



Partners for Water and Sanitation

Note on project reports

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Partners for Water and Sanitation

Benue Small Towns Water Supply and Sanitation Project Benue State Nigeria

TECHNICAL REPORT

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1 Executive Summary

Partners for Water and Sanitation (PAWS) is a collaboration of government, private sector and NGO organisations dedicated to solving problems associated with providing access to water and sanitation in developing countries. The initial focus of the partnership is Africa.

This report is a summary of the activities carried out, findings and recommendations made from the visit to Benue state, Nigeria in April 2008. The purpose of the visit was primarily to provide technical training to partners associated with the Benue State Small Towns Water Supply Project, coordinated by the Benue State Small Towns Unit (STU). WaterAid Nigeria (WANG) has been working with the STU and PAWS Nigeria to provide policy support and technical training to the STU and the Water Consumers Associations (WCAs) of Naka Town, Lessel Town and Ugbokpo Town, the three pilot communities for the project.

During a one week visit from the 14th to 19th of April 2008, we carried out a two and half-day training workshop with around 30 participants from WCAs of the Towns of Naka, Ugbokpo and Lessel, the State Water Board of Benue State, the Small Towns Unit of Ministry of Water Resources and Environment (MWRE), the State Planning Commission (SPC) and other partners.

The main visit output:

- A two-and-a-half day training workshop, covering the areas of “Governance and Institutions”, “Introductory Accounting”, “Water Tariffs”, “Technical aspects of Water Supply” and “Contracting” was delivered and attended by around 30 participants. The feedback from the participants was unanimous in stating the usefulness of the workshop. The most popular modules were the modules on tariff reform, contracts and technical aspects of water supply.

The Main recommended action is that Senior representatives of the stakeholders (with the authority to take decisions on behalf of their organisations) should discuss, agree, sign and fully document in writing, a transition plan, complete with milestone dates for the handover of water supply schemes to the community. We suggest that the Project Team with support from WANG and PAWS acts as the coordinating body for the production of this plan.

This transition plan should clearly set out roles and responsibilities of all stakeholders at each stage of the plan; together with appropriate levels of service and a method of identifying and addressing any skills gaps that might be evident.



2 Introduction

Partners for Water and Sanitation works with developing countries providing unrivalled knowledge and expertise to help them supply clean water and adequate sanitation to their population. An innovative not-for-profit initiative, the partnership has members from three sectors: government, private enterprises ranging from water companies to engineering groups, and NGOs such as WaterAid, Tearfund and a trade union. This allows the partnership to draw from the widest possible range of expertise to rapidly respond to each unique challenge and to help local African partners develop and strengthen capacity and build truly sustainable solutions.

Each partner brings a unique set of skills and expertise. These are matched with a wide range of potential needs identified with partnering countries at a national or local level, working alongside their existing water and sanitation programmes. The emphasis of partner involvement is on-the-ground capacity building, such as knowledge transfer, to ensure the sustainability of each project and to encourage any lessons learned to be shared and used again throughout the region.

And it's not just about engineering: corporate, institutional and financial capacity building is also required. While the initiative does not itself provide funding, it often strengthens each locality's ability to identify and access available sources through the capacity building approach.¹

2.1 Terms of Reference

The Terms of reference for the project stated the following Project Title, Justification Objectives, Deliverables and Impact for the PAWS intervention:

Project Title and Reference

Benue State Small towns Water Supply and Sanitation Project, Nigeria: Capacity Building Programme on Small Towns Water Supply Scheme Operations and Management.

In 2005, Benue State Government, WaterAid Nigeria and Partners for Water and Sanitation (PAWS), entered into a tripartite partnership agreement through a Memorandum of Understanding (MOU) between the three parties for the development and implementation of programmes and projects in the field of Small Towns Water Supply and Sanitation (STWSSP). Three small towns were identified for the pilot phase; Naka in Gwer-West LGA, Lessel in Ushongo LGA and Ugbokpo in Apa LGA.

