1.0 Background

As per the World Health organization (WHO) bulletin published in the year 2011, “Access to safe drinking Water is a basic need for human development, health& wellbeing and because it is a human right”. The Government of Srilanka’ s efforts to improve national social development indicators have placed the country ahead of most south Asian Countries where a Remarkable achievement have been made in the water supply & sanitation sector in Srilanka over the last decade.

Provision of drinking water supply & sanitation has become a top priority of the development agenda of the Government of Srilanka and accordingly the government has put a national target to ensure universal coverage by the year 2030 going in line with the criteria set for Sustainable Development Goals.

As per the statistics available with the Ministry of Water Supply, City Planning & Higher Education the current safe water coverage is 91.3% of the total population on the basis of the definition that safe water coverage is defined as the proportion of population having access to water supplies from piped water systems, protected wells, or rain water systems.Accordingly, 51,2% of the population has access to piped water,3.2% has access to hand pump, tube wells, 36.4%of the rural population has access to safe drinking water through protected dug wells and 0.5% of the population uses rainwater harvesting systems. The balance 8.7% of the population is unable to access safe water within 200 meters from their dwellings.

However,the World bank report on rural water supply says that “With the adaption of Sustainable Development Goals (SDGs), governments have committed to ensure universal access to water, to close the urban-rural and equity gap, and to deliver higher levels of services in terms of quality, accessibility, and reliability.This implies that a shift in policies and resource allocation is increasingly urgent, going beyond infrastructure delivery and addressing the longer the longer term sustainable management and financing of rural water services.Such a shift needs to respond to well-known capacity gaps for rural water service delivery, which are often exacerbated by decentralization processes (Bakalian et al.2009;Van Ginnken et al.2011).**The SDGs thus pose a triple challenge; to reach the unserved population groups, to improve service levels, and to sustain existing & future services**.”

Despitefullest commitment to meet the SDG universal goals Srilanka is a not an exception to the above compelled to meet above challenging situation. Out of the triple challenges, the government of srilanka need to focus more on the most critical one from the above “**to sustain existing & future services** “with required policy reforms & deploying required additional resources**.**

2.0 Sustainability of the RWSS sector

As the first step of analyzing the RWSS sector for sustainability one need to map out all the actors involved & their current involvements in the sector.There are multiple actors who plays various roles in different capacities.As far as delivery of water services are concerned there are three types of different major roles namely service delivery, service Authority & rest of the organisations whose function is to support provision of service delivery. The rural water sector to perform efficiently & effectively in the long run it is essential that all thease major actors need to play their respective roles with their fullest contribution expected in each role.

The Rural Water Sector is complex in itself due to its diversity with different players who are taking part with mixed & overlapping roles while facing burning issues & challenges.The end result is the beneficiary communities are encountered either with low service levels or rapid deterioration of their respective service levels with time.Accordingly, the rural communities who are left behind by all the concerned are becoming victims of no accessibility to safe water & Sanitation facilities.

3.0 CBO as the most prominent service provider

Community Based Organizations (CBOs) are the most prominent actor in operation of rural WS systems at the village level who will operate as a **service provider ensuring service delivery**.These organizations had been formed to mainly manage water supply systems constructed or improved either by different government agencies or NGOs under different funding sources [Government & Donor agencies or International Non-Government organizations (INGOs)].

There are nearly 4500 nos of community based organisations who are managing their own service within the island.managing their rural water supply system.CBOs are categorized based on the scale of operation or their volume of customers in the schemes where number of connections are less than 100 those are categorized as Grade-1.With 100 -300 nos of connections CBOs are categorized as Category 2, With 300 -500 number connections such CBOs are categorized as category 3 while CBOs having number of connections more than 500 connections are categorized as category 4. With this volume of customers the scale OF operation vary where the CBOs with larger no of categories operate on more commercial terms with much more professional approach.

However, one of the major issues that hinders effective operation of CBOs is that these entities do not have a legal mandate to operate water supply and they do not own assets and cannot operate as a legal entity. Larger the CBO with the customer base it is a major issue that affects its long-term sustainability. There are quite a good number of CBOs who are in operation more than FIVE years and had survived in the absence of formal support system.

