Managing small towns water supply

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AT THE START of the new millennium, the United Nations stated that over one billion people still did not have access to one of the most basic human rights: that of a safe and reliable supply of water. Even more shocking is that almost three billion people do not have access to the most basic sanitation facilities i.e. a pit latrine.

The Water Supply and Sanitation Decade (1980-90) drew political attention to the inadequacies of supply in developing countries but the overall objective of the decade, that of supplying everyone with safe water and adequate sanitation, proved far too ambitious. A target was then set to achieve overall coverage by the end of the millennium, but that target too proved unrealistic, with the distressing fact that due to an average growth rate of 3% per annum, the number of people without adequate sanitation had actually increased since the 1980s.

During the 1980-90 decade most effort was put into serving rural populations with water supply and sanitation facilities. But during the 1990s it became clear that the majority of the unserved were in fact living in urban centres, either in large conurbation’s or in small towns.

The focus has therefore switched in the first decade of the new millennium to providing water and sanitation facilities to the millions of people living in high density, low-income urban areas which have been tragically neglected by government planners and the donor community in the last decade of the 1900s.

Given the fact there has been a massive influx of people migrating to towns from rural areas (Kampala, Uganda is estimated to be growing at a rate of 70,000 per year) and the relatively poor level of service in these urban areas, there is growing consensus that the focus for water and sanitation should shift to these urban growth areas.

This paper will discuss the neglected area of small town water supply and sanitation from the perspective of what is now going on in Uganda, one of the countries in Africa that is leading the way in water supply and sanitation coverage in small towns and rural growth centres. The paper will offer a definition of what constitutes a small town in terms of water supply and sanitation.

The paper will look at the government guidelines that have been drawn up and will critically assess the demand-negotiations approach to water supply and sanitation services, which places the emphasis on community management. The issues of ownership and operation and maintenance will also be discussed. The paper will look at whether it is indeed practical to expect communities in small towns to be able to manage their own water/sanitation systems and what is being done to build up their capacity to manage. The role of the private sector in water/sanitation provision in small towns will also be discussed.

The successes and failures of this approach will be discussed based on the practical experience of the author who has worked on a small town’s project in Uganda for the last three years and who has been involved in the water/sanitation sector in Africa for the last 15 years.

Small towns in Uganda

In 1994 the Government of Uganda developed a Rural Towns Water Supply and Sanitation Program which identified 250 small towns and rural growth centres that were without adequate water and sanitation facilities. Since then about 50 towns have been packaged in groups and donors invited to fund groups of towns. For example, the World Bank/IDA assisted the Directorate of Water Development of the Ministry of Water, Lands and Environment in implementing the Small Towns Water Supply and Sanitation Project, which started in 1994 and is providing piped water supply and promoting sanitation in 12 towns. Then in 1997, Danida came in to support DWD in the Eastern Centres Water and Sanitation Project, which works in 11 small towns and trading centres in eastern Uganda. The French government has agreed funding for ten towns under the Mid South West Towns Water and Sanitation Project.

All these projects are guided by a set of guidelines, which defines service levels and management options.

Definition

In Uganda a small town is defined as any urban community between 5,000 and 50,000 population. Urban centres between 1,000 and 5,000 are defined as “rural growth centres”. These fall under the government’s rural water program and are covered by the Danida supported Rural Water and Sanitation Project in eastern Uganda and by the UNICEF Water and Environmental Sanitation Program in 34 other districts. There are also about 90 NGOs and CBOs assisting rural communities with water supply and sanitation coverage.

Decentralisation

Under the 1989 Constitution, considerable responsibility for service provision was devolved to lower levels of government. This means that Town Councils, District Councils and in the case of rural growth centres, Subcounty councils have the responsibility to plan and seek funding for water and sanitation initiatives.
Legislation of water issues

For many years legislation for the regulation of the water sector was inadequate, outmoded and scattered under different laws. The government, therefore, developed the Water Action Plan of 1994, which was followed by the Water Statute of 1995 through which key resource management issues were identified. The Local Government Act of 1997 further defined the role of district, town and sub-county councils in service provision and handed the responsibility of running systems over to these councils.

However, the Water Statute of 1995 stated that community groups such as Water and Sanitation committees should own and operate water systems. For piped systems with public standposts or kiosks and private connections the Statute says that several WSCs can come together to form a Water User Association which is responsible for the management of the overall scheme. The National Water Policy (1999) brought together these different pieces of legislation and addresses current water management issues and adopts the objectives and strategies formulated under the Water Action Plan.

The ownership issue

In Uganda there remains some ambiguity over the key issue of ownership of the systems. According to the Local Government Act the Town or in the case of rural growth centres, the District Councils are the owners of the systems because they have negotiated for the acquisition of the land upon which boreholes are sited and reservoirs and public standposts constructed.

But according to the Water Statute, ownership is vested in the community groups such as Water and Sanitation Committees that have the legal mandate to operate and maintain water points and are the representatives of Water User Groups made up of householders who collect water from one particular water point. (Usually there are 300 to 350 households in a WUG.)

The government is in the process of resolving this ownership issue, as it is central to the sustainable management of water systems.

Community contribution

One of the conditions upon which the construction of an improved water supply is based is that users have to pay a Capital Cost Community Contribution, CCCC, of between 2 to 5% of the total capital cost. For a handpump this has been set at 150,000 Uganda shillings ($US 100) per WUG. If there are 300 households in one WUG this means that each household has to contribute 500/- (30 cents). According to the guidelines, the full CCCC must be banked before construction of an improved water source can start. The rationale for introducing this contribution is to create a “sense of ownership” of the system in the belief that this will make people more responsible for their waterpoint and that they will therefore feel obliged to maintain it in a sustainable manner. However, under the Local Government Act, it is not the WUG who owns the system but it is rather the local government councils. Therefore the sense of ownership in the legal sense becomes questionable. The issue of ownership is fundamental to the long-term sustainability of the system for several reasons.