PAWS has been supporting this project through technical missions to Benue State, the last being a technical assessment carried out in March 2007, with the support of South West Water of the UK. A technical report was submitted with key recommendations on the rehabilitation of the three small towns water supply schemes (Refer to technical report for 24-NIG March 2007).

¹ From the Partners for Water and Sanitation website: <http://www.partnersforwater.org/>



A detailed technical assessment was conducted in November 2007, by the Benue State ministry of Water Resources small towns unit, the project implementation team. Rehabilitation activities are presently being implemented.

Justification

Water Consumers Association (WCA) has been established in the three small towns, the Local Government Water and Environmental Sanitation (WES) units are now more involved in water and sanitation issues in the three small towns, and the Small Towns Unit (STU) of the Ministry of Water Resources and Environment is providing the needed support to the WCA's.

This terms of reference for PAWS support is to help in the improvement of the capacity of the WCA, the WES unit, and the STU in the operation and management of the small towns schemes for sustainability. This is to ensure the effective use of the infrastructure, and sustainable water supply in the communities.

This project has been identified in the PAWS business plan 2007-08.

Objectives

. To improve the capacity of key actors in three small towns schemes in Benue State, in the area of Operation and Management .

Deliverables

- 1. A 1-day technical review of the status of the Water supply scheme*
- 2. A 2-day training programme on; Operations and Maintenance procedures, required tools and human capacity, running and capital expenses, tariff setting and billing.*
- 3. A technical report on the project status, the training programme carried out, and further support areas.*

Impact

This support will;

- Enhance the capacity of the team on ground, for effective operation and management of the small town schemes.*
- Ensure sustainable use of the water supply schemes*
- Increase the potential for replication in other small towns of Benue State*



2.2 WaterAid Nigeria

WaterAid is a non-government organisation originating in the UK which has recently celebrated its 25th birthday. The organisation has been operating in Nigeria for over 10 years. WaterAid has a policy of not being an implementing agency but instead works with and through local partners, acting more as a local source of skills and finance than as a constructor or manager. The strategy is based on the premise that WaterAid projects should be above all sustainable in the (eventual) absence of WaterAid. In Benue State WANG have one main local partner in the small towns water supply sub sector; the Benue State Small Towns Unit. While the organisation's roots lie within the UK water industry, WaterAid's core skills have evolved from primarily technical to the "soft" aspects of water and sanitation; capacity building and hygiene promotion.

The organisation has extensive experience in small scale rural water supply projects. However, in recognition of their stated goal of providing water and sanitation access for all and the rapid urbanisation of developing countries, the organisation has recently started a number of peri-urban water supply schemes. Their stated target is to increase urban work to 30% of expenditure.

The Benue projects are among the first such schemes in Nigeria.

2.3 Benue State Small Towns Unit (BSTU)

A federal policy was developed in 2000² which is currently in the process of being ratified. States may choose to adopt this policy or base their policies on it, and Benue was one of the first states to issue its own policy document.

Among other things, the federal policy suggests that water infrastructure management be devolved to *the lowest appropriate level*. Apart from this, the policy is not precise about ownership and management structures. In some places, state water agencies and local government areas are referred to (articles 29 and 30), whereas other sections refer to community management of operations (article 35).

Benue State has a draft Water Supply and Sanitation Policy dated January 2005 which sets out the role of Water Consumers Associations in the supply of water to small towns. The Small Towns Unit in Benue State is part of the Ministry of Water Resources and Environment. The unit was set up specifically to manage the transition from full State ownership and operation, to full community ownership and operation, of water supply assets. The role of the small towns unit, as stated in the draft Water Supply and Sanitation policy of Benue State, is to support the development of Water Consumers Associations in the small towns of the state.

² National Water Supply Policy, Ministry of Federal Resources, Jan 2000



3 Visit Programme

Day 1: Monday 14th April 2008.

