

The EBC-programme: promoting continuous improvement of water services

1ST EFRWS
3 December 2019



International search for best practices in management and operations

Personal introduction

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- managing director EBC Foundation (European Benchmarking Co-operation)
- previously Rotterdam water utility Evides and national water utility association Vewin
- management team member IWA's SG on Benchmarking & Performance Assessment



Content

- About EBC
- Benchmarking basics
- EBC's benchmarking- and improvement programme
- Lessons learned and future challenges



EBC Foundation

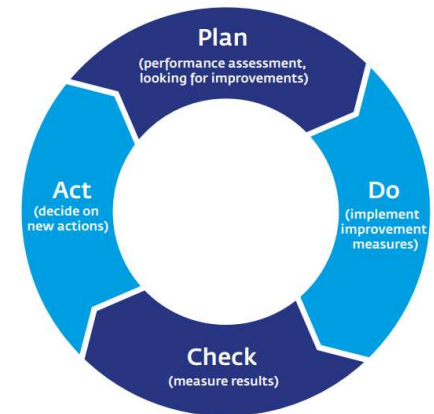
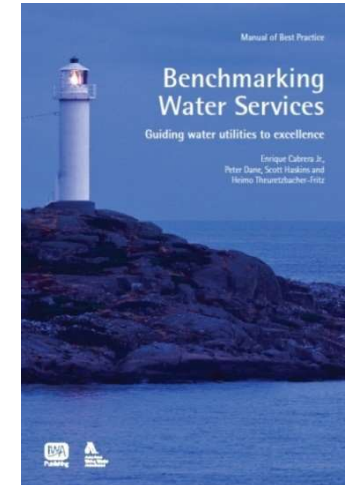
- benchmarking initiative for water- & wastewater services, initiated in 2005 by Dutch- & Nordic water associations and utilities from the 6-Cities Group
- not-for-profit Foundation, based in The Hague (NL)
- governed a Board (FIWA, Norsk Vann, Vewin, EurEau & Danube Water Program (IAWD/World Bank) & an Advisory Council
- mission: assisting utilities and associations in improving & innovating water services through benchmarking and learning from each other



Benchmarking – what is it?

“Benchmarking is a tool for performance improvement through systematic search and adaption of leading practices (IWA/AWWA)”

- 2 consecutive steps:
 - performance assessment
 - performance improvement
- management tool for continuous improvement
- preferably embedded in annual business planning cycle

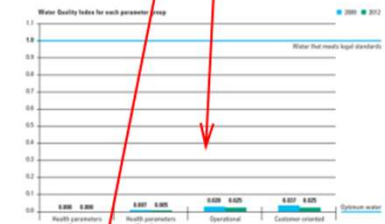


Does it work?

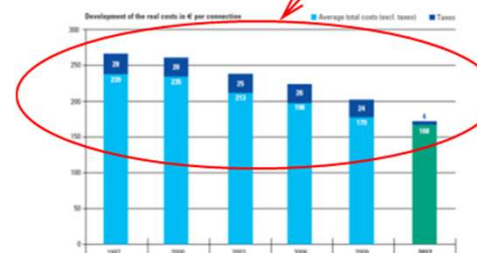
- Clear evidence from documented cases in D, DK, NL
- Dutch case of benchmarking water supply since 1997:
 - 35% cost reduction (corrected for inflation)
 - still improving the service level
 - maintaining investment levels



