within the sector on intended beneficiaries – with the goal of improving performance results.

Sector performance is generally defined in terms of:

- Effectiveness – for example, new water points leading to reduced collection time by users
 - Efficiency – services delivered in a cost-effective and timely manner
 - Equity – service that follows the principle, “Some for all, not all for some.”
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Objectives Pursued

To improve results-based management in the water and sanitation sector, the government enhanced its monitoring and evaluation capacity by developing a new PMF for the water and sanitation sector. The objectives were to, first, greatly enhance results-oriented measurement within the water and sanitation sector, and second, produce timely information and analysis for the annual water and sanitation sector performance report and ongoing dialogue with donors.

Performance issues to be addressed. The PMF was developed to provide answers and address issues on several key themes.

- While access to water and sanitation has increased markedly in Uganda as a result of the government commitment to poverty reduction, it is recognized that access alone is but one element of improved services. In terms of impact, how much difference is being made?
- Are participating institutions receiving “value for money” from the increased sectorwide investment that has been made in water and sanitation?
- Are resources being targeted effectively in water and sanitation to achieve specific sectoral goals, national goals in poverty eradication, and broader Millennium Development Goals?
- How to “see” and target resources through improved decisions by policy makers in water and sanitation, consistent with the more general shift toward a sectorwide approach to planning?

Enhancing dialogue between donors and the government. A critically necessary product of the Performance Measurement Framework is the annual water and sanitation sector report, which provides a sectorwide perspective that goes beyond individual projects or programs. This report coincides with key

policy and decision-making meetings for the sector, the Joint Sector Review (JSR). Moreover, the PMF helps to harmonize indicators and targets used inter-institutionally and internationally in water and sanitation planning documents. Among others, these include Uganda’s Poverty Reduction Strategy (PRS), the Poverty Eradication Action Plan (PEAP), Sector Investment Plans 2015 (SIP15), and the Medium Term Expenditure Framework (a 3-year rolling budget planning tool).

Design and Implementation

How the Performance Measurement Framework was designed. Initially consultants were recruited to prepare the first Sector Report 2003. This report evaluated data sources available within Uganda such as national surveys and compiled information to report on various themes within the sector instead of the traditional subsector measurements of physical outputs and numbers of activities. It identified cross-cutting themes and flagged the need for data to support a more comprehensive approach to analysis.

Following the first report, the consultants and key sector stakeholders jointly prepared a Performance Measurement Framework (PMF) to begin the institutionalization process. The JSR lent support to the effort, and a working group on sector performance was set up by the government with representatives from a wide range of sector stakeholders.

The initial challenge was to translate objectives into a streamlined system for measuring performance. As the first step toward this, the team identified five performance themes: impact; quantity and quality; access and usage; equity and affordability; functionality and managerial responsibilities; and value for money.

“Golden indicators” for the five performance themes. Indicators were carefully defined at the sector and subsector levels. The most important of these are termed the golden indicators, which were worked out from the five performance themes through a collaborative effort with sector stakeholders to measure overall sector performance. The final list, referred to as the “ten golden indicators” includes:

- **Access to water** – the percentage of the rural population within 1.5 km and urban population within 0.2 km of an improved water source
- **Functionality** – the percentage of improved sources that are functional at the time of a given spot-check
- **Investment cost** – average cost per beneficiary of a new water and sanitation scheme
- **Access to sanitation** – the percentage of people with access to improved and basic latrines



- **Water for production** – the percentage increase in cumulative storage capacity of water for production
- **Water quality** – the percentage of samples complying with established national standards
- **Equity** – the mean parish deviation from district average in population per improved source
- **Access / use of hygiene practice** – the percentage of the population with access to hand-washing facilities
- **Gender** – the percentage of women holding key positions on water users committees
- **Community capacity development** – the percentage of water points with an active water user committee

Detailed analysis of performance through the golden indicators has become increasingly central to overall management of the sector. The indicators provide not only a way to assess current performance but a longitudinal framework for comparisons over time. The process of indicator selection and definition further helped to harmonize indicators that are used more generally in the country's main planning documents, and they can be used to measure local governments' performance as part of Uganda's Fiscal Decentralization Strategy.

The use of data sources. Agreement was reached that for each golden indicator there should be a primary and a secondary data source. The primary source is to be used for the "headline figure" that is cited for overall sector performance. Where possible, it should be obtained directly from local government which is closer to the actual delivery of services. Secondary data sources should be used to validate and triangulate the primary data. There can be several of these sources for each indicator but care should be taken to ensure that the cost of data collection does not exceed its value. The data sources used to assess performance include a combination of the following: review of existing data sources (national surveys, etc), collection of further data from local government, and case study visits to various parts of Uganda to build a picture of what information from routine data sources means in reality. Part of the process of improving data accuracy and quality involves working with the institutions collecting data to harmonize definitions.