- Mike J. Woolgar arrived Abuja and driven to Makurdi. Minor delay on route due to attempted extortion of funds for “environmental sanitation”. Peter, the driver, dealt with the situation admirably and refused to pay, so after a delay they were able to continue.
- Chris Underwood already in Makurdi having arrived from Bauchi on evening of 13/04/08.
- Planning meeting at WaterAid’s office, with Gabriel Ekanem (PAWS), Nathan Ichor (MWRE/STU), Mimi Ishan, Linda (WaterAid Nigeria), Juliette, Linda Igbudu Mercy Agbese, Nelson (STU). Review of participant list and participating organisations to ensure workshop suitability. Preparation of workshop agenda.

Day 2: Tuesday 15th April 2008.

- Protocol meetings from 0900 to 1100 with Ministry of Finance (Permanent Secretary Mr George Terna, erstwhile Permanent Secretary MWRE) and with Mrs Erdo Tumba, Director General, State Planning Commission.
- Registration for workshop from 0900 to 1030
- Day 1 of workshop:
 - Introductions
 - Expectations from workshop
 - Objectives
 - Description of PAWS and WaterAid
 - Water cycle and water supply elements – what are capital costs and what are operational costs
 - Policy Framework for Nigeria
 - Policy Framework for Benue State
 - Roles and responsibilities presentation
 - Roles and responsibilities – discussion and group work
 - Feedback from Group work
 - Further work on capital and operational costs
 - Case studies of how WCAs/WMCs work in other contexts
 - Initial feedback for Day 1 and requests for work to be done on Day 2
- End of Day 1 Workshop c 1700
- Planning Meeting at WANG offices Makurdi for Day 2 of Workshop

Day 3: (Wednesday 16th April) Workshop day 2

- Protocol meetings from 0900 to 1000 with State Water Board and MWRE, Commissioner for Water Resources.
- Workshop Day 2 started 1000
 - Recap of Day 1
 - Why pay for Water?
 - Introduction to Tariffs
 - Introduction to Accounts, specifically cash flow, P&L, depreciation
 - Tariff calculation tutorial and group work
 - Feedback from Group work on tariff calculation
 - Extended training on tariff calculation including demand assessment, operational costs assessment and capital depreciation charges.



- What are contracts and what contract might the WCAs let
- Risks in contracts
- Open floor review of contract types, risks associated with them and potential ways to mitigate those risks.
- Initial feedback from Day 2 and requests for work to be done on Day 3.
- Workshop closed c 1645

Day 4: (Thursday 17th April) Workshop day 3

- Technical water supply modules (boreholes, groundwater, water quality etc)
 - Summing up
 - Review of objectives and how well we had met them in the workshop
 - Workshop closes at 1230
- Steering Group meeting from 1400-1600

Day 5: (Friday 18th April)

- Drive to Abuja (MJ Woolgar, C Underwood and G Ekanem)
- Debrief meeting with WANG at Abuja office with J Burton

End of period covered by this report



4 Review of Training Workshop

4.1 Participant Expectations

The participants were asked to list what they hoped to learn from the workshop. The following list was recorded during the workshop given by each group:

Naka WCA:

- To be knowledgeable about water tariff
- To be able to apply tariffs
- To be able to generate revenue

Ugbokpo WCA:

- Individual bodies will understand roles to play
- How to harmonise the various stakeholders
- Fear: how do we get hold of diesel to get the system working?

Lessel WCA:

- All stakeholders will know what they are to do and their roles – especially WCA
- Clear role for WCA and Water Board at local level
- Delay has caused concern with consumers and maybe they will not cooperate.

STU:

- Schemes functioning and sustainable
- Roles and responsibilities will be fully defined and understood
- Capacity of WCA improved on tariff and contracting and O&M
- Fear: how to become sustainable/will everyone understand?

Planning Commission:

- Role of commission defined
- Be able to carry out the role for the project
- Need to build capacity re Monitoring & Evaluation for sustainability

Water Board:



- All will know to ask Water Board re water treatment
- O&M costs and who will do it
- Fear : worried about the location of the project and the financing

Naka Water and Environment Section (WES):

- Roles of the WES and others
- Security – who is responsible?

It was notable that the biggest area of concern was to do with clarification of the roles and responsibilities of the various stakeholders. This was always going to be an objective that would be difficult to achieve in this workshop session given that some of the representatives of the “power brokers” – namely the MWRE and senior members of the State Water Board were not present. We were able however to discuss the issues.