4.0 GRADING OF CBOS AS SERVICE DELIVARY MODELS ON SUSTAINABILITY ASPECTS.

In this report the sustainability of CBOs were analyzed based on criteria's derived from different aspects that will influence sustainability of CBOs as per the many previous studies carried out. Sustainability analysis was carried out focusing four different categories of CBOs based on their scale of operation.Accordingly, for each CBO category they were graded into three different grades namely Grade A, B &C based on their orientation, commitment & performance results towards sustaining the RWSS systems. Scoring was given for following indicators for each CBO. Accordingly, grading of service provider will take place for each of the four categories who will be super performers as grade A CBO with high scores , moderate performers as Grade B CBOs with average scores & poor performers as Grade C CBOs with low marks.

However in order to ensure uniformity on the judgement made in grading CBOS 0.5 percent of the sample of super performers & moderate performers will be selected randomly to verify the assessment values by a independent team by visiting those CBOs.

Further the best performing CBOs will be selected by the same judging panel as superstars for each category of CBOs who will be felicitated at the annual world water day with the presence of the Minister of Water Supply.

1.O GOVERNANCE AND MANAGEMENT					
No	Indicator	Description	Units	Expected Range	Marks allocated

					20	15	5	0	Total for each
	Percentage of Active Membership	**No of CBO members** _____ **No of Households served**	%	Minimum 75%	75%	60%	50%	Less than 40%	20
	AGM is held & office bearers duly elected	AGM is held yearly & office bearers duly elected as per the constitution.		Once a year AGM is held yearly & office bearers duly elected as per the constitution	Once a year AGM is held & office bearers duly elected.	Within last 2 years AGM is held & office bearers duly elected.	Within last 5 year AGM is held & office bearers duly elected	More than 5 years	20
	Dedicated Maintenance staff assigned & paid	Dedicated Maintenance staff for all the core functions		Minimum of two persons on full time basis. Care taker/operator-1 Meter Reader/Cashier-1	2 persons full time.	1 person fulltime	Staff on Voluntary	No designated arrangements	20

	Complain registry updated.	All the Complains during last 12 months updated.		All the Complains during last 12 months updated.	Complain book available.All the Complains during last 12 months updated.	Complain book available.All the Complains during last 12 months not fully updated.	Complain book available.Very poorly recorded.	Noformal mechanism of recording..	20
	Gender Balance	Female presence adequately Represented.		Female representation a) in either of	. Female presentation	Femalepresentation in one of the key positions.	Female presentation in	No representations	20

				three key positions b) Executive committee.	in both scenarios		the executive committee		
	Goodcoordination by CBOs during water issues.	Goodcoordination by CBOs during water issues with good public relations.		Good coordination by CBOs during water issues with good public relations	Very Good coordination by CBOs during water issues with good public relations	Moderate coordination by CBOs during water issues with public relations	Average coordination by CBOs during water issues with public relations	Poorcoordination by CBOs during water issues.	20

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2. 0 Financial Management

No	Indicator	Description	Units	Expected Range	Marks Allocated				
					20	15	10	5	Total For Each
	Operating Ratio	Income/Expenditure		More than 1	1>	.75-1.00	0.50-0.75	0.25-0.50	
	Collection Efficiency	Total Revenue/Annual billed Value	%	100%	100	75-100	50-75	25-50	
	Sound Financial Management	Availability Of healthy financial reserves		Availability Of Bank Account & Availability Of Savings Up to 6 Month Of The Monthly Expenditure	Up to 6 months	Up to 4 months	Up to 2 months	Up to one month	

	Timely Auditing	Annual auditing by an approved auditors published		Annual audit duly published during the AGM	Annual audit done duly published during the AGM	Annual audit done not published during the AGM	One audit done for last one year	One audit done for last two years	
	Other Income Generation Activities	Alternative Income Generation activities in operation		At least income generation activities covers operation expenditure	75% operation costs for O&M born by income generation.	50 % operation costs for O&M born by income generation	25 % operation costs for O&M born by income generation	No income generation.	

3.0 ASSET MANAGEMENT

No	Indicator	Description	Units	Expected Range	Marks Allocated				
					50	40	20	0	
	All assets captured and updated				All assets inventorised , captured ,Geo tagged or mapped in an inventory and updated	All assets inventorised captured ,geo tagged or mapped in an inventory and not updated	All assets captured , in an inventory and updated	Allassets not captured , in an inventory .	
In	Maintainance carried out effectively on regular basis				PPM & Corrective maintainance carried out.	PPM carried out	Corrective maintenance only.	.No any maintainance.	

