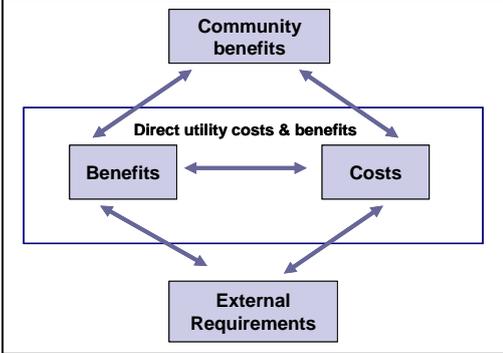


<p><i>Organisational culture and capability</i></p>	<h2>WSP- Summary of benefits and costs</h2>	
	<p><i>Management guidance</i></p>	
<p>Information derived from: Based on feedback from water suppliers.</p>	<p>Related tools:</p> <ul style="list-style-type: none"> ○ Asset management ○ External stakeholders ○ Finance and charging ○ Risk prioritisation 	
<p>Important Notes to users: <i>This document provides general guidance to support improved management of drinking water quality. It cannot however be definitive and users must ensure that they assess local factors and particularly take account of any national or regional legislative requirements before adoption. This may also require close collaboration with others. The priority to be given to implementing controls to manage identified risks to water quality will depend on a proper prioritisation process by each water supplier.</i></p>		
<p>Summary Before implementation of a WSP it is important to clearly identify the expected benefits and the associated costs both of which could be significant. This will help secure the support of senior management, ensure that sufficient resources are made available and allow much more targeted and efficient implementation. The actual benefits and costs of WSP implementation will vary considerably from utility to utility. This document sets out a summary of the issues that need to be taken into account.</p>		
<p>Detailed information There is a complex relationship between the costs and benefits of WSP implementation, and the actual situation will vary considerably from country to country and between utilities. A simple representation of the main components is summarised in the diagram below. Each aspect must therefore be assessed to take account of the local situation. More information is given below.</p> <div style="text-align: center; border: 1px solid black; padding: 10px; margin: 10px auto; width: fit-content;">  <pre> graph TD CB[Community benefits] <--> DUB[Direct utility costs & benefits] subgraph DUB B[Benefits] <--> C[Costs] end DUB <--> ER[External Requirements] </pre> </div> <p>Direct benefits Experience of water suppliers is that these can include:</p> <ul style="list-style-type: none"> ○ Regulatory compliance: Implementation of WSPs is a regulatory requirement in a number of countries ○ Improved water quality: As well as regulatory parameters this could include consumer acceptability, and quality reliability. ○ Improved consumer trust: The trust that consumers have in their water supplier is likely to be improved by better water quality and a range of other related service improvements e.g. the way that complaints and incidents are responded to. ○ Regulatory confidence: Improved water quality management will improve confidence in the supplier by key external stakeholders such as regulators, health authorities and municipal authorities. 		

- Cost effectiveness: A risk based approach to water quality management should improve the cost effectiveness of the supplier's operation and also facilitate better targeting of capital investment.
- Staff commitment: It has often the experience of suppliers that engaging staff in a water safety plan process actually improves their commitment to the organisation and service to consumers.
- Avoiding the costs of failure: Water quality incidents or failures can have significant financial, legal and other implications for water suppliers. In a worst case even the supplier's "licence to operate" can be compromised. Proper implementation of a WSP should significantly reduce the risk of water quality failure and improve the speed of recovery after incidents thus minimising these costs.

Direct costs

- Set up costs: The costs of initial setting up of a WSP can be substantial. As well as staff time this could also include data gathering and assessment, establishment of IT and other management systems and internal communication. The costs of external support may also need to be included.
- WSP maintenance: Once the WSP has been established it is of vital importance that it is properly maintained, information and documentation updated, and risks regularly reviewed. The cost will not be as large as initial set up but still needs to be budgeted for.
- Operational and capital improvement programmes: Implementation of a WSP will identify a need for both operational and capital improvement programmes. Depending on the supplier, these might be substantial and will need to be phased over a period of time using appropriate risk prioritisation mechanisms.

External requirements

These can vary considerably between countries but can include:

- Regulatory requirement: In some countries it is a regulatory requirement to carry out a WSP or equivalent.
- Water pricing and investment programmes: In some countries support for capital investment programmes and/or consumer charges is dependent on or can be better justified by a risk based water quality management system.
- External donor agencies: In some situations support from external donor agencies may be facilitated by data provided by a WSP.

Community benefits

Depending on a range of local social and economic factors and the current levels of supplied water quality, in some countries a number of broader community benefits may arise through implementation of a WSP. These will be difficult to quantify but could include improved community health, reduced reliance on other more expensive or unreliable water supply arrangements and improved support to local economies.

Reference for further detailed information:

Further examples of specific benefits and costs of WSP implementation for individual water suppliers may be found in case studies.

Typical resources needed:

This will vary considerably between suppliers and between countries

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