The list of organisations that attended the workshop is contained in Appendix 1.



4.2 Workshop proceedings and objectives

4.2.1 Introductions and Expectations (Day 1)

The workshop began with introductions and the participants were asked to determine their expectations of the workshop for their groups. Groups then presented their expectations to all.

4.2.2 Governance module (Day 1)

The objectives of the Governance module, which essentially occupied all of the first day, was to familiarise the participants with the various roles typically associated with water and sanitation supply in an urban or peri-urban context. Attention was then paid to the Nigerian context by discussing the relevant implications of the 2000 Federal Policy Document (National Water Supply and Sanitation Policy) and there was a short presentation on the Benue policy the development of which PAWS supported.

The “business” of water and sanitation service supply was broken up into various components in various ways; by thinking about water “from source to tap” (e.g. water abstraction, treatment, distribution) and by thinking about “people” (e.g. policy development, ownership, financing, management, monitoring). The financing components focussed on the difference between “capital” and “operational” expenditure, with the rough definition given as “capital” expenditure being on items which last for more than one year. The Water Policy capital expenditure suggestions were incorporated at this stage.

Use was made of diagrammatic layout of a water supply system and photos of items to which participants could assign a category either of capital or operational costs.

By considering these two angles of approach, a list of tasks and responsibilities was developed. Existing organisations in the water sector were listed, as well as other potential bodies which could be involved in water and sanitation governance. Groups were asked to allocate tasks to various groups and then present their reasons for doing so to the rest of the participants. The matrix used to facilitate this discussion is included in Appendix 2. One learning point was that it would have been helpful to have allowed the participants to allocate responsibilities to more than one body but to indicate where the principal responsibility should lie.

Note: the workshop was not intended to be used to agree a governance structure, merely to inform participants of possible ways of organising the water sector. This was an important issue for all of the participants – namely which stakeholders would be engaged with which responsibilities. No final outcome was possible but the matrix formed a useful discussion point.

A number of case studies in different countries were also presented to demonstrate the sort of structures which the participants might find useful when conceptualising how they might arrange their own water supply and sanitation services. Of particular use was the Cross River case study which demonstrated to the participants that it is possible to organise this sort of operational model in Nigeria.

4.2.3 Accounting and Tariffs Module (Day 2)

In this module we rehearsed the issues relating to governance options and the need for water services to be paid for. How services are paid for was discussed – options including Government subsidies of various levels and consumers paying all or the balance allowing for subsidies.

There was then a section on accounting and how important keeping records would be for the WCAs. The basic concepts of cashflow, profit and loss, and balance sheets were discussed and examples provided. In order to explain the differences there was an extended period when depreciation of capital assets was discussed and many examples provided, also showing the relevance to profit, balance sheet and the place of depreciation in tariff assessment.

We then moved on to the part of the workshop which engendered the most interest and also threw many issues into the light: tariff assessment.

From a review of the inputs and outputs of a water supply system and a re-assessment of capital and operating costs for various elements of the system the workshop participants were able to indicate a range of cost types which would need to be included in the tariff assessment.

A highly simplified example was run through several times to show how the demands on a water supply system could be estimated, what the operating costs associated with such supply might be (both fixed and variable) and how much the overall operating, maintenance and capital depreciation costs might be per litre or per cubic metre.

A more complex example was provided to the participants who were split into 4 teams, 3 representing the WCAs and one representing the STU. The teams were given a couple of hours to work through the worksheets provided, with the support of the facilitators, to come up with an estimated tariff for the water in their town.

The process of establishing an unconstrained demand followed by an estimate of an affordable tariff took some time. At the end of the session, which carried on over lunch and into the early afternoon, the 3 WCA teams had arrived at a tariff which was sensible, albeit not precisely supported by the data, and the STU had arrived at an unacceptably low tariff. On investigation it was discovered that there had been some confusion in the team relating to the mathematics of converting prices per m³ to prices per litre. A short maths lesson was required.

