

Saving for Operation & Maintenance around water point sources

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Introduction

Kamwenge district is in the southwestern part of Uganda and has a growing population. Kamwenge is a Water For People Everyone Forever district where we have completed a piped water scheme in Biguli, rehabilitation of deep wells, sanitation support trainings and engagements, restoration of water catchment areas, and hygiene promotion programs.

Background

Historically level of water service has been low in Kamwenge, but since the involvement of government, Water For People and the Kamwenge District Water Office (KDWO), several water sources have been constructed and rehabilitated to provide the communities with safe, clean water. Resource mobilization and planning has been done jointly through the WASH District Investment Plan (DIP) tool. With constrained government funding for operation and maintenance (O&M) of existing water sources, many sources have broken down and some have been abandoned.

Shallow wells are prone to contamination, have a high rate of break down and are still being used in rural villages to access water though the Ministry of Water and Environment is promoting the construction of deep wells and piped water schemes for sustainability. Kamwenge District local government partnering with Water for People do aim at the ensuring the communities are aware of need to care for the existing shallow wells in their communities before they are reached with deep wells and piped water schemes. KDWO and Water For People have worked together to develop and adopt the At What Cost tool and savings model that can be used to train the communities to manage, maintain, and save for their water sources. The communities are trained by Water For People sand Sub-county staff comprising of the District Water Officer, District Community Development Officer, Sub-county Community Development Officer and health assistant.

Savings strategy

The savings strategy aims to cover the O&M costs around the shallow wells in Kamwenge District. It focuses on how the local communities can take care of their water sources, plan, and save for the future replacement of the broken-down wells.

The wells in all the villages have water user committees (WUC). The WUCs are local governing bodies of water sources formed within the society by and from the people around those water sources. These committees are responsible for management and planning of the water sources and giving regular updates on the performance of the water sources, including funds collected

from the water users, functionality of the water source, repairs made, and costs attached to the repair.

Formation of Water User Committees

The WUC establishes, registers, and records the number of users on the water sources, including households, institutions, and commercial users. This list helps identify the water users, their water usage capacities, and their contributions to the water source. The WUC verifies and confirms the actual number of water users to the communities which aid in the formation of by-laws that govern the communities.

The by-laws are rules and procedures that govern the group or association. They are approved by the local authorities and chairman of the WUC and signed by the water users to confirm their commitment. The by-laws formed are attached to the list of the water users with their approval. The by-laws are also used to guide the WUC in addressing the needs of the water users, approaches to future maintenance, and the guidelines/procedures on borrowing and lending.

Computation of savings

The At What Cost tool is a quantitative guiding tool used to calculate and derive the future costs for O&M of water sources. Costs include purchase of spares, caretaker payments, water source servicing costs, and future replacement (CapManEx) of the water source. This tool is used to train communities working hand in hand with the Sub-county chief, health assistant, community development officer and the chair local council three. The tool is also used to train and aid communities in deriving how much each household should save for the O&M of the water source.

The breakdown shows the costs of maintaining a shallow well and how much each house hold is supposed to save considering the number of households in the community. In the community of Bwizi, costs include:

Cost	UGX
CapManEx	47,708
Caretaker	35,000
Hand Pump Mechanics	7,500
Spare parts	8,333
TOTAL	98,542

To determine monthly savings, total O&M costs are divided by the number of households. For instance, 30 households each save 3,285 UGX per month, and 40 households each save 4,464 UGX per month.

Saving methodology

With the trainings from Water For People and approvals from district leadership, the communities are availed with options to choose from in saving for their water sources:

- Pay as you fetch (PAYF) - communities pay for each 20 liter jerrycan as they fetch from the water source. The jerrycan costs 100 UGX.
- Periodic payment - communities can choose to save for a specific period derived from the number of households and amount of O&M costs. This can be a monthly, quarterly, half yearly, or annual fee agreed upon by the community.
- Existing village saving group - communities that collect from the water source can incorporate an agreed upon fee to their existing weekly or monthly savings in the village savings group.
- New village saving group - communities without saving groups can start their own new group but must first form by-laws, complete a water user register, be trained on At-What-Cost, agree on the amount to save, then start saving for their water sources.
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The saved funds can then be borrowed by community members, but a fixed amount for O&M of the water source is maintained in the saving box or bank account.

Future plans for the community savings

Guidance of the WUCs and member by-laws form rules and procedures for borrowing and lending. These include.

- Establishing a loan portfolio, interest rate, security, and repayment period while maintaining the objectives of the WUC to care for the water source.
- Maintaining a fixed amount of money that can never be lent out purposely to cater for any unplanned break down of the water source. This is typically 50% of the total saved amount.
- The remaining 50% is lent out to the members of the group with group member guarantee as security for borrowing.
- Funds are lent out to the members with one month of repayment, reducing the risk of delays in paying back. A register is used to track the repayment capacity and character of the members.
- The lent-out money is paid back with an interest rate that is added to the accumulated savings, increasing the 50% savings for O&M.
- 20% of the accumulated funds are deposited into the Sub-county escrow account for future O&M costs of water sources around the Sub-county.
- The WUCs keep record books to track the repayment patterns of the people and account for the accumulated interest rates.

Challenges

Even with the At What Cost tool and various savings approaches, communities experience challenges with saving for O&M:

- Limited and inadequate cash flows - most communities rely on agriculture as a major economic activity, and price fluctuations of agricultural commodities lead to people having less income to save.



- Poor saving culture - many people misuse their revenues and are left with limited funds for saving for their water sources. It is challenging for WUCs to approach them for funds.
- Inability to access all communities - the Kamwenge district has not yet reached Everyone in terms of access to clean water. Communities without water sources still find it a challenge to save for O&M costs.

Approaches to saving challenges

Several promising approaches may help encourage savings for O&M of water sources:

- Involvement of the district partners - the involvement of Sub-county teams helps train and show the communities the need to engage in income-generating activities so that they can save.
- Aspect of credit - the use of saved funds in the WUCs helps the community h engage in other income-generating activities that can increase their income levels and solve other home-related expenditures like school fees.
- Training the District Health Team - involvement of the Health Assistant in the use of the At What Cost tool aids the district and Water For People in reaching and training more communities.

Conclusion and lesson learnt

The existence of the WUCs and supportive Sub-county staff has helped communities with shallow well water sources to organize and form village saving groups that can help them mobilize funds to repair and eventually replace their water source.