4.0 SERVICE LEVEL

No	Indicator	Description	Units	Expected Range	Marks Allocated				
					20	10	0	5	Total For Each
	Water availability								25
	Reliability of water source								25
	Water quality tested and passed				Both Chemical & bacteriological tests done & passed	Both Chemical & bacteriological tests done & not passed	Both Chemical & bacteriological tests not done		25
	Instances of water services broken down more than 12 hours for last one year				No cases of such instance of services broken down.	Only one case for last two years.	Only two cases for last two years		25

5.0 WATER SOURCE SHARING & PROTECTION

No	Indicator	Description	Units	Expected Range	Marks Allocated				
					20	15	0	0	Total For Each
	Sensitising Water Sharing				Water Sharing agreed & sentisized with other stake holders.	Water sharing partialy agreed.	Water sharing fully desputed.		
	Risksin the catchment identified& mitigation plan prepared.				All the risks identified & mitigation plan prepared.	All the risks identified no plan for mitigation.	Not identified.		
	Improvement work carried out				Allthe work related to mitigatory works is in progress.	Action plan prepared for all the risks & work is in progress for some of the mitigatory measures	Action plan prepared for all the risks & work is in progress		25

Key Operational and Maintenance Performance Indicators for Rural Water Supply Schemes

Nuwara Eliya District

Technical Performce Indicators

#	Indicator	Description	Units	Expected Range	Marks Allocated			
					10	8	5	0
1	Non Revenue Water	$\frac{\text{Monthly Volume of Non Metered Water } (m^3) \times 100}{\text{Monthly Water Production } (m^3)}$	%	0-15	0-5	6-10	11-15	>15
2	Water Supply Duration	$\frac{\text{Monthly Duration of Actual Water Supply (hrs)}}{30}$	Hours per day	12-24	16-24	12-16	8-12	<12
3	Leakages in Pipe Lines	$\frac{\text{Number of Pipe Line Repairs} \times 10}{\text{Total Length of Pipe Lines (km)}}$	No. of events per 10km	0-1	0-1	2-3	4-5	>5
4	Active Domestic Water Meters	$\frac{\text{Number of Operational Water Meters} \times 100}{\text{Number of Total Water Meters}}$	%	95-100	95-100	90-95	80-90	<80
5	Level of Chlorination	$\frac{\text{Monthly Chlorine Used } (g) \times 100}{\text{ExpectedMonthly Chlorine Usage at 1ppm } (g)}$	%	100	100	75-99	50-74	<50
		Sub total of marks						
		Total Marks for Technical Performance of RWSS				/50		

Key Operational and Maintenance Performance Indicators for Rural Water Supply Schemes

Nuwara Eliya District

Community Based Organization Performce Indicators

#	Indicator	Description	Units	Expected Range	Marks Allocated			
					10	7	3	0
1	CBO Executive Committee Meetings	$\frac{Number\ of\ Exec.Comm.Meetins\ During\ the\ Year}{12}$	Meetings per Month	1	≥1	0.9-1	0.8-0.9	<0.8
2	CBO Annual Meeting	$\frac{Number\ of\ Members\ Participated\ x\ 100}{Total\ Number\ of\ Meneficiary\ HHs}$	%	90-100	90-100	80-90	60-80	<60
3	Water Source Preservation	Number of actions taken during the year	Actions per year	3	≥3	2	1	0
		Sub total of marks						
		Total Marks for Community Performance of RWSS				/30		

Key Operational and Maintenance Performance Indicators for Rural Water Supply Schemes

Nuwara Eliya District

Financial Performance Indicators

#	Indicator	Description	Units	Expected Range	Marks Allocated			
					10	7	3	0
1	Collection Ratio	$\frac{Actual\ Monthly\ Income\ x\ 100}{Expected\ Monthly\ Income\ (Based\ on\ Usage)}$	%	95-100	95-100	90-95	80-90	<80
2	Income-Expense Ratio	$\frac{Monthly\ Income\ (LKR)x\ 100}{Monthly\ Expenditure\ (LKR)}$	%	Above 120	>120	110-120	105-110	<100
		Sub total of marks						
		Total Marks for Financial Performance of RWSS				/20		

Key Operational and Maintenance Performance Indicators for Rural Water Supply Schemes

Nuwara Eliya District

Performance Evaluation Summary			RWSS Performance Rating	
#	Evaluation Criteria	Marks	Marks	Rating
i	Total Marks for the Technical Performance of RWSS		>90	Excellent
ii	Total Marks for the Financial Performance of RWSS		80-90	Good
iii	Total Marks for the Community Based Organization Performance of RWSS		60-80	Need to Improve
	Total Marks Attained	**/100**	Below 60	Not Sustainable