The Urban Unit
Urban Sector Planning & Management Services Unit (Pvt.) Ltd.

Institutional Capacity Building

Regional Development Planning of Multan Division



Executive Summary

This report presents the findings of the Institutional & Capacity building component of the Multan Regional Plan, specifically focusing on the Water and Sanitation Agency (WASA). The main objective was to assess the development needs of these institutions and other associated organizations in order to effectively address future challenges and deliver services. The Training Needs Assessment (TNA) was conducted to identify the necessary knowledge, skills, and attitudes required for the future state of these departments.

The TNA process was carried out by the Urban Unit, with the involvement of relevant TNA Experts. The process began with essential baseline research to understand the dynamics of the human resources. A sample of employees was identified to participate in the TNA, and the assessment was divided into different areas, considering the future focus and the organization's mandate and needs.

A single TNA session was conducted for each department, with approximately 15-20 participants. The TNA process involved surveys and assessments of both gazette and non-gazette officers within the departments. While the chapter describes the current state of these departments, additional elements were incorporated to address the future needs of WASA as part of strategic recommendations.

Data for the TNA was collected using a specially designed questionnaire that was tailored to the relevant sectors common to each department. In addition, open-ended discussions were held at the beginning of each TNA session, where participants shared key issues and challenges they faced in their roles. This helped set the tone for the rest of the session. Participants were enthusiastic and provided valuable input regarding the institutional governance framework, including suggestions for improvement and better integration among government bodies for transparent monitoring and enforcement of laws and functions in Punjab province.

Following these discussions, the participants filled out the questionnaires in a two-stage approach. The first part involved a role analysis to understand the responsibilities of the participants filling out the questionnaires. This was followed by identifying gaps in terms of knowledge, skills, and attitudes, focusing on relevance and competence.

The second part of the process involved identifying the training requirements, considering the relevance of the training, the desired competence to be acquired, and prioritizing which elements should be focused on first. The final part of the questionnaire focused on determining the preferred learning style for delivering the desired trainings.

The subsequent analysis of the responses identified the areas that require the most focus based on the participants' feedback.

Visit Details: The visit was made under the development of the Regional Development Plan of Multan Division as per the approval of PC-I titled, “Regional Planning in Punjab”, in DDSC forum of Planning and Development Board (Dated: September 30, 2022).

The inception visit was from 7th March 2023 to 9th March 2023 followed by a rapid assessment visit by the technical teams. A detailed visit for the task was made from 14th March 2023 to 18th March 2023.

SECTION 1

OVERVIEW OF THE DEPARTMENT

ESTABLISHMENT OF WASA	April 1992
JURISDICTION AREA	584 Km^2
POPULATION OF MULTAN	2.2 MILLION
COVERAGE OF SEWERAGE	65% population (1.43 million)
COVERAGE OF WATER SUPPLY	55% population (1.21 million)
WATER DISTRIBUTION SYSTEM	Tube wells 84 (04 Cusec Each) Total Capacity = 336 Cfs Network 1448 km (02" to 24") Filtration Plants 65 (1000 Gallons/hr) Functional = 65 No
SEWERAGE SYSTEM	2055 Km sewer Lateral Sewer (9" to 21") = 1790 Km Trunk Sewer (24" to 72") = 265 Km Disposal Stations = 15 No Lift Stations = 10 No
HUMAN RESOURCES	Sanctioned Posts = 2216 Vacant Posts = 879

The city of Multan, with a population of 2.2 million, covers an area of 584 square kilometers. The Water and Sanitation Agency (WASA) in Multan was established in 1992 and has been responsible for providing water supply and sewerage services to the city's residents. Currently, WASA is able to serve 60% of the population by producing and delivering a minimum of 31.5 million gallons of drinking water per day. Additionally, the residents themselves produce approximately 12 million gallons of water daily. As a result, WASA is tasked with collecting,

lifting, and disposing of 43.5 million gallons of sewage every day through its sewer network and disposal stations. During the summer months, the sewage volume reaches a maximum of 48 million gallons per day, while during the winter months, it decreases to a minimum of 39 million gallons per day.

Mission

- Improvement of service level of existing Water Supply and Sewerage facilities
- Extension of these facilities for entire population of the City including newly developed areas
- Improvement of recovery of user charges to make it the self-financing Agency

Accomplishments of WASA:

- Since its establishment, WASA Multan has successfully provided water supply services to 60% of its population and sewerage facilities to 55% of its population, according to the latest survey conducted in 2006.
- The sewerage system of WASA Multan consists of sewer lines with diameters ranging from 6 inches to 72 inches, spanning a total length of 1028 kilometers. It also includes 5 main disposal stations, 2 intermediate lift stations, and 11 mini-lift stations installed in low-lying areas.
- The water supply system comprises distribution lines that stretch over 960 kilometers, with diameters ranging from 2 inches to 24 inches. Additionally, there are 80 tube wells with a total capacity of 279 cusecs and 21 overhead reservoirs with a capacity of 2.35 million gallons per day.
- Improvement in User Charges Recovery: WASA has achieved a significant breakthrough in increasing the recovery of user charges. The amount recovered has risen from Rs.45.607 million in the year 2002-03 to Rs.96.272 million in the year 2005-06. This represents a substantial improvement compared to previous years. A chart depicting the year-wise recovery since 1996, highlighting the increase, is provided for reference.

Functions of WASA: WASA is responsible for planning, designing and construction of water supply, sewerage & drainage facilities for:

- Rehabilitation and augmentation of the existing system.
- Operation and maintenance of water supply, sewerage & drainage system.
- Billing and collection of all rates, fees and charges for the services provided to its consumer.
- Undertaking bulk production, filtration/treatment, transmission and retail distribution purifying of water.
- Collection, pumping, treatment & disposal of sewage & industrial waste.
- Enforcement against defaulters and unauthorized connections etc.
- Short term and long- term planning for tapping additional water sources & its implementation to meet water supply and sewerage demand projected.
- Collection of revenue in shape of water & sewerage charges from the consumers.

SECTION 2

TRAINING NEED ASSESSMENT

What is a training needs analysis?

A training needs analysis involves taking a broad perspective of a department and its overall objectives, and then delving into specific types of training that the department requires. This evaluation helps determine whether the department needs comprehensive training or on-demand mobile training, based on factors such as employee risk profile or key areas of growth and success. Conducting a training needs assessment is a crucial initial step before developing a training program, as it enables the creation of more impactful training materials and optimal utilization of productive time.

The TNA is used for:

1. Analyzing what training needs are vital/prerequisites for effective training programs; simply conducting training for individuals may miss priority needs, or even cover areas that are not essential.
2. Identifying a comprehensive list of the required Knowledge, Skills and Attitudes (KSA) needed for each job role.
3. Enabling the channeling of resources into the areas where they will contribute the most to employee development, enhancing morale and organizational performance.
4. Providing a baseline for preparation of a training plan to develop required KSAs and ensure that staff have the best capacity to deliver desired results.