From the experience gained in Bauchi it was also noted during Day 1 that many participants were unfamiliar with the types of infrastructure required to supply water or sanitation services, something which the PAWS water engineers and the water board staff take as assumed knowledge.

The programme therefore included a presentation on the hydrological water cycle and on how water gets from sources to the doorstep, and is returned again to the environment. Participants were then asked to identify a series of photographs of supply equipment and place it correctly in the “cycle”. When all participants were able to do this, the workshop proceeded.



This module tied neatly into a discussion about why water should be paid for. By this stage, participants were aware of the cost implications of water. A theme that had occurred in the group discussions, principally amongst attendees who had not previously attended STU workshops, was that “government” should pay for most, if not all, parts of the cycle. We asked the participants to consider the idea that government revenues are derived from taxes, which the consumers pay anyway as they consume taxed products, such as fuel and food. The suggestion was that current effective government expenditure in the sector was insufficient, that the taxes would have to be raised anyway, to pay for new infrastructure. If residents themselves were to pay for and manage services, a number of “middle men” could be removed from the financing cycle.

The idea of using business or commercial sector subsidies was also examined briefly. We suggested that some cross subsidy might be possible, and is often practiced, however excessive taxes on businesses will eventually result in business failures and the financing problem will remain.

4.2.4 Introduction to Accounting Module (Day 2)

Before tariffs were discussed, we felt the participants would require some introduction to basic accounting concepts. The objective of the training was to get participants to understand three different ways of looking at a business’ financial situation: The Cash Flow statement, The Balance Sheet, the Profit and Loss statement.

The discussion started with cash flow, as we felt this would be the most intuitive type of record that the participants would be able to readily grasp. The balance sheet was then discussed as a list of “stuff” which the business owns and “debts” that the business must pay.

Finally, the profit and loss statement was dealt with last, along with the concept of depreciation and the matching principle. Depreciation was tied in with the now familiar concept of capital expenses. A list of expenditure items was then read out and participants were asked to state whether the expense was capital or operational, and if capital over how many years it might be depreciated. This was followed by a series of photos and some diagrams of water supply works elements and their operational/maintenance inputs and again the participants were asked to identify whether the costs shown were operational or capital. This appeared to work well, particularly when facilitated in pidgin.

4.2.5 Introduction to Tariffs Module (Day 2)

The participants were asked to consider two questions when designing tariffs, those being;

Should the price of water change with the volume consumed and;

Should different types of customers pay different prices?

Consideration was then given to the costs that the tariff was expected to cover – if capital costs were to be covered then depreciation would have to be entered as an expense that the tariff should cover.



The tariff module concluded with a group exercise (group sizes of 4-6 participants) where information regarding consumers, operational and capital expenses was given and the groups expected to come up with a price for water.

The exercise was then worked through as a group, comparing the different results obtained by the groups as we went.

4.2.6 Contracts Module (Day 2)

We considered that as the water supply systems were nearing re-commissioning it would be a good idea if the WCAs were introduced to the disciplines of contracting.

Several different types of contract were identified from taking a taxi, paying for mobile phones, equipment supply contracts and construction/installation contracts.

In open discussion we reviewed what the essential elements of a contract are:

- Offer and acceptance – namely a willingness of both parties to engage
- Outcomes and obligations – whatever it is that is required from one party to the other and vice versa
- Rights – what happens in the event of default.

We then moved on to establish that purchasing services, equipment, construction or installation contracts entail risks and potentially poor outcomes for us. Some examples were given and offered from the participants.

We introduced the idea of contracts as a written method of risk control. A purchaser has to decide what he wants, what he does not want, how he wants to pay for it, when he wants to pay, what security he may wish to hold against default – all in the context of the possible risks to success that he can identify. A written contract helps to ensure that these risks can be controlled as much as possible, and we discussed a range of issues that could occur and options for writing them out in the contract.

Different types of contract were debated and a case study of a contract relevant to WCA operations was examined – leakage control – with different risks examined for different contracting options such as term contract, ad hoc arrangement, target/outcome reward contract etc.

Finally the content of the module was summarised in pidgin by Gabriel, with many examples from real life that the participants recognised, discussing where the risks would lie and how it might be possible to defend oneself by better contract definition.

