

Creation of jobs and small businesses through infrastructure operation and maintenance

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Background

The CSIR, the Water Research Commission (WRC) and their associates have developed a partnership concept which uses franchising-like principles for greatly improved operation and/or maintenance of infrastructure. The approach also creates jobs and transfers workplace skills in rural and urban communities.



The first graduates of the franchisee training course for the Eastern Cape infrastructure operation and maintenance pilot.

This allows for an institutional alternative for collaboration with public sector institutions (such as municipalities) for the operation and/or maintenance of their built infrastructure. This concept has been piloted, with great success, on low-technology schools facilities in the Eastern Cape.

Many opportunities exist for applying the same approach to other operation and/or maintenance activities within the water and sanitation services delivery chain. Following the success in the Eastern Cape, the concept should now be developed further so that it can move up the technology ladder, expanding its range of competencies beyond its current deliverables.

The concept has considerable potential to address national challenges relating to skills and delivery.

The potential

Year after year, it has been found that the operation and maintenance (O&M) of too much of South Africa's water services infrastructure do not comply with the required standards.

The CSIR, the WRC and the private sector water services provider Amanz' abantu Services, working collaboratively, have undertaken studies of selected institutional options that could assist in the improvement of O&M.

These research studies postulated that franchising-like partnership models, developed in the private sector for providing a wide range of services, could be adapted, and the resultant collaborative social partnership model could be a valuable and viable addition to the current range of institutional models for the O&M of public sector sanitation and water services infrastructure.



The concept of 'social franchising' is defined as "the application of commercial franchising concepts to achieve socially beneficial ends" and has been identified as a model that can, among other things, assist in the provision of health services. It can also be appropriate for other sectors, particularly where the costs of the service need to be driven down through using competitive pricing, efficient marketing and proven delivery mechanisms. The social partnership model utilises the strength of the franchising approach, but without any profiteering.

Following an invitation by Amanz' abantu to key officials of the Eastern Cape provincial Department of

Education (DoE), the officials saw the potential of the partnership model to assist them with one of their most intractable problems. This challenge is the poor levels of maintenance and widespread dysfunctionality of water and sanitation infrastructure at schools in the province. Particularly, they saw the potential of the partnership model for rural schools, where harvested rainwater is generally the only water supply to the school, and the toilets are ventilated improved pit toilets or similar.

Amanz' abantu's franchisor subsidiary (Impilo Yabantu) and its trainee franchisees have in less than three years greatly improved the condition of the water and sanitation facilities — and hence the quality and reliability of services — at the 400 schools of the Butterworth education district.

Other facilities to benefit

It is now appropriate to extend this approach, piloting it in the routine O&M of other water and/or sanitation service infrastructure. It could, indeed, also be extended to other elements of public sector infrastructure, including electricity and public buildings.

Many opportunities lie in utilising the approach to undertake readily-systematised, repetitive O&M activities. Moving beyond the schools environment, the services to local government could, for example, include solid-waste management, water-loss management and household sanitation servicing.

Some large municipalities have indicated a keen interest in franchised service providers. Such providers could undertake water and sanitation servicing in dense, informal settlement areas and communities living on the rural fringe, as well as solid-waste collection and its recycling and/or disposal.

The earlier studies by the CSIR/WRC/Amanz' abantu team analysed the water services delivery value chain, and identified about 40 types of opportunities for micro-businesses. Social franchising partnerships are thus now ready to expand beyond their current comfort zone of routine servicing of low-technology water and sanitation infrastructure in rural areas.

It is important to note that social franchising partnerships for the water services O&M concept address the requirements of many of South Africa's national goals, particularly:

- **job creation** – and it creates these at the lowest economic levels where unemployment is the highest and workplace skills are very limited;
- **transfer of workplace skills;**
- **micro-enterprise creation and nurturing;**
- **broad-based black economic empowerment;** and
- **infrastructure and service delivery,** through infrastructure maintenance activities that increase the quality and reliability of services, and the availability and utility of infrastructure.