Quality index 2009 - 2012



Cost level 1997 - 2012



Investment level 1990 - 2014



EBC's benchmarking programme

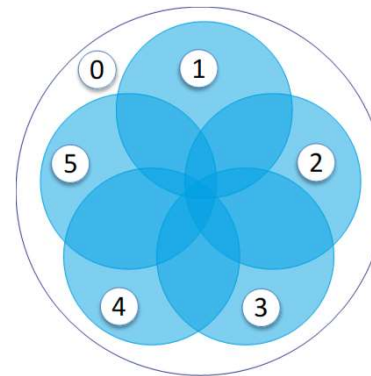


Programme and key deliverables

- annual benchmarking cycles in seven process steps



- broad view on performance:
 - 'traditional' areas &
 - emerging topics

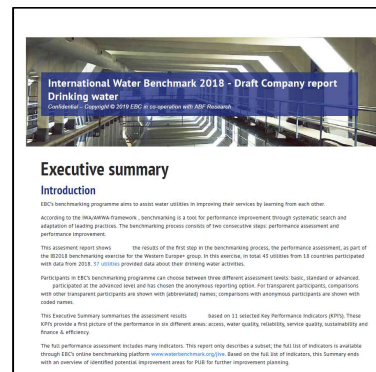
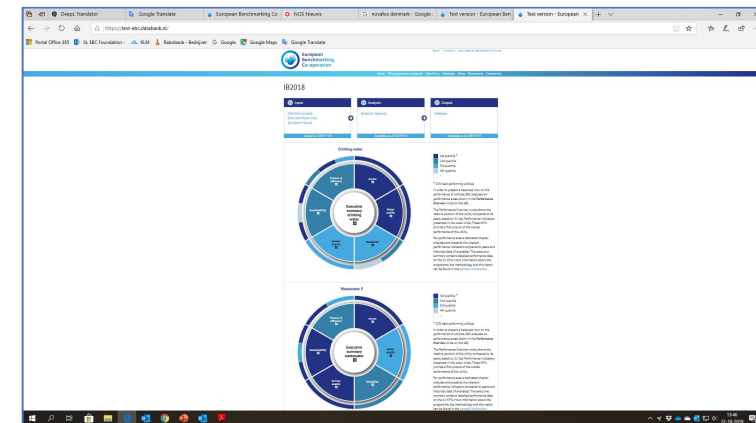


- 0 context information
- 1 water quality
- 2 reliability
- 3 service quality
- 4 sustainability
- 5 finance & efficiency

Programme and key deliverables (2)

individual company report to verify results & identify improvement potentials

- 'dashboard' presentation of key assessment results, showing trends, comparisons with peers & improvement priorities
- includes water balance and cost- & revenue model ('closed systems')



4.2.4 Potential improvement areas

The performance assessment that has been carried out identifies where – in comparison with colleague utilities – a utility performs well and where it could do better. This information can help utility management to find improvement priorities and prepare an Improvement Plan for the service.

The table below displays – out of the full list of indicators – the top 3- and the bottom 3-indicators. The column Mark shows the current relative position and the column Trend if the performance is improving or deteriorating. This information together indicates – with the necessary reservations – the necessity of further action.

Table 2: Potential improvement areas

Top 3 indicators			Mark	Trend	Value
[xOp-EB002] Standardized Average Network Age Index (SNAI)			10	=	28
[Q5-029] Continuity complaints			10	=	0 %
[F-EB005] Residential properties receiving intermittent supply			10	=	0 %
Bottom 3 indicators			Mark	Trend	Value
[xOp-023] Non-revenue water per property			2	=	122.6 m ³ /property
[xOp-EB073] Distribution losses per total length of mains and service connections			2	=	18.7 m ³ /km/day
[xOp-028] Distribution losses per mains length			2	=	27 m ³ /km/day

■ Mark 1-2 ■ Mark 3-5 ■ Mark 6-7 ■ Mark 8-10 * Mark 10 is the top 10-percentile, Mark 1 is the bottom 10-percentile
○ Positive trend compared to last year (difference > 5%) = Stable trend compared to last year (difference less than 5%)
○ Negative trend compared to last year (difference > 5%)

Programme and key deliverables (3)

Annual benchmarking workshops

- to discuss assessment results - understanding PI's & performance gaps
- to share good practices & innovations
- most important part of the cycle: moving from assessment to improvement



Programme and key deliverables (4)

Stimulating & facilitating peer exchanges

- site visits to interesting WTP's and WWTP's
- company- & staff exchanges
- Knowledge Picnics

