

## **WSUP management response to Final Report for Evaluation of Water & Sanitation for the Urban Poor's DFID-Funded Programme: 2012-2015**

WSUP welcomes the final evaluation of the 2012-2015 DFID funded-programme "Water & Sanitation for the Urban Poor (WSUP)". The programme targeted the adoption and replication of effective urban water, sanitation and hygiene (WASH) models by WASH service providers, national governments and international financing institutions across the six countries where WSUP has an established presence. It was further characterised by a comprehensive programme of research, publications and communications aimed at informing and influencing the international WASH sector.

The evaluation was led by INTRAC, an independent consultancy firm. The evaluation report is structured according to the programme's four Strategic Outcomes, as stated in the programme proposal to DFID: 1) Demonstrated models of urban WASH service delivery for the urban poor; 2) Service provider capacity and institutional framework to sustain improvement process; 3) Scale: City wide investment triggered; and 4) Influence: Sector influence worldwide. [We note that, at DFID's request, this evaluation covered the period to 31 December 2015, but that the programme continued under a no-cost extension to 31 March 2016, with the result that some final outcome metrics are slightly higher than as at December 2015].

WSUP fully accepts the findings of the evaluation and considers it to have been professionally implemented and rigorous, while generating very useful recommendations for WSUP's work going forward. Below we respond to selected evaluation findings in an order that mirrors the structure of the evaluation report:

### **Outcome One: Demonstrated models of urban WASH service delivery for the urban poor**

- 1) The evaluation notes that finance leveraged by WSUP was below target amounts; however, the evaluators rightly state that the total amount raised "still represents a very significant level of progress in the period under consideration". WSUP is well positioned to build on this progress over the forthcoming 2016-2020 Business Plan period, as strengthened by the recent appointment of Director of WASH Finance. [Total finance mobilised was \$182.7 million as at March 2016].
- 2) The evaluation notes that WSUP's value for money per beneficiary compares favourably to the estimate given in the proposal to DFID. We note the figures for cost-per-beneficiary cited in the evaluation report have subsequently been revised by WSUP and now represent still greater value for money: as at March 2016, the aggregated cost-per-beneficiary of the programme equated to £3.63 per direct beneficiary and £2.28 considering direct and indirect beneficiaries together.
- 3) The evaluation highlights the programme's "very clear emphasis on gender". We note that in the period subsequent to the evaluation, WSUP has created a dedicated gender and inclusivity group with responsibility for ensuring WSUP's gender mainstreaming approach is further enhanced over the forthcoming Business Plan period.
- 4) The evaluation notes that the numbers of indirect beneficiaries reported under the programme represent conservative estimates and "do not adequately reflect the critical contribution that the programme is making to scaling up". WSUP acknowledges the need to improve our counting protocols for indirect beneficiaries; this is a key focus of our revised M&E framework for the period 2016-2020. However, as a general principle, we also believe it is appropriate to err on the side of the caution when counting the beneficiaries of a programme. We are pleased to report that over the period of the Business Plan 2012-2016 we reached approximately 8.59 million indirect beneficiaries.

### **Outcome Two: Service provider capacity and institutional framework to sustain improvement process**

- 5) The evaluators suggest that “WSUP’s capacity measurement scales may not have fully captured the extent of the institutional change WSUP has delivered”. WSUP has a wide body of knowledge and evidence to support this assertion. WSUP recognises the need to enhance the way it tracks capacity development; we are developing more sophisticated tools for tracking impacts of this type under the revised M&E framework for the period 2016-2020. Notably, country teams will be allowed greater freedom to define locally relevant metrics for any given capacity development or policy influence intervention.

#### **Outcome Four: Influence: Sector influence worldwide**

- 6) The evaluation emphasises WSUP’s contribution to the urban WASH knowledge market through “an impressive raft of publications”, “highly valued and greatly effective” Masterclasses and “a successful research programme”. Over the period 2016-2020 WSUP aims to continue to strengthen its position as a principal actor in the creation and dissemination of learning and analysis relating to effective urban WASH solutions. This will be achieved through an enhanced programme of research to consolidate WSUP’s growing reputation as a sector leader in this area; and through continued generation of knowledge-building, reader-friendly publications designed to produce maximum impact.