Since the first sector report which entailed a review of the available data sources, the strategy has been to rely on existing data sources wherever possible but to gradually improve their quality and accuracy. In most instances, data for the golden indicators have been triangulated from multiple sources. Analysis of data has provided information on: performance trends over

time, comparisons in performance between local governments, differences among geographical areas, and differences among service providers.

Incorporating a Value-for-Money approach. Several studies on "value for money" have been undertaken in recent years, producing much useful information. However, there is concern that these studies are not yet well defined and do not link to wider performance measurement processes. There is an opportunity to set out an improved value-for-money approach to cover critical questions such as: How can costs be trimmed? How can quality be most effectively improved? How much does it cost to improve the equity of service delivery? Is the observed impact on the sector worth the overall financial investments that have been made?

To better answer and analyze such questions, tracking studies are needed to better monitor the flow of resources, focusing on bottlenecks to implementation of financial processes and on ensuring that allocated funds support the activities for which they were intended. While the value-for-money approach has been receiving increasing priority as a theme to the sector performance report, there were many weaknesses in the first few studies and much refinement is needed. However, the value-for-money approach is gradually coming to be accepted for keeping track of efficiency and thinking about future budget allocation.

Dissemination and use of findings and recommendations. Better performance measurement should lead to better decisions in terms of policy making and resource allocation, and identification and dissemination of good operational practices. Effective dissemination of performance data can be used as a way of lobbying for more resources and for the reallocation of resources within the sector.

Problems Encountered

Finding the right "home" for the process. Permanently institutionalizing the process has been an obstacle to implementation of the Performance Measurement Framework. Initially, it was suggested that the process be outsourced to an NGO or similar agency. Yet no suitable agency was found. Responsibility for the framework was taken on by the Ugandan Directorate for Water Development, Ministry of Water, Lands, and Environment.

Despite the advantages in being based at the center of action, the decision was not without risks. Most technical staff involved in collecting data, analyzing information, and compiling the water and sanitation sector report, work for the government. They all have other duties, with competing demands and few incen-



tives to prioritize performance measurement. Finding the most appropriate institutional home within the ministry to coordinate collecting information, analyzing and compiling the report has also been problematic in light of internal political struggles and mismatched resource allocation within the ministry.

Good data, bad data, and no data. Data sources on water and sanitation in Uganda are often unreliable. Unfortunately, bad data – no matter how elegant the framework – can lead to even worse decisions than those made with no data. In developing the Performance Measurement Framework, much effort has been invested in locating multiple sources and in field visits to flush out errors when apparent inconsistencies surface.

It is always difficult to get consensus on indicators and their definition. At some point, a line has to be drawn when the definition is agreed and further tinkering is discouraged (definition of what constitutes a “sanitary” latrine can dramatically change the coverage figures but distracts from the real issue – i.e. whether there has been improvement in coverage).

Adaptations Made in Implementation

To implement the Performance Measurement Framework, Golden Teams were set up to fine-tune each of the golden indicators and adjust the evolving framework. One set of teams took on data collection and analysis, while another group was responsible for the overall coordination and for compiling the final report. Many adjustments were made.

In-depth studies for critical areas. For the program year in progress, in-depth studies were assigned to deepen understanding of key issues in the sector performance report. These studies focus on issues of real importance where recommendations can lead to demonstrable performance improvement. The results of these studies will feed into the next sector report, broadening the evidence base for policymaking and for resource allocation within the sector.

Widening the range of stakeholders. The Golden Teams conducting these studies came from various government institutions and NGOs, which broadened perspective and permitted cross-fertilization of ideas. The districts and municipalities chosen for these studies were derived from performance league tables, so that a mix of high- and low-performing places was selected for comparative analysis of results.

Strengthening data analysis as an iterative process. Field and analytical work was carried out for the 2004 sector performance report to refine and interpret the existing data for each of the golden indicators. Trends over time were presented, and district comparisons

were made. Following this first round of work, refinements were systematically built into the process for the subsequent year, so that overall performance trends could be tracked, district league tables updated, geographic analysis extended, and, for some indicators, gender and household income level included – thus improving the alignment between data and the full range of outcomes to be monitored and evaluated over time.

Resolving debates on definitions and data quality. A myriad of technical questions in regard to definitions and data quality have presented themselves and are gradually being resolved. What, for example, is to be considered an “accessible distance” to a rural water source? The standard is currently defined as 1.5 kilometers; yet as coverage has increased most improved water sources are within 1 kilometer of the population. Yet the rural population density is highly uneven across the country and sparse in some regions and decreasing the 1.5 kilometer standard could mean, in principle, having to provide a water point for just a few household in these areas.

Results Achieved

The Performance Measurement Framework of the water and sanitation sector is a new innovation and very much a work in progress. Two sector reports (2003, 2004) have been produced. Pragmatically, these reports have played a key role in providing the main source of sector information for the Joint Sector Reviews. Issues raised in these reports have led to policy undertakings directly relevant to the success of poverty reduction – for example, a commitment to allocate more resources to rural areas where the majority of the poor live.