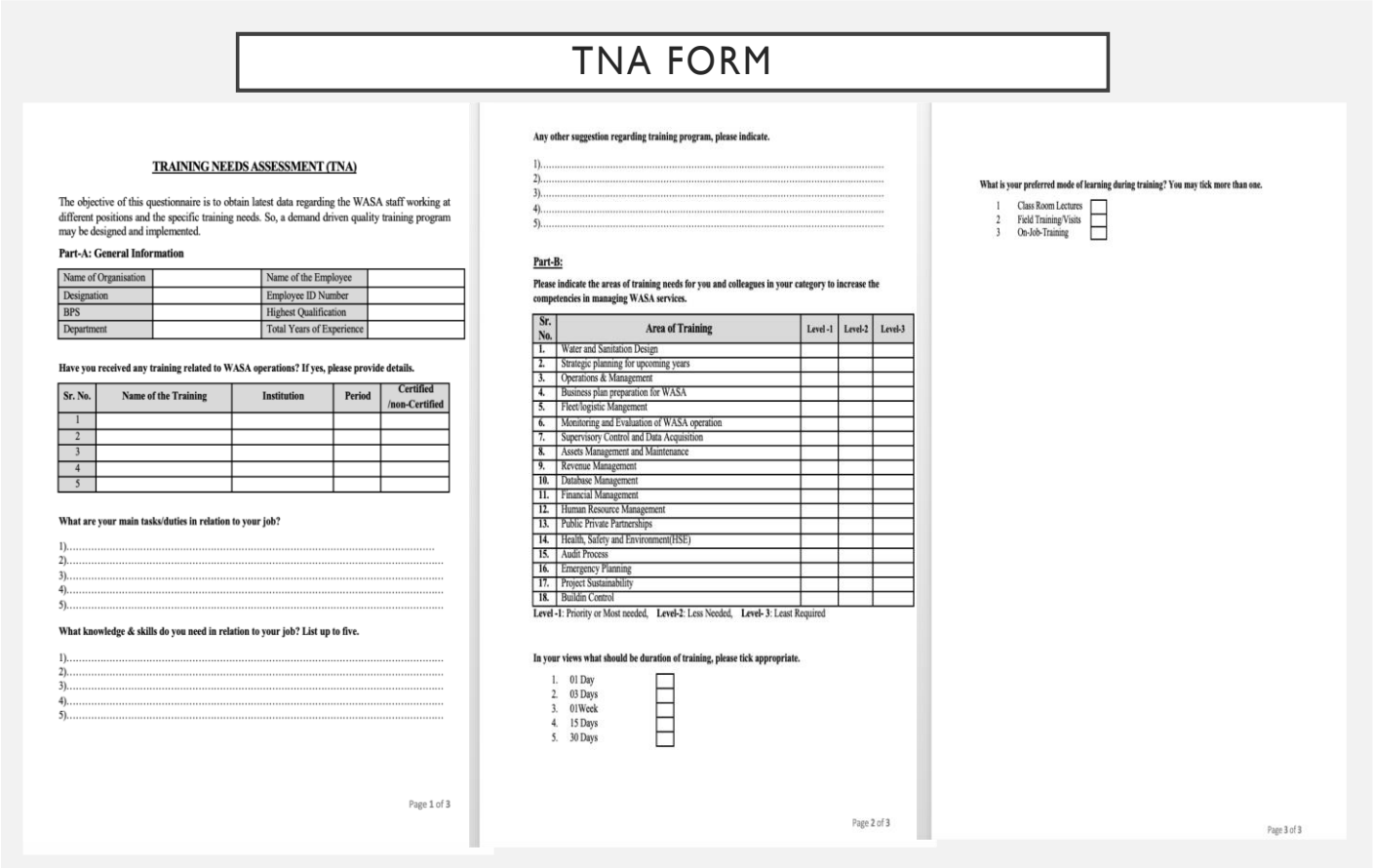
For optimal functioning, the workforce of all three departments and related agencies need to be equipped with the necessary level of professional knowledge and skills. As per requirements

TNA was carried out with the following aims:

1. Carrying out an assessment of the required competencies for the future state of the institutions
2. Conducting an evaluations of the staff member's existing competencies
3. Devising a training plan to upskill the competencies of the staff
4. Proposing the curriculum based on the TNA exercise conducted

Quantitative Data Collection:

To determine the current competency levels of the target group, data was gathered through a questionnaire with in relation to the desired outcome (future state) and task & competency analysis. Questionnaire attached as Annex A.



TNA FORM

TRAINING NEEDS ASSESSMENT (TNA)

The objective of this questionnaire is to obtain latest data regarding the WASA staff working at different positions and the specific training needs. So, a demand driven quality training program may be designed and implemented.

Part-A: General Information

Name of Organisation		Name of the Employee	
Designation		Employee ID Number	
BPS		Highest Qualification	
Department		Total Years of Experience	

Have you received any training related to WASA operations? If yes, please provide details.

Sr. No.	Name of the Training	Institution	Period	Certified /non-Certified
1				
2				
3				
4				
5				

What are your main tasks/duties in relation to your job?

1).....
2).....
3).....
4).....
5).....

What knowledge & skills do you need in relation to your job? List up to five.

1).....
2).....
3).....
4).....
5).....

Page 1 of 3

Any other suggestion regarding training program, please indicate.

1).....
2).....
3).....
4).....
5).....

Part-B:

Please indicate the areas of training needs for you and colleagues in your category to increase the competencies in managing WASA services.

Sr. No.	Area of Training	Level -1	Level-2	Level-3
1.	Water and Sanitation Design			
2.	Strategic planning for upcoming years			
3.	Operations & Management			
4.	Business plan preparation for WASA			
5.	Fleet/logistic Mangement			
6.	Monitoring and Evaluation of WASA operation			
7.	Supervisory Control and Data Acquisition			
8.	Assets Management and Maintenance			
9.	Revenue Management			
10.	Database Management			
11.	Financial Management			
12.	Human Resource Management			
13.	Public Private Partnerships			
14.	Health, Safety and Environment(HSE)			
15.	Audit Process			
16.	Emergency Planning			
17.	Project Sustainability			
18.	Buildin Control			

Level -1: Priority or Most needed, **Level-2**: Less Needed, **Level- 3**: Least Required

In your views what should be duration of training, please tick appropriate.

1. 01 Day ☐
2. 03 Days ☐
3. 01Week ☐
4. 15 Days ☐
5. 30 Days ☐

Page 2 of 3

What is your preferred mode of learning during training? You may tick more than one.

1 Class Room Lectures ☐
2 Field Training/Visits ☐
3 On-Job-Training ☐

Page 3 of 3

Aforementioned questionnaires acted as a backbone for carrying out the assessment. This questionnaires were aimed at assessing the required KSA including technical and behavioral

components. A two-stage approach was adopted for the questionnaires (copy blank questionnaire is attached in annexures) which is set out below; along with an additional General Information at the star.:

Section A: This section started with the head of general information seeking details related to designation, grade, section, and education, overall experience/experience with relevant department and employment status.

Section B:

Participants were then asked to list down trainings required and their level of importance to their job ranging from 'most important to least important' with level 1 being at the top priority to least priority at level 2.

Second section was divided into two main categories i.e. knowledge and skills.

- Knowledge part of the questionnaire was designed to evaluate the understanding and body of knowledge of the respondent against identified components in their respective thematic area (e.g. Basic Concepts, Analytical Tools etc.).
- Skill was designed with an aim to check the ability of the participant to perform a particular task

Last section of the questionnaires was designed to understand the preference of training delivery options i.e. number of days and mode of training required. Furthermore, it also aimed to prepare a pool of opinion regarding participants' preferences related to training and employee development in their relevant department.

Qualitative Data Collection:

Followed by quantitative data collection, qualitative data were also gathered through two different means:

1. Open Ended Discussions

   This was carried out at the start of every TNA session followed by introduction; participants were asked about the key issues and challenges they faced while performing their jobs. Session was carried out by a moderator and a facilitator who was responsible for taking notes.

2. Thematic Area Group Discussions

   It was carried out at the last of every TNA session; total participants were divided into thematic areas (refer to thematic group approach). Each group was led by respective thematic area expert who triggered discussion regarding understanding of knowledge/skills required to perform their job in line with the future state. Followed by

discussion, the activity ended by concluding courses/training they require to perform their job. The results were concluded on a chart paper under requested training topics and a collective SWOT analysis.

Stakeholder Consultative Session

To make the training proposal more holistic and to meet future requirements we consulted with the MD WASA, it's all internal department heads and junior staff members. We considered expert opinions of sector specialists within WASA and capacity needs were identified by other assessments, benchmarking reports, and international best practices.