4.2.7 Technical Module (Day 3)

As a concluding module, a series of technical (engineering) presentations were given on the following subjects:

The theory and design of boreholes



Groundwater quality risks

Surface water quality risks and treatment methods

Water supply infrastructure and maintenance of water quality.

4.2.8 Review of Expectations (Day 3)

Finally, we reviewed the list of expectations collected on the first day and ensured any remaining unaddressed expectations were met with a question and answer session.

4.3 Workshop Feedback

Workshop feedback was generally positive and we include in the tables below all comments received.

Makurdi Workshop Day 1: 15 April 2008 Feedback

I am very happy for the workshop what I have done it is very nice to me
No breakfast. Presentations were OK
The teaching was very okay. I expect to see more of it. There should be breakfast and lunch tomorrow.
I want to know more on accounting method that we use from tomorrow please.
The facilitation was specific simple and clear.
Everything went fine and should be upheld.
I want to know more about capital cost and operational cost.
The differences between capital and operating cost was well spelled out. Benue State policy was clear and needs more explanation.
All was done and well. It should repeat tomorrow. May God provide. Thanks.
All the presentations were adequately carried out and participatory too. Feeding is inadequate – you don't keep someone from morning to evening and provide only lunch. There's a need for a breakfast or tea break
Congratulations, the lecture were encouraging feeding was Ok. The conference hall was well equipped. I expect the same tomorrow.
Generally it was a busy day full of actions and reactions. For today it was quite interesting. Tomorrow we expect intensive discussions on tariffs for the god of the WCAs.
I am very happy that everything went on well we shall see tomorrow.
Lunch was late. Presentations were okay. Participation was effective.
Every presentation was straight to the point and easy to understand with full participation. Did not go well: Lunch was late, no allowance for others.
Good timing, participation and energy. Better if no delays and lunch on time.
Time was well managed, then should continue.
The workshop was well okay. I am expect to come across a sound knowledge more on the workshop tomorrow.
Everything went well. But let there be lecture material.



Makurdi Workshop
Day 2: 16 April 2008
Feedback

I would like to know or understand more about contract implications when contract is poorly executed. Is it contractors or the person who awards the contract is at fault?
All the presentations were alright and participatory too. I accepted the STU coordinators apology for inability to provide breakfast in good faith.
Everything went well. Presentations were beautiful and exercise very tasking. Today's meal very sumptuous.
Tariff setting calculation went well.
It was a nice session.
Tariff and contract went well but we still need to know those chemicals that are good and the ones that are bad, so as to be able to carry out a simple water test.
The workshop is very good it was taught us many things that we have no idea to it before, keep it up please.
All was well in the hand of God Almighty same be done tomorrow.
The presentations were as usual okay. There was no breathing space.
Good interesting day.
The exercises and presentations were very fine. But they hurry to by ??? ??? to the understanding of all participants.
The training was really interesting. I also think we need to practice more of the tariffs on our own to get accustomed to it.
All presentations were clearly presented. Venue of meeting needs more attention in areas like power supply, toilets, snacks etc.
Operative cost and capital well treated. Introduction of tariff is still a problem. Contract risk needs more training so that we can detect all quality.
All went well.
There is an absolute need for a recap on tariffs. The issues on the agenda for today have been exhaustively addressed. No problems. Rehearsals to be carried out at short intervals.
Its so progressive with a lot of enlightenment and understanding. We were well cared for, the whole study today was cool and ????
I like an open person you people, kindly help our state Benue to progress and eradicate corruption. We need good together our community.
I appreciate the presentation. We have access to copies of the papers presented. This is the best workshop we ever had.
Goodbye for today training happy to see you tomorrow.
How you should do in contract goes well. And in the workshop all went well.
All the training section is okay. We need more training on tariff setting.
Everything went very well.