The emphasis on results-oriented performance has migrated across the water and sanitation sector and is reinforcing similar thinking in other spheres – for example, the commitment to decentralization, acceptance of SWAps for planning, and increased use of cross-sectoral indicators.

Nevertheless, success should be declared with a great deal of caution. Sector institutions are far from ideal when it comes to monitoring for results, especially for cross-sectoral national programs. In general, inter-ministerial coordination and collaboration remain weak across the government. Attribution of credit for results between sectors (for example, who is responsible for a decline in infant and maternal mortality?) is extremely difficult to determine and politically contentious.



Factors for Success

Much has been learned about what it takes to implement the changes to institutional thinking and process represented by the Performance Measurement Framework.

All indicators that glitter are not “golden”. Consensus on a set of indicators is always a difficult task, particularly when trying to keep definitions simple and the number of indicators down. Hopefully a consensus will emerge quickly and relatively painlessly, but if that doesn't happen, a line must sometimes be drawn to settle on working definitions and to discourage an ad infinitum modification process.

Apples still cannot be compared to oranges. To make meaningful analytical comparisons, performance measures must necessarily compare like to like. But that is seldom easy with the data that is used in the water and sanitation sector. Take, for example, the definition of what constitutes a “sanitary” latrine. If the definition is open to interpretation then the coverage figures can vary dramatically from year to year and region to region, making it extremely difficult to aggregate numbers in order to say if or how latrine coverage is improving.

Announcing a requirement does not necessarily mean that the data will be collected. Data providers, who are routinely responsible for collecting one kind of data in the field, will not necessarily collect more or different data simply because that would be useful within a Performance Measurement Framework. To improve the quality, consistency, relevance, and use of data, there must be give-and-take dialogue with key data providers, especially those who collect it in the field – for example, the continuous dialogue with the Bureau of Statistics that leads to enhanced survey questionnaires.

Learn by doing. To develop indicators, consultations with affected stakeholders were essential in the towns and villages where water services were to be upgraded. This is a time consuming process, but it led to much improved reporting formats that are likely to be usable by local governments. The indicators finally selected to represent water and sanitation performance are now also to be used cross-sectorally in assessment of the Fiscal Decentralization Strategy (FDS).

Lessons Learned

Key lessons learned from the production of the 2004 sector performance report are:

- Plan and allocate sufficient resources and time for management and the conduct of the work.
- Build on stakeholder relationships that have been developed, integrating the inputs of NGOs and others in a more coherent manner.
- Ensure greater clarity of golden indicator definitions.
- Improve the quality of data, identifying that which will be treated as the ‘headline’ data.
- Commission sector teams to carry out in-depth studies to review key performance issues further and to identify the scope for improving elements of sector performance.
- Make better use of performance data and devote resources to the implementation of report recommendations.
- Link performance reporting to value-for-money, tracking studies, monitoring and other related sector functions.
- Strengthen district reporting mechanisms and the ‘league’ table approach, linking local government performance reporting to the FDS.
- Allocate performance measurement roles and responsibilities clearly and embed these in work plans, job descriptions, appraisal systems, etc.
- Provide additional capacity building support.

Conclusions and Application

The water and sanitation sector is working progressively toward a SWAp, and Uganda is commendable as one of Africa's best examples of decentralized service delivery.

In support of SWAp and in response to the need to improve performance of service delivery, the water and sanitation sector has developed a Performance Measurement Framework, a results-oriented innovation and a significant move away from supply-side, input-oriented approaches. The Performance Measurement Framework provides a useful tool for assessing overall impact as well as short-term improvements in the effectiveness, efficiency and equity of service delivery. With the right type of long-term support, this experience should be applicable to other programs and countries.



Summary: How Uganda's Performance Measurement Framework Program Embodies MfDR Principles

1. At all phases – from strategic planning through implementation to completion and beyond – focus the dialogue on results for partner countries, development agencies, and other stakeholders.

- A subgroup of partners was specifically established to oversee the implementation of the Performance Measurement Framework.
- Dialogue with stakeholders took place through regular consultation and formal sector stakeholder meetings such as the Joint Sector Review.

2. Align actual programming, monitoring, and evaluation activities with the agreed expected results.

- The Performance Measurement Framework was specifically designed around the goals of the water and sanitation sector.

3. Keep the results reporting system as simple, cost-effective, and user-friendly as possible.

- Results in an annual Sector Report which uses, as much as possible, existing data sources.

4. Manage for, not by, results, by arranging resources to achieve outcomes.

- The Performance Measurement Framework has been specifically established to address Management for Results. Thus the golden indicators have been developed to focus on sector outcomes and impacts rather than the traditional outputs of water points constructed.

5. Use results information for management learning and decision making, as well as for reporting and accountability.

- The Sector Report has become the presentation at the annual Joint Sector Review, which is the main policy level decision-making body for all sector stakeholders.
- The Performance Measurement Framework plays a key role in all the main planning tools and documents related to the role of the water and sanitation sector in poverty eradication.

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