

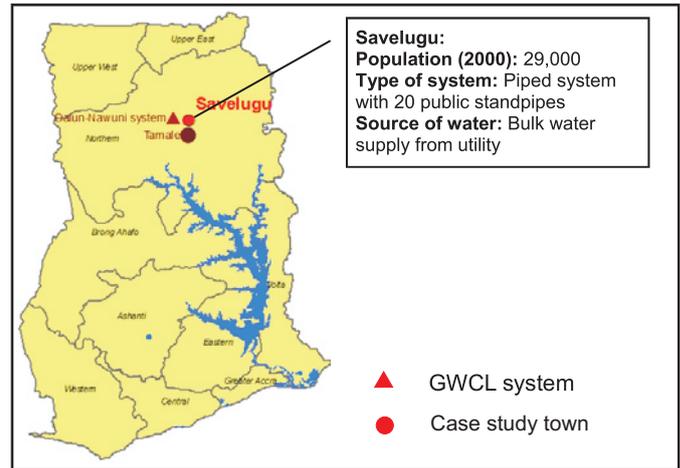
This fact sheet describes the Bulk Supply Model applied in Savelugu, as an example of a Community-Utility Partnership Model. It describes the model, in theory and in practice, including the challenges, and the areas and conditions for its application. It presents the model as an option for improving and extending provision from official providers to the underserved.

Introduction

The Bulk Supply Management Model (BSMM) in Savelugu evolved as a response to the precarious water situation. Between 1993 and 1999, the State Utility, Ghana Water Company Limited (GWCL), cut off water supply to the town. Because people resorted to using water from guinea worm infested dams, this resulted in the build up of guinea worm disease cases of about 700 in 1999, thus becoming the topmost guinea worm cases in Ghana. A collaborative effort, involving the Ghana Guinea Worm Eradication Programme (GWEP), Unicef, World Vision International, GWCL, the Savelugu Nanton District Assembly (SNDA) and the residents of the town, resulted in the construction of a reservoir (135m³), the rehabilitation of parts of the trunk line and the construction of the distribution lines to 20 public standpipes, each with 6 sprouts. These infrastructure improvements went hand-in-hand with the development and implementation of a BSMM, which included the institutionalisation of a Water and Sanitation Development Board (WSDB) and the signing of an agreement among GWCL, the WSDB and SNDA.

The Model

The model is a Community-Utility Partnership in which the utility company (GWCL) sells and delivers bulk water to the Savelugu WSDB for onward redistribution/resale and management to consumers. The bulk purchase agreement states that GWCL should supply a daily steady flow of water with acceptable quality to the WSDB, at a concessionary rate of 30% of GWCL tariff. Furthermore, GWCL should provide consultancy services and on-site technical advice on matters related to the distribution of water. GWCL installed water meters and is responsible for



the servicing of the meters, the maintenance of the main transmission line to avoid the interruption of water supply to Savelugu and maintenance of electro-mechanical equipment when the need arises.

The WSDB distributes water, bills and collects revenue and pays for the bulk water supplied at the end of every month, through an operating team, which undertakes the day-to-day operation and maintenance of the water system. The WSDB recruits and supervises the work of the operating team. Vendors man the standpipe and perform tasks, including selling of water to community members and cleaning of standpipe sites.

WATSAN Committees are responsible for the management of standpipe including selection of vendors and election or appointment of representatives to the WSDB and reporting of faults in the water system to the WSDB.

At the community level, a Water Council consisting of representatives of all identifiable groups was formed to be the highest decision making body with respect to water. It gives preliminary approval of new tariff proposals by WSDB and mobilises and educates community members on new decisions approved by the SNDA.

The SNDA is the legal owner of the water system and approves decisions agreed by the Water Council. Through the District Water and Sanitation Team (DWST), the SNDA monitors and supervises the work of the WSDB and conducts annual audits of the accounts of the WSDB.

Partnership meetings to review modifications in the agreement have been instituted and are to occur every six months. Where any party is unable to fulfil its part of the obligation, that party must explain the circumstances leading to the failure and recommend measures to address