It was noted that the WCAs, STU/MWRE and the Water Board all felt that they were still in need of further support and training and would be very keen to develop a further training programme. The view of the PAWS team is that it is essential to get both the Water Board, which has only recently joined the process which is to be welcomed, and the STU to be more able to understand their roles and the skills that they can bring to the supply of water to the small towns; clearly neither body is in a position yet to be able to offer unequivocal advice on many of the issues discussed in the workshop.



Therefore the PAWS team recommend that some further training needs analysis is undertaken by country manager and WANG with a view to agreeing a further programme of training. This is particularly important since none of the bodies is yet capable of successfully running the systems, but if the best available skills from all parties are made available in an appropriate way there is a much higher chance of success. For such success all parties need to understand how they can work together and the PAWS team suggest that the next step might be to run a facilitated workshop with senior representatives from STU, WB and LGA to determine what each will be able to contribute – ie establish the governance and institutional arrangements!.



5 Other Activities

5.1 Meeting with Permanent Secretary Ministry of Finance

The Permanent Secretary (PS) for the Ministry of Finance used to be the PS for the MWRE and was instrumental in ensuring that the finance for the Pilot Towns rehabilitation was eventually received by the STU. He was very welcoming and indicated that he would be keen to help where he can to keep the small towns project going. We should continue to visit and keep him informed of progress just in case he can help.

5.2 Meeting with Director General, State Planning Commission.

Essentially a courtesy call, to inform the Commissioner Mrs Erdoo Tumba of what PAWS and WANG have been working on with STU. She expressed interest and delegated a member of her staff to attend the workshop.

5.3 Meeting with Commissioner for Water Resources, MWRE.

Essentially a courtesy call, to meet the new commissioner to test the waters regarding any support we might be able to get. He expressed interest but no concrete support plan.

5.4 Meeting with Director, Benue State Water Board

We visited the Benue State Water Board (BSWB) to discuss what we were trying to achieve with STU. This was the first real contact with the Water Board, something we have been trying to achieve for some time. The Director Engr. Mrs. Roseline Chenge expressed interest and had delegated a senior member of staff to attend the workshop. The Water Board delegate was very keen and suggested that she would try to get more WB staff involved in future workshops.

5.5 Capacity in Benue

5.5.1 The skills required

Following the workshop it is possible both to gain some idea of the existing skills in the local partners (WB, WES, STU and WCAs) and also of the sorts of skills required to run a sustainable small town water supply operation.

Of the 30 or so participants at the workshop, two claimed to have some knowledge of accounting practices, and some claimed (at least the Chairman of the Naka WCA) to have any experience running a small business.

We would like to stress, drawing on personal experience of both working for large utilities and also running a small, rural scheme for 20,000 people, that the business of supplying water to people is exactly that – a small business.

The vast majority of the Water Consumers Association's time will not be taken fixing pumps or repairing leaky pipes, but supervising the work of others (the operators). While some technical knowledge about how to do this is essential, far more important to the committee will be skills in:

- Bookkeeping and Accounting
- Billing and Revenue collection
- Operating bank accounts
- Performance monitoring
- Procuring services
- Contract writing and negotiation
- Prevention of Fraud

These are the skills typically associated with running a small business, and small business owners should therefore be essential team members for the committee (which is not to exclude other community representatives). While the poorest and most vulnerable consumers should have a voice on the committee, it is likely that these members will also be the least educated and have few or none of the business skills (or possibly self confidence) required to deal with the relatively educated operators.

If no one on the WCA has any of these skills, they will need to be trained more fully and be prepared to make use of other skills available from the WB, WES, STU and others. Working out the modalities for ensuring this works is really the next major step.

5.5.2 The existing skills (as assessed from the workshop)

The dearth of accounting skills and small business experience aside, we were encouraged by the ability of the WCA teams during the tariff setting exercise. The STU is suppose to provide capacity support to the WCAs, and coming from the workshop, they will need some capacity improvement to meet the demand. We will also advice that the STU takes full advantage of the existing skills within the WCAs.



By the end of the workshop all participants were able to grasp the difference between capital and operational expenditure, understood the concept of depreciation and were able to estimate demands.