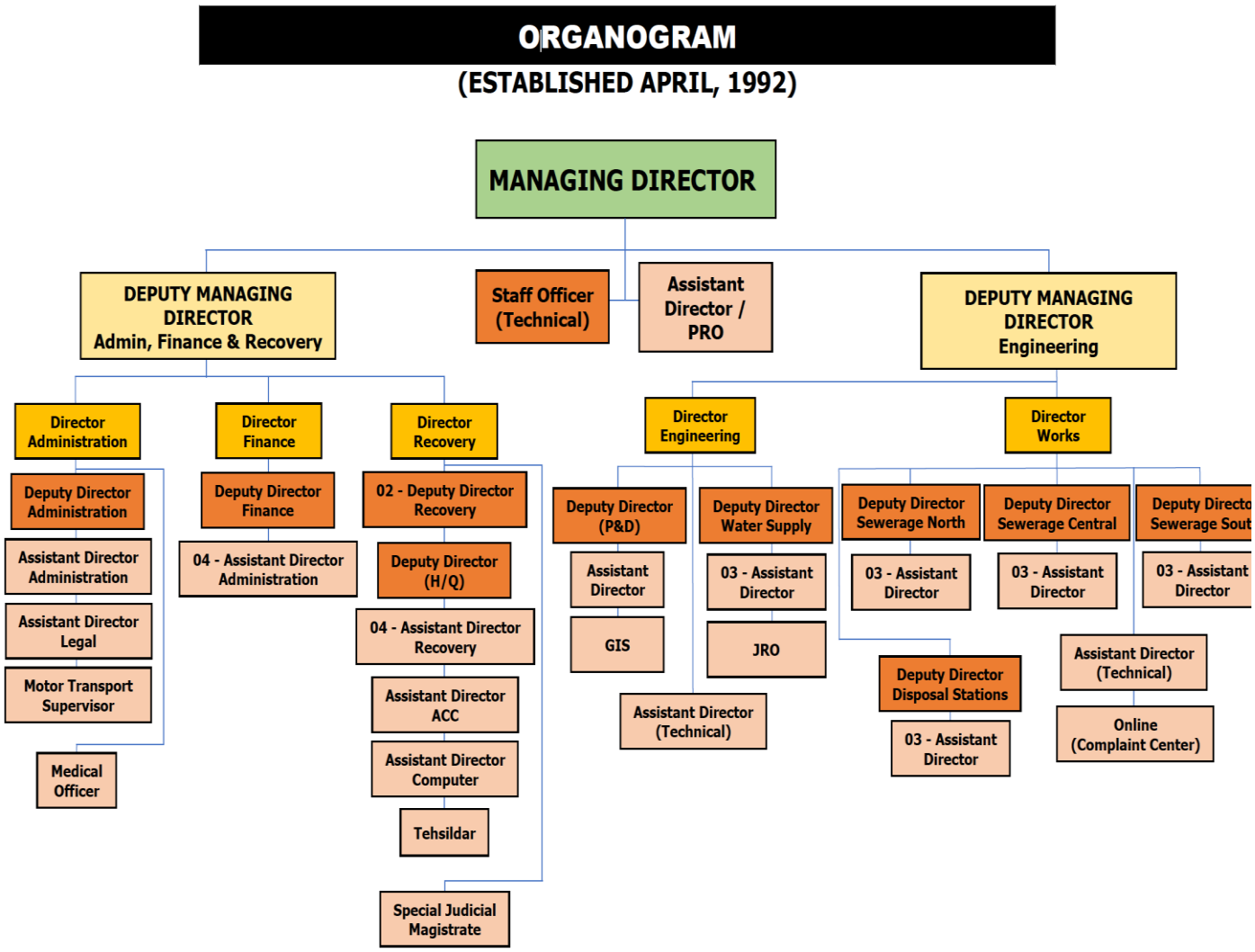


Training Areas Identified by each department during TNA

WASA
o Improvement of electrical equipment i.e transformers, electrical panels. o Practical studied on mechanical parts in field work. o Operations and management. o Need trainings from abroad for improving structure. o Management skills. o Human resource management o monitoring and evaluation o emergency planning. o Asset management, o Audit process, AutoCad o Estimation & preparation of pc-1, water distribution and maintenance of water supply. o Database management, SCADA System, o HRMIS system, o project management. o Design studies

SECTION 3
GAP ANALYSIS

This section discusses the HR and Financial Gaps for WASA. These gaps were identified through a detailed understanding of the current structure of WASA. This was done by conducting a number of interactive sessions and interviews with the relevant stakeholders. The operating model for each of the Directorates was discussed in detail. Any gap analysis is done keeping in components that add value to the end-to-end process. Detail analysis of departments current issues are detailed below as per the KSA model.



WASA has positions that are under recruitment while some are partially filled. However, it is noticed that Existing Institutional Structure is not service delivery oriented and there are many possible wings missing which can help improve WASA's day to day functions. There is no HR for Design, Constructions, Hydrology essential for the department.

Further, there are also no separate wings for Operations and management segregated to cater to different towns. There are also overlapping of tasks in many positions among directors and staff under operations and maintenance.

Currently, there are 32 sanctioned posts and 25 are still vacant. 7 people have burden of all sections/responsibilities. Each person has dual or triple charges of other wings as well.

Since one person is fulfilling multiple roles, no specialized role is being done in WASA. Thirdly, there is also shortage of Sewer men & other staff (879 seats are vacant). The command area is increased with the creation of Metropolitan Corporation Multan and expansion of networks. Recruitment of requisite staff is needed to be done and is also initiated via PPSC but is still pending.

In order to tackle this issue, a manual SOP's was also developed by WASA Multan; however, it is not followed (Attached as Annex A). It suggested specialized roles and departments. For example, The Deputy Director Planning & Design, who technically should look after all the tasks including water supply and sewerage; however, in the hierarchy of WASA, the DD Planning & Design comes under the engineering wing which does not look after sewerage neither disposal; the directorate is separate for these two sectors. Additionally, there is no person for procurement, hydrology, trainings, no separate unit for housing colonies, and no person for GIS. DD P&D is handling all departments.

In comparison, though Multan has a bigger network than WASA Faisalabad, WASA Faisalabad has 14 directorates while 3 DMD's, while WASA Multan has barely 7 engineers who are running the organization. In WASA Lahore there are 18 directorates and 3 DMD's. Hence, WASA Multan needs to expand its HR, fulfill vacant posts and include additional specialized HR.

SECTION 4

Evaluation of Financial Reporting Systems of WASA Multan

Scope of Evaluation of Financial Reporting System

This encompasses to examine and evaluate the adequacy and effectiveness of system to provide financial information, and to evaluate that system provides financial information, to the user of financial statements, which is useful in making decisions about providing resources to the entity as well as financial decisions.

Organizational Hierarchy of Finance Department

The WASA Multan Finance Directorate is responsible for all budget and financial projections. The Finance Directorate, in coordination with other Directorates, estimates the revenue from sale of water, sewerage and aquifer over the period. The Provincial Government allocates share of property tax. The budget and increase in user charges is approved by the Government of Punjab. The sanction of expenditure and procurement is carried under financial rules of Government. At present, 19 sanctioned employees has been working in Finance Directorate as given in Fig 2.

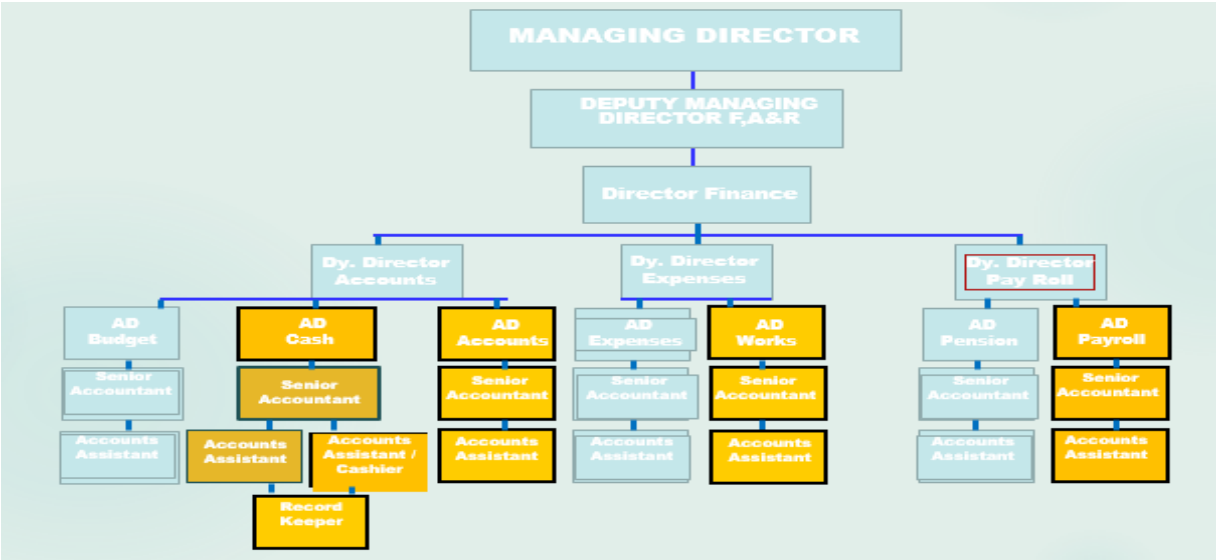


Fig 2: WASA Multan Organogram of Finance Directorate

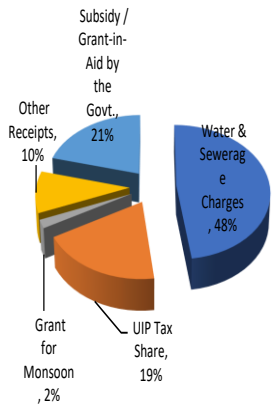
FINANCIAL PROFILE 2022-23 (BUDGETED) WASA MULTAN