#### **Conclusions**

- 7) The evaluators state that “WSUP’s Unique Selling Point (USP) is to enable low-income country stakeholders to engage with and deliver services to the poor and fulfil their (not always initially understood) pro-poor mandate”. Here we elaborate that an important part of WSUP’s USP is a dual focus on i) innovation and market-driven solutions, and ii) institutional change and enhanced political commitment. These are often viewed as alternative solutions; WSUP aims to drive change in both spheres.
- 8) The evaluation notes that “the influencing work that the Country Programme Managers (CPMs) and others do...is critical and forms part of their ongoing work. Given the lack of time, measures must be put in place for CPMs to address this and allow CPMs to re-prioritise work areas”. We fully agree with the assessment that CPMs must be allocated dedicated time to perform their sector influencing roles effectively; this is reflected in our adjusted focus and staffing plan for the forthcoming Business Plan period.
- 9) The evaluation states that “WSUP has rightly focussed a lot of energy and achieved success with its work on FSM and some very useful work on small scale sanitation finances. Valuable as this work is, there is now a need to grapple with the fundamental sanitation obstacles”. We fully accept this conclusion: while we believe we are doing sector-leading work on FSM, we fully recognise the very significant challenges of developing financially sustainable and equitable service delivery models. Here we note that WSUP has recently established a new global team – Innovation and Consumer Needs (ICoN) – to drive forward innovation at the regulatory, enterprise, service and consumer level with regard to a portfolio of activities across the organization. This team will provide targeted support to viable sanitation businesses as they move from incubation to the fully commercial space, which will naturally include significant analysis of sustainable business models in the small scale sanitation sector. In addition, through enhanced influencing activities built on strategic relationships with key stakeholders, WSUP will act as a catalyst for the improved targeting of sanitation-related investment by international finance institutions including the World Bank.
- 10) The evaluators make a number of pertinent observations in the area of hygiene behaviour change. Here we note that achieving significant advances in hygiene behaviour change has proven challenging for the WASH sector as a whole; over the 2016-20 Business Plan period, WSUP will seek to leverage the experience it has already acquired with key partners in rolling out large-scale hygiene promotion interventions and will work to ensure that hygiene

education translates to sustainable behaviour change. An increasing focus will be on behaviour change education carried out alongside sanitation improvements.

- 11) The evaluation notes that “the programme has a well-developed M&E System. The M&E system can be refined to support better learning and accountability”. Here we note that WSUP is finalising a substantially revised and improved M&E framework for the forthcoming business plan period.

## **Recommendations**

- 12) The evaluation recommends that WSUP seeks to “build on its status and position as a market leader/influencer to take its role as an influencer to a higher level and use its cadre of ‘model utilities’ and, most critically, key people in those utilities along with its Programme staff, to influence that decision making and direction of WASH provision and support by IFIs and International donors”. We concur with this recommendation: WSUP’s new business plan was designed explicitly with these aims in mind.
- 13) The evaluation recommends that WSUP “extend its programme to two new countries, with at least one of them being in Asia”. We note that WSUP does not have immediate plans to expand into new countries; however we are actively considering this possibility. This is reflected in WSUP’s Business Plan for the period 2016-2020, which outlines that WSUP may seek to expand its operations into one or two new countries. Reflecting WSUP’s philosophy, any decision to enter a new country would be taken with a long-term view, and would represent a long-term investment by WSUP – such a decision therefore requires careful consideration. WSUP envisages that operating in country environments of larger scale and complexity than the majority of our current programme countries on a long-term basis could provide valuable learning for the wider sector.
- 14) The evaluators comment that “it is important to develop more effective ways to interact with the UK’s water utilities, both to harness their skills in the more mechanical aspects of utility service and to develop a UK constituency of support for WSUP”. We will look carefully at possible interaction with UK water utilities, but believe that strong South-South utility partnering is of equal or potentially greater value.
- 15) The evaluation notes that “WSUP should take a more holistic view of learning by building a suite of learning packages and approaches and expand their proposed research programme into an enquiry programme that can use a variety of means”. We concur with the need for a flexible, formative research component to WSUP activities over the period 2016-2020; however we note this should not be at the expense of more rigorous, academic research, all aligned with achieving WSUP’s overall vision.
- 16) The evaluators state that “recognising the importance of WSUP’s influencing role, we recommend that it develops its monitoring framework to incorporate monitoring of sustainability and use”. We note that WSUP already tracks use (as opposed to access alone) through various approaches including household surveys. We also note WSUP’s intention to introduce significantly expanded annual city-level surveys to allow sustainability checks of previous WSUP interventions, as part of the revised M&E framework for the forthcoming business plan period.
- 17) Related to a number of the above points, we note that WSUP has continued to strengthen partnerships with key sector stakeholders subsequent to the evaluation period, in areas including sector influencing, building the evidence base, transforming learning into operations and practice, and research. This includes potential collaboration with UNICEF and the World Bank to enhance strategic alignment, develop the skill sets and knowledge of their staff and improve focused action on urban WASH; similarly we will continue to work alongside WaterAid and others in developing our operations and policy influencing.