5.5.3 Conclusions

1. For the successful hand over of supply schemes to the community it is essential that the roles and responsibilities of the various stakeholders is fully understood. This applies not only to the long term vision of how the schemes will operate, but also to any transition phases.
2. A project plan and 'road map' is required to document the transition from the existing method of operation to the desired future state. This plan will take into account the roles and responsibilities of the stakeholders.
3. Any plan and allocation of roles and responsibilities must be fully documented in writing and checked for compliance with various State and federal policies and legislation, to ensure that all stakeholders are acting within the law. Formal contracts or MoUs may be required.
4. Any plan for allocation of roles and responsibilities will also need to address any skills gaps that might be present that would prevent or hinder full delivery of the allocated responsibilities. These skills gaps need to be addressed by a suitable training provider or partner. PAWS can assist and support this process but would not be able to act as a formal training provider.
5. Any plan should also consider the appropriate levels of service associated with each role and how such levels of service will be monitored, reported and how remedial action will be taken to rectify shortcomings in service.

5.5.4 Recommended actions

Senior representatives of the stakeholders (with the authority to take decisions on behalf of their organisations) should discuss, agree, sign and fully document in writing, a transition plan, complete with milestone dates for the handover of water supply schemes to the community. We would suggest that the STU with support from WANG and PAWS acts as the coordinating body for the production of this plan



6 Appendices

6.1 Appendix 1 – List of Organisations that participated

1. 11 Members of the WCA from Naka, Ugbopko, and Lessel
2. 1 Benue State Water Board Senior staff.
3. 3 Benue State Water Board Operators from Naka, Ugbokpo, and Lessel
4. 1 State Planning Commission staff
5. 6 WES unit from Naka, Ugbokpo, and Lessel
6. 7 Small Towns Unit Staff
7. 2 WaterAid Nigeria Staff

6.2 Appendix 2 – Roles and Responsibilities

Roles and Responsibilities			Government					Community					Other
Where are we talking about ?	What are we talking about ?	Doing what exactly ? (remember if you're doing it, you're paying for it)	Federal Government (Ministry of Water Resources)	Environmental Protection Agency	Public Health Authorities	State Government / Water Board	LGA	Water Management Committees	Private Individuals / Entrepreneurs	Traditional Leaders	Religious Leaders	Local NGOs	Big NGOs (e.g. WaterAid)
Whole country	All water resources	Policy											
Groundwater	Boreholes	Ownership / Replacement Maintenance Operation											
River	River Abstraction	Ownership / Replacement Maintenance Operation											
River / Borehole	Water Treatment	Ownership / Replacement Maintenance Operation											
Treatment plant --> Town	Transmission in Pipe (using pump or gravity)	Ownership / Replacement Maintenance Operation											
Distribution to the door in the town	Smaller Pipes / pumps or water trucks or porters or kiosks	Ownership / Replacement Maintenance Operation											
In the town	Collection of Revenues	Operation											
In the town	Check Water Quality	Operation											
In the town	Check price and service	Operation											
In the town	Collection of wastewater by sewers	Ownership / Replacement Maintenance Operation											
	Collection of wastewater by trucks	Ownership / Replacement Maintenance Operation											
	Pit latrines	Ownership / Replacement Maintenance Operation											
Out of town	Treatment of wastewater before discharge to river	Ownership / Replacement Maintenance Operation											
In the town	Check wastewater quality	Operation											
In the town	Hygiene Promotion	Operation											
In the town	Community Mobilisation	Operation											
In the town	Capacity building and training	Maintenance											
		Operation											

6.3 Selected images



Group exercise



Presentation

GROUP	1	2	3	4
	<u>DEMAND</u>			
VOLUME TO SUPPLY m ³ /day	400	400	400	400
PER PERSON L/day	20	20	20	20
NO. PEOPLE	20000	20000	20000	20000
	<u>COSTS</u>			
OPERATING COST \$/day	30800	17400	21600	38400
CAPITAL COST \$/year	2874	-	-	50000
TARIFF \$/litre	0.125	0.125	0.0043	0.125
TARIFF \$/m ³	125	125	43	125
SPECIAL TARIFF	N	N	N	N

Output from tariff exercise



Participants