Rs. In Million

REVENUE RECEIPTS		
OPERATING REVENUE	AMOUNT	%AGE
Water & Sewerage charges	826	48
UIP Tax Share	325	19
Grant for Monsoon	30	2
Other Receipts	165	10
Subsidy / Grant-in-Aid by the Govt.	370	21
TOTAL	1716	100

NON DEVELOPMENT EXPENSES		
OPERATING EXPENDITURE	AMOUNT	%AGE
Pay & Pension i/c Liabilities	1284	26
Power & Energy i/c Liabilities	2924	59
Operation & Maintenance/POL i/c Liabilities	670	13
Other Expenses, Stationery, Audit Fee etc. i/c Liabilities	114	2
TOTAL	4992	100

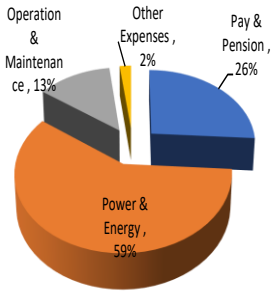
RECEIPTS



Deficit: (3276) (M)

LIABILITIES 2022-23	AMOUNT
Pay & Pension	14
Power & Energy	1324
Operation & Maintenance	240
Other Expenses, Stationery, Audit Fee etc.	4
TOTAL	1582

EXPENSES



Quantitative Evaluation of Financial Reporting System

Table 1 enlist the factors on which WASA Multan financial reporting system is evaluated. Financial reporting focuses on reporting quality and the interrelated attribute of financial results quality. It pertains to the information disclosed in financial reports. High-quality reporting provides decision-useful information—information that is relevant and faithfully represents the economic reality of the company's activities during the reporting period and the company's financial condition at the end of the period.

The rating is done on a scale of 0 to 10, where 10 represents financial factor is implemented fully in the WASA Multan, 5 represents partial implementation and 0 represents no implementation as of till evaluation visit dates. The weightage score is given according to the importance of the specified factors for financial reporting systems. Besides, an earlier comparison is also provided to provide insights about how much

changes/transformation has been done in the current financial reporting system from the date of last visit.

Table 1: Factors for Financial Reporting System Evaluation

Sr.	Factors	Weightage	WASA Multan (21st Dec, 2021)	WASA Multan (21st Mar, 2023)
1	ormation Technology (15)			
	Accounting Software	0.15	0	0
2	ıancial (30)			
	Asset Recording (assets valuation, market value, ɔlacement value)	0.10	0	0
	Audited Financial Statements	0.05	0	0
	Preparation of Financial Statements	0.10	0	0
	Compliance with International Standards	0.05	0	0
3	man Resources (10)			
	Qualified Finance Professional (MBA, ɔfessionally qualified, etc.)	0.05	10	10
	Computer Literacy	0.05	0	5
4	ling and Payroll System (35)			
	Billing System	0.10	10	10
	Synchronization of Bank Payments with Billing stem	0.10	0	5
	Linkage of Billing System with Accounting System	0.10	0	0
	Automated Payroll System	0.05	0	0
5	tering for Revenue Generation (5)	0.05	0	0
6	mpliance to government accounting standards (5)	0.05	10	10
	TOTAL SCORE		**2/12**	**2.75/12**

3.3 Qualitative Evaluation of Financial Reporting, Billing and Revenue Systems

Table 2 provides the qualitative assessment of the financial reporting systems at WASA Multan. It highlights the potential challenges/issues and hurdles with the current financial systems (if any) and review the financial recording policies and procedures.

Table 2: Qualitative Assessment of Financial Reporting Systems

	Item	Explanation
	Review of Financial Recording Policies and Procedures	• Due to shortage of funds, WASA Multan has not conducted commercial audit for the last 20 years.
	Review of Computerized Accounting Systems	• There is no formal computerized accounting based system at WASA Multan. • The transactions/entries are manually recorded by designated employees.
	Challenges in Existing Financial Recording/Reporting Systems	• Manual recording and reporting system • Takes too much time • Requires intensive HR staff (Note: Existing staff also lacks IT knowledge) which may also lead to errors • Lack of data security with no backup of records in case of loss
	Review of Revenue and Billing Procedures	• Metering: Nil • Billing cycle: Monthly • A small module for 'Billing Collection" is in development phase with support of WASA Faisalabad. • Synchronization of bank receipts/revenue collection with billing system at the end of the working day. • WASA Multan have their own billing distribution network based on zone categories. • PKR 8 / bill deduct by banks (reported in revenue)

3.4 Asset Valuation and Market Value

According to Uniform Financial Management Policies Manual, "*All the items of property, plant and equipment (fixed assets), freehold land and capital work in progress shall be expensed out on cash basis at the time of payment made to the vendor/ contractor. Finance Directorate shall maintain a supplementary record for the fixed assets management"* (source: EY Financial Management Manual). However, there is no such supplementary record being maintained at WASA Multan.

3.5 Conclusion

WASA Multan do not have any formal computerized financial/accounting software. MS Excel is used for budgetary, HR and financial projections. The transactions/entries are manually recorded by designated employees which takes too much time and requires intensive HR staff that may also lead to errors, breach of data security and exposure to risks. Although WASA Multan has their own billing system which synchronization the bank payments with billing systems in 1-2 days. Commercial audit has not been conducted for the last 20 years. Further, there is no record for the fixed assets related to assets sale/purchase, asset valuation, depreciation and market value with WASA Multan.

SECTION 5

Training Need Assessment

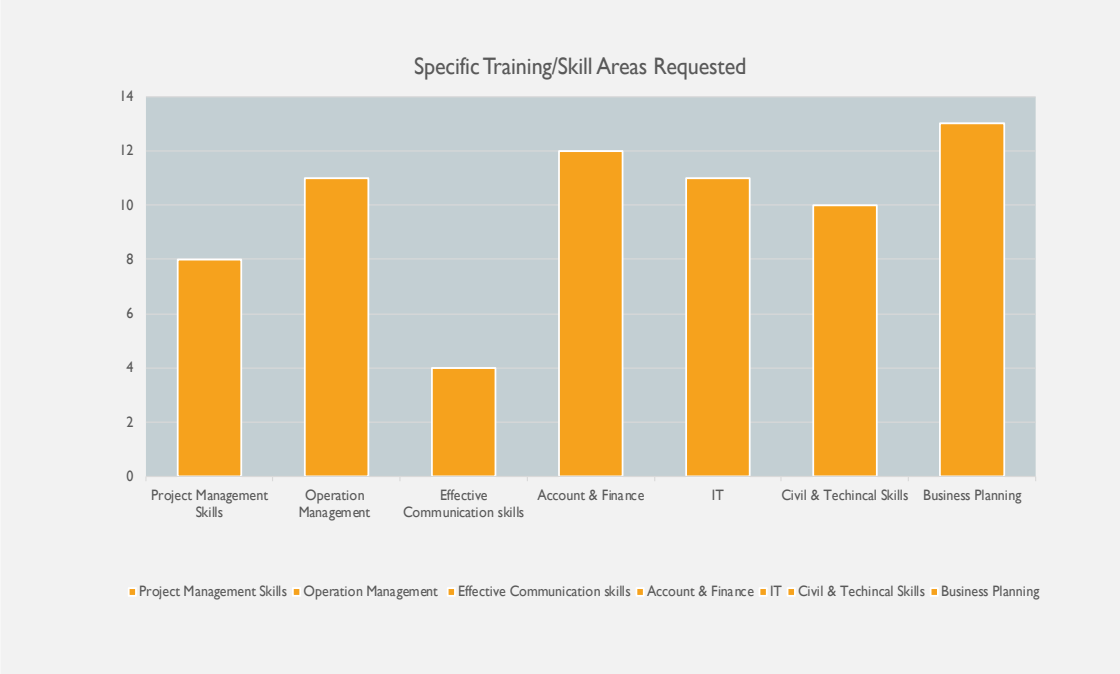
The staff at WASA should have the relevant knowledge and also the right competence level to perform their duties. Knowledge revolves around the understanding of the different concepts that are needed to perform your day to day tasks in an effective manner. Based on the results from the TNA session, it is clear that the respondents were self-aware as they clearly marked the technical areas as highly relevant to their job.