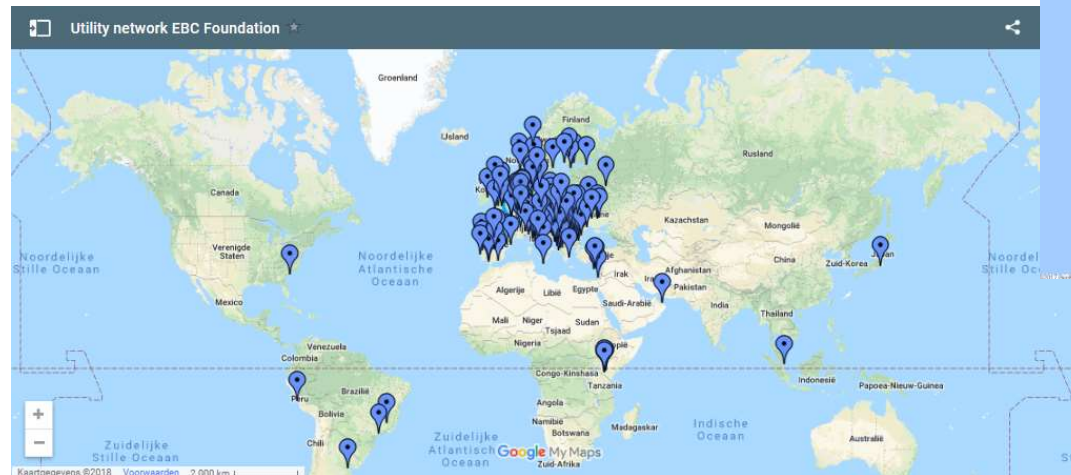


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EBC's utility network

- more than 230 utilities from 45 countries involved
- work organised through regional, interconnected programmes

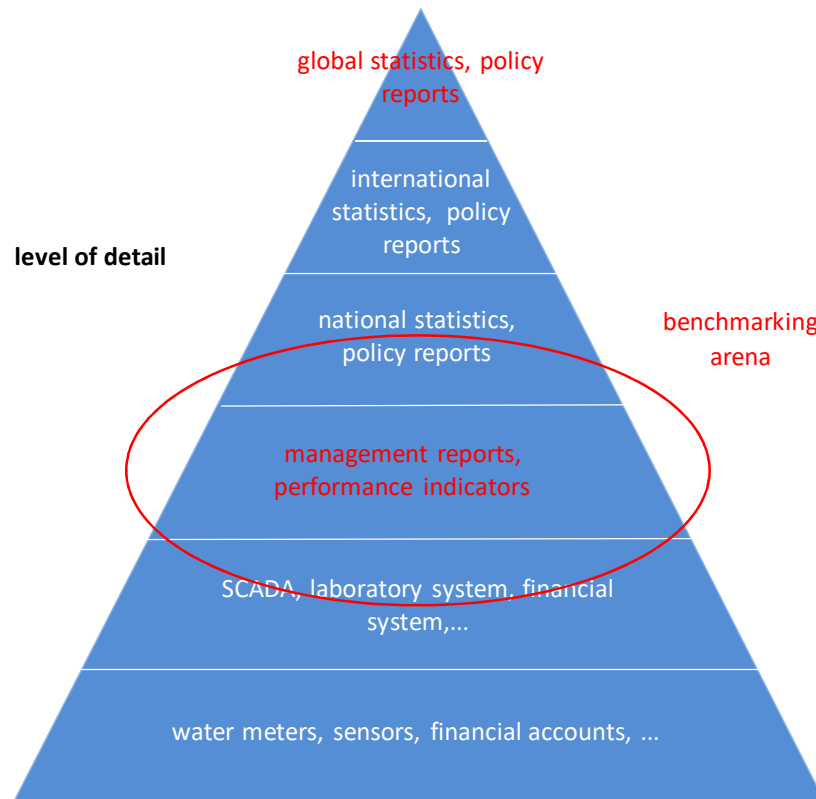


To conclude

- benchmarking \neq cost reduction
- information needs vary by stakeholder – public, regulators or utility managers each have a different focus
- collecting reliable & relevant performance data important - but not enough to improve services
- benchmarking and service improvement requires continuous commitment of senior management



Information pyramid



stakeholders & information needs

global institutions (Worldbank, UN, IWA) - global monitoring & policy making

international institutions (EU, EUROSTAT, EUREAU) - international monitoring & policy making

national authorities, statistical agencies - national monitoring & policy making

regulators - compliance with national regulations

utility management, supervisory boards, shareholders - utility governance & -efficiency

process managers - process management information & -efficiency

utility staff - technical & administrative process controll

To conclude (2)

- society today expects effective, efficient, transparent, sustainable and resilient utilities – essential for utilities to get engaged in benchmarking efforts
- EBC's benchmarking programme offers:
 - objective, sound performance assessment and –comparison;
 - improving by learning from colleagues from a unique utility network
- sufficient funding essential to keep initiatives alive – in particular in Central-/Eastern Europe



Thank you for your attention!

more information:

www.waterbenchmark.org



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