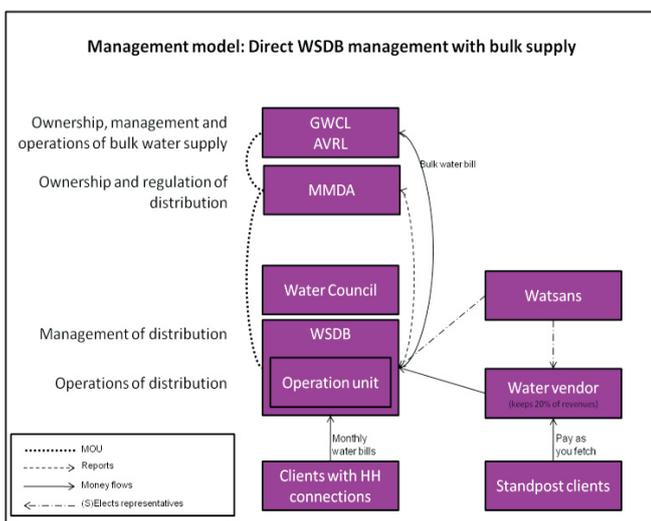


Figure 1: Roles and responsibilities of stakeholders

them. Measures adopted under the model for ensuring equity and meeting the needs of the vulnerable, include adoption of a single level of service (public standposts) and 10% concession on meter readings as unaccounted for water, which gives the vendors the leverage to allow the very poor to fetch water without paying.



Figure 2: Public standpost and containers used for fetching water in Savelugu

The reality

There is generally, inadequate water supply in Savelugu. The supply, under the agreement was just 30% of the total demand. Moreover, GWCL is unable to meet its commitment to supply water on a daily basis, especially in the dry season when supplementary sources (natural sources) dry-up. However, the model has ensured an unprecedented 12 hour flow of water every three days, through the 20 public standposts, evenly distributed over the six electoral areas of the town. Water supply has also been extended to the District Assembly Office, the Savelugu Senior high school, quarters of staff of the District Assembly and other institutions located in Savelugu. Consequently guinea worm cases reduced from 700 in 1999 to less than 50 between 2000 and 2002.

The operation and maintenance capacity is consistent with CWSA / O&M guidelines for small town water systems. This consists of an operating staff of 7, made up of a system administrator, two revenue collectors, two security officers, two plumbers and twenty vendors in charge of the standposts. Furthermore, there are 6 WATSAN Committees, one in each electoral area, and an 11 member WSDB.

Between 1999 and 2004, GWCL recovered 100% of bills from the WSDB. This is especially impressive if compared

to other systems operated by GWCL, where recovery rates are only 60% on the average. This success can be attributed mainly to payment of bills at the point of fetching, the institution of measures such as daily reading of meters, the daily depositing of sales, and the timely payment of commissions to vendors on daily basis, etc. However, non payment of bills by connected institutions has led to the accumulation of bills to the tune of GHC 30,000 (about US\$ 20,000). The WSDB is not therefore, able to honour its obligations to GWCL. This led to the threat by GWCL in early 2009 to withdraw the concession and final withdrawal in September 2009.

The WSDB has not benefitted from the technical support of the DWST, as prescribed in the model. The partnership meetings proposed under the model have not been effective.

Challenges

Transparency and accountability issues like encroachment of roles, under-reading of meters and under-reporting of sales, tampering with meters among others, have been reported.

The unilateral withdrawal of the 30% tariff concession to WSDB has implications on the ability of the WSDB to recover costs, without charging tariffs far above what direct customers of GWCL pay. This leads to the withdrawal of the 10% leverage to the vendors to serve the poorest. Lack of access to technical support from the DWST worked against the WSDB, in terms of its ability to engage GWCL, on technical issues. This is compounded by a weak regulatory framework.

Applicability of the Model

This model is very suitable for informal communities, where there are issues of security of tenure (e.g. where tenure of the poor is threatened as a result of increased rent associated with increased value of homes because of improved connection to a water service), lack of financial capacity to get household connections and difficulty in constructing pipelines because of haphazard development of buildings. It can also be applicable in smaller communities, where the customer base is small, but has to be served by a utility.

However, for the model to work effectively for the poor, a third party, preferably civil society, is needed to moderate the partnership and in particular to build the capacity of the community to engage effectively with the utility. In addition, the DAs need to be more proactive in providing support to the WSDBs.

Key Reference: The factsheet is based on a case study, written by Bernard A. A. Akanbang, under the TPP project. The full report can be found on www.ghana.watsan.net/page/777

This Fact Sheet has been produced under the Tripartite Partnership (TPP) Project, in collaboration with the RCN Ghana Secretariat. The Resource Centre Network (RCN) Ghana is an institutional partnership of organizations who have committed themselves to improve WASH sector learning, through knowledge development, knowledge management and information sharing/dissemination. For more information, please visit www.ghana.watsan.net. The TPP project seeks to tackle the core problems of weak sector capacity for planning and delivery of WASH services in poor urban areas, through the demonstration of new approaches to pro-poor WASH service delivery in three pilot areas, involving Tripartite Partnerships of NGO, Public and Private sectors. For more information, please visit <http://www.ghana.watsan.net/page/687>