However, the worrying aspect is that the current competence level for the technical areas is nowhere near expert level. It is clear that for the technical areas the competence level sits at Moderate level for the majority of the technical areas, which is not sufficient enough for an institution that should be the expert in resolving water issues. This clearly highlights the need to arrange knowledge sessions on all of the technical areas to pull the majority of the responses to a more acceptable level. The areas which have been marked as highly relevant i.e. the technical areas lack the competence levels that are needed for an institution of this importance. The future training exercises need to be focused on the technical areas bringing the majority human resource up to at least the Fully Competent level. In addition to this, support functions are areas where quality human resource is easily available so even though the current competence levels are not up to the mark, it is an area that can be easily improved by hiring on unfilled positions and internal trainings.

Skill Gaps WASA:

The staff at WASA should also have the relevant skills and also the right competence level to perform their duties. Skills revolve around the ability to use the possessed knowledge through a set of activities to achieve efficient day to day results. This will also resolve the issue of requirement of specialized sector and HR for WASA Multan. Having looked at the knowledge levels in the preceding section it is not surprising to note that the skill levels follow pretty much the same pattern.



For all technical areas the Expert level competence was described as moderate, or participants requested for specific trainings as shown above. This clearly highlights the need to arrange skill development sessions on all of the technical areas to pull the majority of the responses to a more acceptable level. The areas which have been marked as high priority i.e. the technical areas lack the competence levels that are needed for an institution of this importance. The future training exercises need to be focused on the technical areas bringing the majority human resource up to at least the Fully Competent level.

It's notable that half of the respondents in most cases and in some areas during the consultation sessions stated the skill level for all technical areas as of are of medium or High relevance, however only about a third of the respondents stated that they are at fully competent or expert levels.

Trainings in future need to focus on areas that are highlighted as having low competence across the knowledge, skills and attitudes analysis. It's notable that majority of the respondents felt that Business Planning and Financial Management are two areas which are at the most relevance whereas Logistics and HRM at the least importance.

Support functions are areas where quality human resource is easily available so even though the current competence levels are not up to the mark, it is an area that can be easily improved by external hiring and internal trainings. However, the responses are pretty evenly spread when it comes to relevance which is not correct given these skills are key in the modern world where everyone needs to understand IT. It should have been rated as highly relevant as none of the technical areas can function without the use of IT in the current environment.

Attitudes – WASA

Even if the employees have the right level of knowledge and carry the skills needed to perform the duties, it cannot work without having the right attitude. Therefore, an analysis of the different behavioral competencies has been conducted which will be key for the future state of the organization.

As per the responses collected in the consultative sessions, it was quite clear that the employees are well aware of the different soft skills that are needed for performing their jobs, ranging from accountability to team building, use of judgement to communications etc. It is strange to see responses which say that these skills are not applicable to them or are of low relevance, however for most behavioral competencies at least majority of the employees felt that these skills are either of Medium or High relevance to them.

SECTION 6

LEGAL ASSESSMENT

Water and Sanitation Agency (WASA) is part of the organization of HUD & PHED. These are 5 (five) agencies all together listed as follows:

1. WASA, Lahore
2. WASA, Rawalpindi
3. WASA, Faisalabad
4. WASA, Gujranwala
5. WASA, Multan

The HUD & PHED is responsible for all approvals of development works as well as policy plans and proposals whereas the agencies work at the local government level of the purpose of management and O&M of water and sewerage. The functions of WASA include the delivery of a safe, reliable and efficient water supply to satisfy the demand of all sectors and its functions include:

- Rehabilitation and augmentation of the existing system.
- Operation and maintenance of water supply, sewerage & drainage system.
- Billing and collection of all rates, fees and charges for the services provided to its consumer.
- Undertaking bulk production, filtration/treatment, transmission and retail distribution purifying of water.
- Collection, pumping, treatment & disposal of sewage & industrial waste.
- Enforcement against defaulters and unauthorized connections etc.
- Short term and long term planning for tapping additional water sources & its implementation to meet water supply and sewerage demand projected.

From a legal standpoint with the exception of WASA, LDA, all other WASAs have been created under the Punjab Development of Cities Act, 1976 as “agencies” of the requisite Development Authority, not as a separate entity. The definition of agency is provided under section 2 of the Act as an “Agency established by the Authority to perform one or more of its functions under the Act”; Section 7 of the aforementioned Act provides that the Authority has the power to establish an “agency” and entrust it all such powers as deemed fit with the approval of the Government of Punjab.

WASA, LDA is the only agency not created under the aforementioned act, it was created though a special order under Section 10(2) of the LDA Act, 1975 with powers and function that are delegated by the authority itself. Section 3(a) provides the definition of agency as "Agency established by the Authority to perform one or more of its functions under the Act"

Key Stakeholders

All individuals and groups who possess the required resources such as experience, knowledge, capital that can address environmental issues with regards to development in the region. In multan, the municipal corporation Multan (MCM) is the foremost organization that can be termed as a stakeholder in any development plan.

MCM has 68 union councils and it is the body that has control over the local government of Multan. Under the Punjab Local Government Act 2013 every local government must consist of a head that is elected through vote and a cabinet of the head that must consist of experts. Experts ought to have experience in different areas that form part of the function of the local government such as public administration, finance, health, education etc.

According to the 2017 censes the population of Multan is 4.7 million which means that the head of local government in Multan can have 8 members 4 of which can be the councilors.

Development and deficiencies

Since environment is a component of public health and also urban development to a certain extent it comes directly under HUD & PHED which is a department of the Punjab Government responsible for development in big cities which includes supply of water and sanitation and housing facilities.

1. Assessment of deficiencies in current frameworks of WASA (MDA) Multan.

a) MDA has no parent Act, it is operating under the Punjab Development of Cities Act, 1976. WASA (MDA) Multan, is consequently created under the Punjab Development of Cities Act as a government agency, as opposed to an agency of MDA itself created through a special order. The Punjab Development of Cities Act came into being in 1976 and through an amendment dated 23-05-1981 clause 1(3) was added whereby it became exclusively applicable to the cities of Multan and Faisalabad.

b) The actual Authority created under the Punjab Development of Cities Act, 1976 is separate from MDA and FDA in accordance with section 4 (1) of the said Act

which explains the procedural impropriety as highlighted by the WASA (MDA) Multan officials. Multiple authorities are working under the same act.

c) "Meetings of Authority" under Section 6 of the Punjab Development of Cities Act, 1976 is not suitable to address the problems that are faced by WASA (MDA) Multan. The meetings clause must make it compulsory for the for the Chairman to attend.

d) There should be a separate provision within the act that states that for the purpose of carrying out the function of Section 2(iii) of the Punjab Development of Cities Act, 1976 "an agency known as the water and sanitation agency must be created through a special order".

e) The purpose of the Act is not suitable for regulating development projects or any other development activity in big cities / metropolitans like Multan or Faisalabad.

