

CASE STUDY – for Water Governance Newsletter September 2018, GoU Uganda

Full Functionality Partnerships build a foundation for Piped Water in rural areas

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Introduction

Properly functional water services have an economic affect: there is more than four times a return in economic productivity, when water flows regularly every day. If Uganda is to reach its National Development Goals it therefore must assure its rural communities for example less than 10 days downtime per year (97% functionality). We can call this Full Functionality assurance.

The goal of “Piped water for Everyone in Rural Areas” can be achieved if we find enough investment finance to convert over 100, 000 hand-pump communities to a piped system. This finance will only be available if there is a maintenance system that assures the investors and MoFPED that the money will not be lost in premature breakdowns, prolonged prolonged times and abandonments.

This case study describes a pilot Public-Private Partnership (PPP) in Kamuli and Kumi Districts which is building Full Functionality assurance for hand-pumps and rural piped systems. In recent years a functionality rate of over 99% has been consistently maintained in several hundred pilot communities, using a preventive maintenance and performance-indicator-led approach at community, parish, sub-county and district level.

This PPP assurance system complements and helps the rapid expansion of piped water services provided by NWSC and the Umbrella Utilities. It establishes structures which are aligned, so are easily taken over by NWSC or Umbrellas as they expand, so accelerating the rate at which they bring piped water to all rural areas of Uganda.

The initiative makes SDG 6.1 more achievable by 2030, and also helps rural communities to have safe water reliably while they are waiting for conversion to piped water. It is important also in achieving SDG 6.2, since piped water is essential to improved sanitation and hygiene.

Full Functionality Partnerships: Division of Roles

The key feature of the pilot PPPs is clear division of roles between the PPP partners. The main partners are Water and Sanitation Committees (WSCs), district Hand Pump Mechanics Associations (HPMAs) acting as District Service Providers (SPs), Sub-County and District Local Governments (SLGs and DLGs). HPMAs are being trained by a Regional Service Company, Whave Solutions, to take the DSP role. In order to establish a



clear performance-led service provision mechanism, Whave works as a prototype SP supervised by local government. This means that the DLGs review the performance of Whave every quarter, checking on the functionality rates achieved and payment compliance of communities.

The HPMA members take part in review meetings, so that they can learn what performance standards are being set and be fully involved in discussions on government setting of service fees and mobilization of communities. The HPMA members also meet regularly with the prototype SP (Whave) for management training. Whave exclusively contracts HPMA members to undertake preventive maintenance technical services, so training the HPMA membership in operations as well as in management.

PPP Records June 2018	Kumi	Kamuli
Number of PMCRs	57	166
Water Users served	24,912	36,200
Spot Functionality	100%	99%
Number of breakdowns	2	18
Average down-days	2	2
Fee payment compliance	83%	76%
Custmer Satisfaction	90%	86%
Number of SLGs with preventive maintenance Resolutions	4	14
Quarterly PPP Review Meetings	Regular since 2017	Regular since 2017
HPMA participating in Review Meetings and Partnership with HPMA as trainee SP	Regular since 2017	Regular since 2017
Number of preventive maintenance technicians members of HPMA	All	All

The WSCs are obliged to become legal entities (CBOs) with maintenance bank accounts, to ensure their liability for tariff funds and build confidence amongst water users as to accountability, so stimulating willingness to pay tariffs. WSC banks accounts are supervised by SLG, DLG, the community involved, and the SP using online facilities. WSCs sign Preventive Maintenance and Continuous Rehabilitation agreements (PMCRs) with the SP. The inset box shows progress with PPP review meetings, functionality rates, number of PMCR service agreements, payment compliance, and so on.

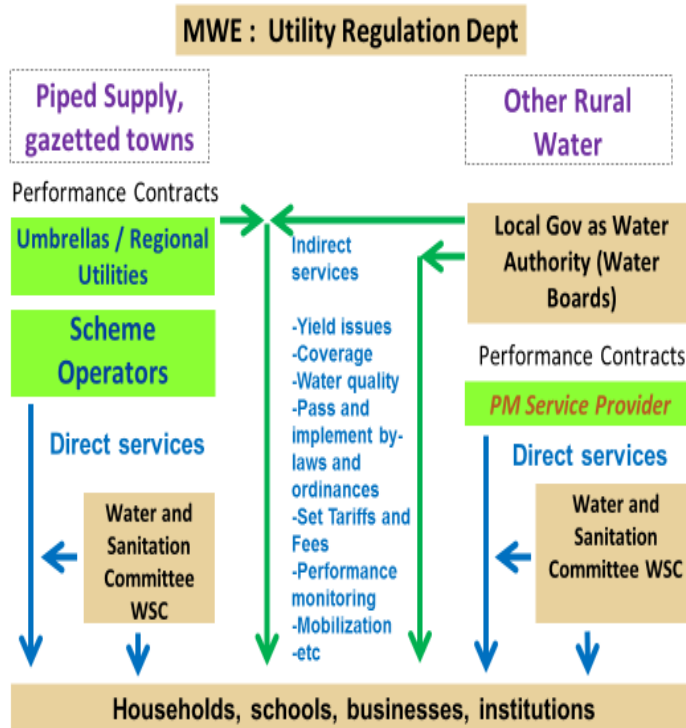
The PMCR agreement obliges the WSCs to pay a Service Fee and obliges the SP to

maintain their water source (whether a piped system or a hand-pump) in functional condition, a role known as “Direct Services”. Direct Services include continuous rehabilitation, which means that the SP replaces all minor and major components as needed, as far as possible always in advance of breakdown. This approach resolves the serious issues currently being experienced by DLGs of premature rehabilitation and endemic rehabilitation backlog. Direct Services also include “Recovery Rehabilitation” which is a repair that brings the source up to fair working standard when a PMCR agreement starts. It is less expensive than current rehabilitation, which means that current government budgets, if shared with the SP, can recover the technical quality of sources, many of which are now in sub-standard condition.

Tariffs are set by the by government with a view to charging fair tariffs differentiated according to type of water user. Currently WSC tariff setting is being discussed with SLGs and DLGs and proposals are that businesses and institutions such a schools pay in the order of 20-100,00Ush/month depending on consumption levels, visitors may 50 Ush/jerry can, poor families may pay a lifeline tariff of 1000Ush/month or 6000Ush/ harvest except at times of special needs when the WSC may offer exemptions; while families consuming more than lifeline volumes pay an extra subscription or a 25 or 50

Ush/jerry can, only for consumption greater than the lifeline volume which could be 5 jerry-cans per family per day.

Complementary Division of Roles: Umbrella and Full Functionality PPPs



The DLG, working with SLGs, has the role of setting performance standards and service fees and reviewing performance. It regularly renews the contract to the SP according to satisfactory performance. It has the role of developing and implementing appropriate ordinances, after a period in which SLGs introduce resolutions and possibly bylaws as a preparatory stage. It has the important role of providing “Indirect Services” which include desilting, handling dry borehole yield problems, and similar issues which currently are not handled by the SP.

This PPP division of roles complements and accelerates

expansion of piped water services by Umbrella Authorities and NWSC, by pre-professionalizing services in rural areas. The diagram shows the Umbrella Utilities structure for gazetted areas for piped systems alongside the structure for “Other Rural” water sources. In the case of the Umbrella structure, Indirect Services are divided between the Umbrella and the DLG appropriately. Within the “Other” category, the Preventive Maintenance Service Provider (PM SP) assures Full Functionality of rural water sources, both hand-pumps and piped systems, while the DLG has a key role in providing Indirect Services.