The WUG is not going to feel like replacing major components of the system if they don’t actually own it as they will feel that the real owners i.e. the district or town councils as the legal owners should incur the expense of replacing these parts. The WUG is also vulnerable to compensation claims by the previous owner of the land on which facilities have been built. These claims can be of several thousand dollars and are beyond the means of a WUG to meet.

New role for water departments

Government departments that have previously constructed water supplies in rural communities are now finding themselves administering the construction of schemes in small towns where the socio-economic dynamics are completely different to those in rural areas. These government departments, like Ghana Water and Sewerage Corporation and the Directorate of Water Development in Uganda or the Ministry of Water Resources in Ethiopia, were until very recently direct implementers of water projects. They owned the drilling rigs and employed hydrogeologists to site boreholes and they had construction crews to construct piped systems. These bodies now find that their role has changed from implementers to that of regulators and facilitators in order to create an enabling environment in which other players including community groups, NGOs and the private sector can operate.

But this new role requires different professional staff with different skills and a whole new mental attitude, which, human nature being what it is, is slow to change.

Managing small town systems

Up to now in countries like Ghana, Ethiopia and Uganda, small town water systems have been run by the local authority, in other words run by civil servants who are paid a monthly salary. These cadres, many of them hardworking and dedicated people, nevertheless often lack the skills and expertise needed to operate a water system efficiently such that it is financially viable and is not only able to pay for itself but also to generate a small profit for replacing components when they wear out.

Under the new paradigm, management of new water systems is the responsibility of community groups like Water User Associations made up of representatives of various Water and Sanitation Committees. However, there is no evidence that members of these organisations have the necessary skills to operate and maintain a piped water system such that it runs at a profit. In one town in Uganda north of the capital, a Water User Association was constituted. Rather than managing the system themselves, they decided to hire a professional manager and accountant to
run the system. The only source of income for this Association is the sale of water. Thus income depends on two criteria: amount of water sold and price per unit. The system was set up on the assumption that a certain amount of water would be sold per day at a certain price. The Association, however, were not free to set their own price. This had to be approved by the government department responsible for small town water supply. This is because the government wanted to avoid high prices whereby customers would not be able to afford to pay and would, therefore, revert to existing water sources.

A price of 25/- (1.5 cents) per 23 lt jerrycan was set. The other criteria are the amount of water sold. The system was designed to deliver a certain daily amount of water through about 30 public kiosks. However, when the system became operational it was found that only about 25% of this projected amount was actually being sold. This was due to several factors, among them being that there are a number of free sources in the town like handpumps and protected springs that were not factored in to the equation when the projected amount of water to be sold was worked out. Attempts to close down these free sources or introduce a charge have met with resistance from local politicians who campaigned on the issue of free water supplies.

This has meant that revenue did not meet the operating costs with the result that the professional staff had to accept lower salaries in order to balance the books.

The Private Sector

After experimenting with community managed systems, the trend is now that small town water systems should be managed by private operators. In Uganda the government department responsible is now advertising for private companies to submit letters of interest to manage small town systems. However, there are problems with privatising the management of small town water supplies. The most obvious problem is that private companies are operating to make a profit, not to provide a basic need. In the past small town water supply in countries like Ghana, Ethiopia and Uganda was subsidised from revenues collected from water sales in the large cities which often showed a profit, or from grants from central government.

Therefore, private companies will charge as much as possible for water. These prices may not be affordable to all consumers. The poor are going to be the ones who are unable to afford the safe water. They will thus go back to their traditional, often-polluted sources like unprotected springs or rivers. This is going to set back poverty alleviation measures.

As quantity sold is the other criteria in the profit equation, private companies are going to want to sell as much water as possible. Therefore they will want to close any free sources such that consumers have only one choice; to buy water from the new system. This is also going to impact negatively on the poorer segments of society who may not be able to afford the prices private companies will charge.

Private companies will also encourage as many households as possible to get a private connection which will be metered as more revenue can be generated in this way. This is also going to discriminate against the poor, as only the more well off will be able to afford the connection as households are obliged to pay for the pipes and fittings and for the services of a plumber to do the connection, plus pay the connection fee. They then have to pay monthly water bills.

In the advent of water shortages, private companies will ensure that metered customers are served first, at the expense of public taps where income generation will be lower. Thus the poor will once again be deprived.

Mitigating social costs

In the short term the government will continue to regulate prices which small water companies can charge in order to protect consumers. But these companies will have to be subsidised in some way by the government if they are to remain financially viable. One possibility is to give companies a tax break until such time as consumers are able to pay a realistic price for water.

Another imperative is that there should be differential pricing if water is to be treated as an economic good. Those who can afford house connections should be charged significantly more than those collecting at public taps. Businesses should be charged a higher rate than private house connections. Consumers who use over a threshold amount, say 30 cu.m per month, should be charged a surcharge.

Marketing

Both the government and water companies need to do a considerable amount of marketing to persuade consumers that the product they are offering, good clean, safe water within reach of peoples’ homes, is worth paying for. The health risks and cost implications of becoming sick as a result of drinking contaminated water should be widely publicised through media campaigns and community meetings. It is only when consumers are aware of the benefits of safe water and appreciate the convenience of accessing it close to their homes and in sufficient quantities that they will be prepared to pay a realistic price for it.

References

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