1. Identification of all issues that can be resolved through amendments or creation of rules and regulations that best serve the purpose of the organization.

a) Government approval mechanism. During the inception visit, it was highlighted by the officials of WASA (MDA) Multan that there is a confusing mechanism of approvals as both secretaries are based in Bahawalpur and Lahore. The act must under all its provisions regarding "government approvals" make reference to MDA and its agencies and identify where exactly the approval would have to be seeked.

b) Draft approvals mechanism in the form of rules or regulations should be raised in accordance with section 43 / 44 of the Punjab Development of Cities Act 1976.

2. How to improvise / Amend existing framework to improve legal, institutional and operational strengthening.

a) WASA (MDA) Multan is experiencing a regulatory stalemate. The reason why the existing framework cannot regularly be amended to best serve the purposes of WASA (MDA) Multan is that any amendment that is done to the existing act would apply to the whole of Punjab and would have implication thereof, expect for the cities that have their own parent act for their development authorities.

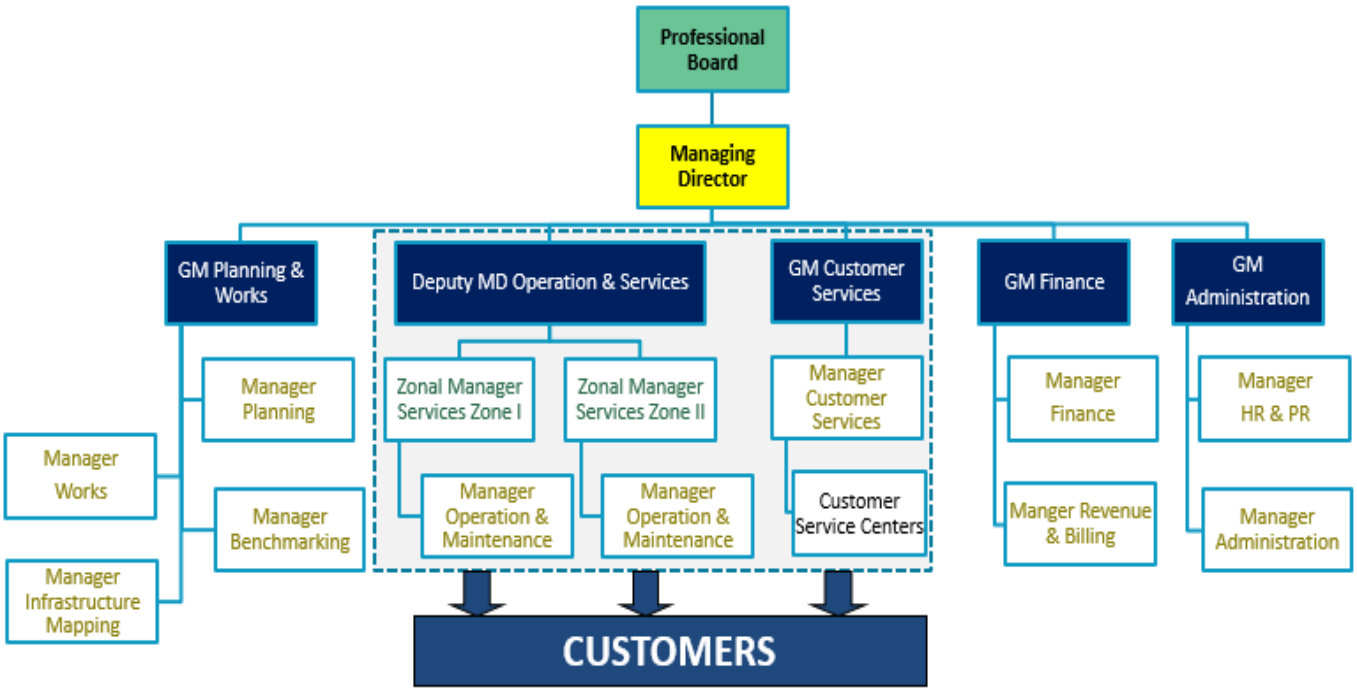
Punjab Development of Cities Act, 1976 through notification had declared Faisalabad and Multan to be cities under the act to streamline the development process and lay down foundation work required to establish a comprehensive system of planning and development across all sectors. WASA should be given independent parent acts for their development authorities along the same lines as LDA so that their policy making also becomes independent

SECTION 7

KEY STRATEGIC RECOMMENDATIONS

KEY STRATEGIC RECOMMENDATIONS

Most importantly, as discussed in the previous section, there is an utter need to fulfill vacant positions and in addition add new sections/HR in the overall structure. Below is the recommended organogram for WASA.



In addition to improvement of HR, the department also requires specific sectoral improvement strategies. These also include suggestions from the WASA staff mentioning requests for:

1. Capacity Building training
2. Immediate Hiring of critical mass
3. Improvement of Financial Systems

KEY STRATEGIC RECOMMENDATIONS FOR WASA

The Existing Institutional Structure is not service delivery oriented. The below organogram details the recommended/proposed HR structure for WASA's for improved institutional tasks. This is recommendations based on best WSS Utilities' Structure.

Proposal of New Positions:

- Manager HR &
- Manager Personnel Relations
- Customer Services
- Planning & Works encompassing new seats of Manager Benchmarking; & Infrastructure Mapping
- Business Planning Directorate
- Separate Heads for F&R and Administration

Implementation of Business Plan:

The Secretary HUD&PHED assigned the task to Urban Unit to support in review and update Business Plans (BPs) of five WASAs in July, 2020. Consultation Sessions facilitated by HUD & PHED were organized by Urban Unit with WASAs leadership & officials, from July - August, 2020. The OSR Potential was calculated based on WASAs agreed Targets. The WASAs' Business Plan including the Resources Generation Plan was prepared and formalized by all five WASAs with Technical Assistance of the Urban Unit and HUD&PHED. WASAs' 3 Years Sustainable Business Plan was presented to RMC (Oct 2020), SC of Cabinet on Finance & Development (March 2021) which was approved by all forums.

In conclusion direction were given to phase out subsidy over the period of 5 years. The RMC gave a go-ahead to place the revised WASAs' 5 Years Sustainable Business Plan before Provincial Cabinet for approval in May 2021. A Non-Tariff Revenue Generation Plan/OSR of WASAs of worth PKR 7 Billion was approved to be monitored by HUD&PHED linked with Performance Improvement KPIs of 5 WASAs including Multan. The OSR Enhancement Strategies were also provided in that business plan.

Since the cost of services has significantly Increased Hence, WASA Multan should implement this business plan. This will happen with the Creation of New Positions under:

- 2 Financial Analyst in HUD&PHED which is the parent department for WASA Multan;
- 2 Financial Analyst in WASA Multan
- A Marketing Analyst; and
- Data Analyst

This can be done with the help of Establishment of 'Business Plan Monitoring Unit' in HUD&PHED with Deputy and Assistant Directors Financial Analysis where Urban Unit may be assigned the responsibility for Business Plan Management Unit at HUD&PHED till creation of its own.

Further Each of the different training areas were evaluated and trainings were segregated into Technical and non-technical trainings. The recommendations focused on

- Identifying the relevance of training required for a particular sector
- Followed by the level of training required i.e. basic, intermediate or advanced

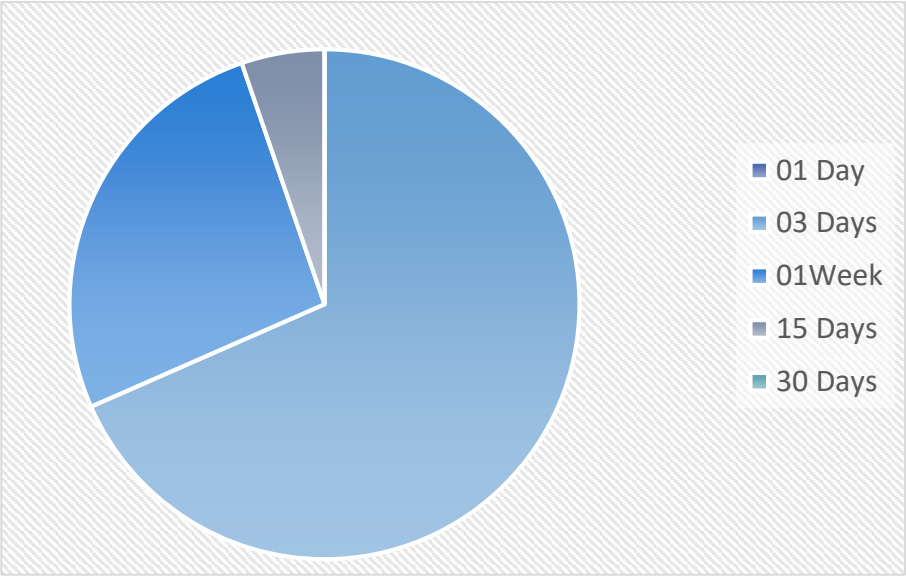
Technical training mainly focused on knowledge for:

- Improvement of electrical equipment i.e. transformers, electrical panels, Database management, SCADA System, HRMIS system, Asset management, audit process, AutoCAD, information technology, water distribution and maintenance of water supply, monitoring and evaluation

Non-technical training focused on:

- governance, finance, HRM, general management, interpersonal skills, community participation and project management, Estimation & preparation of pc-1, emergency planning.
- Training needs is prioritized into immediate (priority 1) and medium-term (priority 2) training to Regional Plan Interventions

Lastly, under the TNA the participants were also asked in the last section on how long would they prefer these trainings. Majority of the respondents said they preferred a training of a maximum three days.



The next page shows tables for technical and non-technical trainings recommended for WASA

TNA RECOMMENDATIONS

TECHNICAL TRAININGS

Training Areas	Immediate Training Needs (1st Priority)	Medium-Term Training Needs (2n Priority)
WASA	■ 1. O&M of Electrical and Mechanical Equipment– 03-Days 2. Business Planning for Water Utilities – 03-Days 3. O&M of Water Supply– 03-Days 4 Health Safety & Environment for Professionals– 03-Days 6. GIS Mapping & Asset Management – 03-Days 7. Costing & Estimating System for Project– 03-Days ■ Monitoring and evaluation	■ Utility management ■ SCADA ■ Water resource management

NON-TECHNICAL TRAININGS

Training Areas	Immediate Training Needs (1st Priority)	Medium-Term Training Needs (2nd Priority)
Governance	■ Performance and accountability (bench marking and KPIs) ■ PHED rules and regulations	■ Service Delivery – standards and levels
Financial Management	■ Budget and planning ■ finances and taxations ■ Procurement and contract management	■ Asset management System ■ Auditing

	■ Tariff Planning, Billing, and Collection System	■ Financial analysis, modelling and forecasting ■ Public procurement regulatory authority rules (PPRA)
Human Resource Management	■ Performance review skills ■ Grievances and Complaint handling	■ Employee motivation ■ How to deal under-performers
General Management and Interpersonal Skills	■ Leadership ■ Customer service and public dealing ■ Office management ■ Project management ■ Professional report writing ■ Records management	■ Strategy and planning ■ Complaint handling ■ Use of digital media ■ Health & safety
Organization and Leadership	■ Data driven decision and sector policy making ■ Ethics, transparency, and accountability	
Private Sector and Community Participation	■ Community participation & public awareness	■ Appropriate contract model / options e.g., for waste collection and waste management facilities ■ Contract preparation, terms of contract and procurement

Information Technology	■ Microsoft Office (Word, Excel, Power Point, Outlook) ■ Document management system	■ Microsoft Project

Implementation:

To achieve the desired future state of institutional structure and capacity building for WASA, the following steps need to be taken:

1. The new composition of the HR department should be approved, which includes:
    a. Representation of proposed (missing) departments in the governing body.
    b. Conducting annual meetings of the Authority led by the Chairman to review work and assess progress.
2. The approval of a new Organogram
3. Development of an annual training calendar.
4. Mandatory trainings based on designations should be approved.
5. The process of HR positions advertisements and recruitment through PPSC (Punjab Public Service Commission) for both unfilled and new positions should be approved
6. Promotions should be approved for existing staff members who meet the eligibility criteria and have genuine cases.
7. Establishing administrative linkages with other departments.
8. Implementing Business Plans as part of the overall strategy.

s

Punjab Horticulture Authority

The Urban Unit also did Evaluation of Financial Reporting Systems for PHA Multan on their request.

PHA Multan

Housing Urban Development & Public Health Engineering Department (HUD&PHED) oversees the Parks & Horticulture Authority (PHA) Multan. In February 2010, it was established as an agency under the Multan Development Authority (MDA), and on August 4, 2014, it was further established as an authority. It is governed by the PHA Act of 2012. The department took over the responsibilities previously held by MDA's Horticulture Wing and CDGM's Parks & Gardens Wing & Advertising. PHA Multan works to create and maintain parks, greenbelts, and other outdoor spaces in Multan City. The department plans various cultural events like Jashnay Baharan and manages and controls all outdoor advertising in Multan City, including billboards, shop signs, streamers, etc.

4.1 Organizational Hierarchy of PHA Multan

The **Admin & Finance Directorate** looks after the administrative and financial affairs of the department. These include administrative functions such as recruitment, record maintenance, arranging BOD meetings along with financial functions such as budget preparation, cashbook maintenance, etc. **Horticulture Directorate** looks after the matters pertaining to horticulture and performs various functions such as to bring uniformity and integrate horticultural development approach for beautification of city, parks, green belts & green areas, environmental improvements, organizing of events and tree plantation campaigns. **Engineering Directorate** works primarily for the development & maintenance of parks, green belts and green areas in the city, whereas **Marketing & Coordination Directorate** looks after the matters related to outdoor advertisement. The directorate also responsible for the overall recovery from the various revenue resources.

Fig 3 shows the organogram of PHA Multan. However, currently finance directorate has one deputy director (finance), one assistant director (finance), one accountant and two auditors

responsible to manage the day to day operations of PHA Multan. There is no new hiring since 2014 in PHA Multan despite the fact that more than 150 employees retired or passed away.

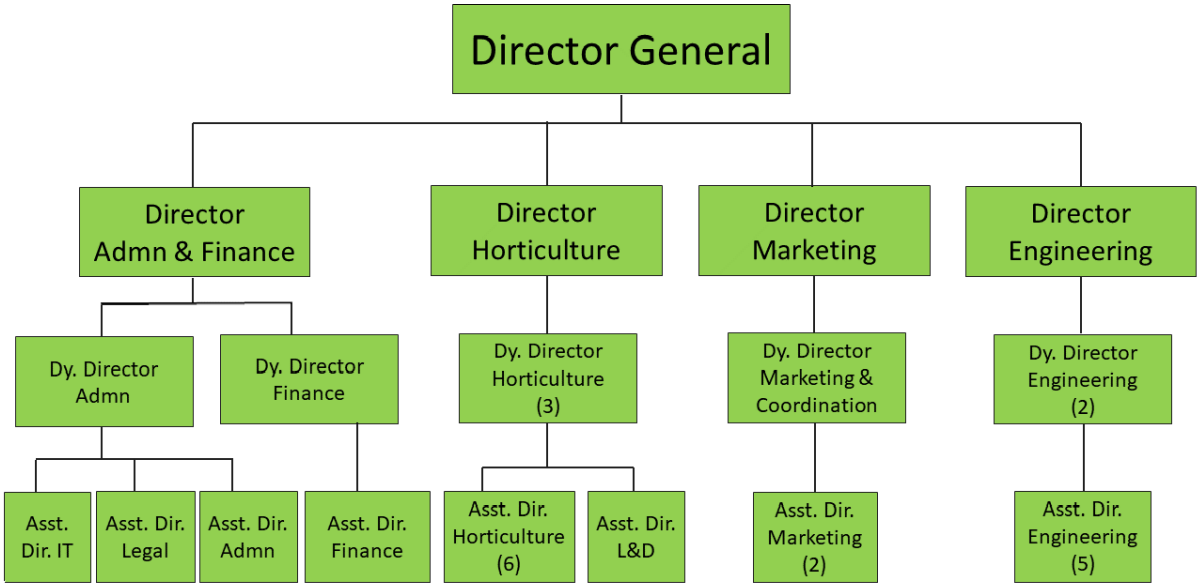


Fig 3: PHA Multan Organogram

4.2 Quantitative Evaluation of Financial Reporting System

Table 3 enlist the factors on which PHA Multan financial reporting system is evaluated. Financial reporting focuses on reporting quality and the interrelated attribute of financial results quality. It pertains to the information disclosed in financial reports. The rating is done on a scale of 0 to 10, where 10 represents financial factor is implemented fully in the PHA Multan, 5 represents partial implementation and 0 represents no implementation as of till evaluation visit dates. The weightage score is given according to the importance of the specified factors for financial reporting systems.

Table 3: Factors for Financial Reporting System Evaluation

Sr.	Factors	Weightage	PHA Multan

1	Information Technology (15)		
	Accounting Software	0.15	0
2	Financial (30)		
	Asset Recording (assets valuation, market value, replacement value)	0.10	0
	Audited Financial Statements	0.05	0
	Preparation of Financial Statements	0.10	0
	Compliance with International Standards	0.05	0
3	Human Resources (15)		
	Qualified Finance Professional (MBA, professionally qualified, etc.)	0.10	10
	Computer Literacy	0.05	0
4	Payroll System (10)		
	Automated Payroll System	0.10	0
5	OSR Mechanism (20)		
	Advertisement Fee - Fixed	0.20	10
6	Compliance to government accounting standards (10)	0.10	10
	TOTAL SCORE		**4/10**

4.3 Qualitative Evaluation of Financial Reporting, Billing and Revenue Systems

Table 4 provides the qualitative assessment of the financial reporting systems at PHA Multan. It highlights the potential challenges/issues and hurdles with the current financial systems (if any) and review the financial recording policies and procedures.

Table 4: Qualitative Assessment of Financial Reporting Systems

Sr.	Item	Explanation

1	Review of Financial Recording Policies and Procedures	• PHA Multan has not conducted commercial audit since its establishment
2	Review of Computerized Accounting Systems	• There is no formal computerized accounting based system. • The transactions/entries are manually recorded by designated employees (single entry system).
3	Challenges in Existing Financial Recording/Reporting Systems	• Manual recording and reporting system • Takes too much time • Requires intensive HR staff which lead to errors • Lack of data security with no backup of records in case of loss • Expose to risks and fraudulent activities
4	Review of Revenue Collection & Recovery Procedures	• Advertisement fee charged as per fixed pre-agreed rental based mode • Contractual party responsible for revenue collection as per Auction of Collection Right Rules (due to shortage of staff) • 2 ROs responsible for recovery/cross-check. • Auctions as per PEPRA rules • Auction rates approved/notified by BODs after reviewing last 3 years data. • Govt. Grant = PKR 304 million per year

5	Key Issues	• No jurisdiction is defined/notified by the Govt. – No. of UCs increased • No hiring since 2014 (more than 150 employees retired or passed away) • PITB proposed accounting system costs in crores • Legal Concerns with Metro Revenue stream • Fixed charges for advertisement / Outsourcing • Housing societies do not take NOC from PHA for development colonies (7% area allocation for parks as per PHA Act 2012)

4.4 Asset Valuation and Market Value

According to Uniform Financial Management Policies Manual, "*All the items of property, plant and equipment (fixed assets), freehold land and capital work in progress shall be expensed out on cash basis at the time of payment made to the vendor/ contractor. Finance Directorate shall maintain a supplementary record for the fixed assets management"* (source: EY Financial Management Manual). However, there is no such supplementary record being maintained at PHA Multan.

4.5 Conclusion

PHA Multan do not have any computerized financial/accounting software. MS Excel is used for budgetary, HR and financial projections. The transactions/entries are manually recorded by designated employees based on single entry systems which takes too much time and requires intensive HR staff. Further, there is no record for the fixed assets related to assets sale/purchase, asset valuation, depreciation and market value with PHA Multan. PHA Multan requires clear government defined guidelines for declaration of legal jurisdiction for PHA Multan operations, and allow approval of new hiring's as no hiring is done since 2014 in PHA Multan.

PHA Legal Assessment

The legal framework of PHA Multan consists of the following laws:

- PHA Act 2012
- PHA Multan Appointments and Conditions of Service Regulations, 2014
- Multan Regulations for Outdoor Advertisement 2015
- Multan Regulations for Outdoor Advertisement 2017
- Regulation for Operation of Mechanical Rides in Public Parks/ Green Areas in Multan 2016

The Authority is established under section 3 of the PHA Act 2012. The HUD & PHED is responsible for all approvals of development works as well as policy plans and proposals. Powers and functions of the Authority are provided under Section 4 of the said Act, these are as follows:

- develop and maintain public parks, green belts and green areas;
- regulate the use of public parks, green belts and green areas;
- regulate the installation of billboards, sky signs, out-door advertisements on private or public property;
- establish and maintain botanical gardens;
- organize shows and exhibitions pertaining to horticulture, aviculture and cultural entertainment;
- protect trees and other vegetation;
- create awareness about horticulture and promote gardening;
- acquire land for the development of any public park, green belt, or green area
- procure machinery, equipment or material as may be required for the proper discharge of its functions
- grant a service contract for the maintenance of public parks, green belts or green areas to a company owned by it or to any other private or public limited company
- constitute committees for performing specific functions of the Authority; and
- perform such other functions as may be ancillary, or as may be prescribed.

Development and deficiencies

1. Assessment of deficiencies in current frameworks of PHA Multan.

- Area of jurisdiction as per the PHA Act under section 3 does not provide a definitive account. It does not clearly mention whether the authority can operate on district level.
- Punjab Local Government Act, 2005 act overlaps on functions. As local governments outside the Multan Municiple Corporation exercises jurisdiction over their parks and refuse to share any income that is generated.

2. Identification of all issues that can be resolved through amendments or creation of rules and regulations that best serve the purpose of the organization.

- Advertisement clauses in Punjab Local Government Act, 2005 can be slightly amended in terms of "advertisement rights" that the PHA have exclusively been given in the PHA Act. For instance, tehsils of Multan District, Shujabad & Jalalpur apply the provisions of the Punjab Local Government Act thus issues arising out of jurisdiction are pending in courts PHA Multan is thus only operating in 98 of the total union councils.

- PHA continues to develops parks and green spaces even in areas where the local governments refuse to share or allocate the income in accordance with the PHA Act. Amendments to this end in the Punjab Local Government Act and within the PHA act must be made so to make it clear expenses of development work can at least be regenerated by the authority.

- An amendment in the PHA Act is required to address the confusion with regards to areas that specifically fall under the PHA jurisdiction and must go on to identify what nature and type of park is PHA liable to develop.

- The Act itself does not address how private housing schemes must engage with PHA, the general practice in Multan is that the schemes leave space for parks, abandon the space after the development of houses for PHA to develop them whereas PHA is only mandated to provide maintenance for parks, an amendment to this effect must first of all address the question of how much area be reserved for parks and then in what manner a plan for the same be provided to PHA prior to the commencement of development works. If the park is given to PHA for maintenance the park space should be left in accordance with plan and formalities provided in the Act.

- 18.5 km of metro green belt is currently maintained by PHA but all advertisement rights are vested with the Metro Authority, as a consequence PHA Multan is injected with operations costs with no return, to this end there should be a clear provisions in the legal framework of PHA as to whether green belts on the Metro Bus roads will be maintained by PHA and if so will the PHA have exclusive rights to advertise on those belts cover its operational costs.
- According to the CM directive 1% horticulture works funds has to be released immediately on the start of any development schemes and transferred to PHA Multan. To this effect an amendment is required in the Act that lays down a mechanism for the transfer of this funds so that it is binding across the board and the Authority does not have to chase the government for the release of the same.

- Banks and major corporate entities take injunctive orders from the LHC Multan Bench when asked to pay the advertisement fees of sign boards the corporate entities claim that they are shop signs and don't pay. Litigation prolongs due to lack of solid representation. To this effect, a clear amendment has to be made in the Companies Act that supports this notion put forward by the PHA, any advertisement or signs that demonstrate a promotion of business activity should it be placed in areas notified to be under the PHA, must be applicable to advertisement charges.