

## Bangalore Water Service Delivery

# Indigenous Model Shows the Way

From 2000 to 2005, the Bangalore Water Supply and Sewerage Board (BWSSB) experimented with service delivery in slums, first through three pilot projects under a donor-funded program, and then through a newly-created Social Development Unit (SDU). By early 2005, the SDU had mobilized 46 communities, approximately 10 percent of the city's slums, of which more than half have successfully connected to the BWSSB network and continue to be served with water, receive bills, and make payments. The program has had significant impact despite many hurdles; it has provided an important indigenous model, and is slowly but surely being scaled-up.



Since the completion of the Package Program in late 2004, almost all of the 46 slums now have water lines, although many of these lines are not being serviced regularly.



## The Challenge

Until recently, most slum dwellers in Bangalore obtained their water from a combination of private boreholes, water vendors, government tankers, public taps, and illegal tapping of Bangalore Water Supply and Sewerage Board lines. Legal household connections were rare in the slums, and BWSSB policy stated that a connection would not be approved unless the resident could provide proof of tenure. Most slum dwellers were unable to do this, either because they did not have legal land tenure or had no documentation to prove it.

## The Way Forward

To address this situation, the BWSSB has made concerted efforts to become

more accountable to its customers in recent years. It remains a state-owned public utility, but the progress made in engaging with consumers, sharing information, and addressing grievances has been both significant and substantive. The Board's work in slums achieved important objectives by increasing the number of slum households connected to a metered network, decreasing residents' dependence on 'free' water through public taps or illegal connections, and reducing non-revenue water.

## The Change

Three pilot projects implemented under an AusAID master planning project, designed to demonstrate how water and sanitation services could be delivered by a utility to

slum households, set an important precedent.

The highlight of these projects was that AusAID succeeded in persuading the BWSSB to waive its long-standing requirement that only slum residents presenting both land title documents and recent property tax receipts could qualify for individual water and sanitation connections. The BWSSB decided to permit lease documents and other 'proof of occupation' (such as ration cards, identity cards, election cards or electricity bills) to be submitted instead. Implemented in three slums, the pilots reached over 1,000 households, impacting almost 6,000 people. A local water and sanitation committee was established in all three slums as the institutional focal point for community participation.

## Withdrawal of Funds Precipitates Action

In 2002, the Bangalore Mahanagar Pallika (BMP, or the Bangalore Municipal Corporation) announced that it would stop paying for public taps, since the BWSSB had the social responsibility to provide for slum dwellers and should fund public taps through its own cross-subsidies. The BWSSB was faced with an immense dilemma. Even though the BWSSB did not have the financial depth to underwrite this loss over the longer term, it feared that large-scale disconnection might incite large-scale community protests. It was, thus, compelled to implement innovative measures to curb this loss of water and revenue, ideally transferring all users of public taps to paid domestic connections in the long term.

## The 'Package Program'

Acceding to its responsibility to fund basic infrastructure within municipal boundaries, the BMP decided to pay for the full extension of the BWSSB's piped network to the new and partially-served wards. The Corporation agreed with the BWSSB's capital works division to divide the work into three major contracts—nine wards at a time—instead of through the usual proliferation of small contracts. This 'Package Program', as it came to be known, was completed in 2005. The effect of the decision was significant in terms of potential future access for the urban poor population.

### Connection Cost and Tariff Adjustments: Making Water Affordable

#### *Connection costs: Domestic*

Normal rate for a new connection: Rs. 1,800 (US\$40).<sup>1</sup>

#### *Connection costs: Slums*

- For plots less than 150 square feet only the water meter cost is covered: Rs. 550 (US\$12).
- For plots between 150-600 square feet a sanitary charge is added: Rs. 800 (US\$18).
- Additional cost per household if slum dwellers coordinate and have their additional piping and taps installed by the same plumber: Rs. 800-1,000 (US\$18-22).

#### *Tariffs*

The old tariff structure required all customers to pay a minimum charge equivalent to 15 m<sup>3</sup> of water a month. Most slum dwellers consumed around half this amount, so essentially paid for water they did not use.

The new tariff reduced the minimum charge to 8 m<sup>3</sup>. A family using this amount or less now pays Rs. 73 (US\$1.6) a month, compared to Rs. 115 (US\$2.5) under the old structure.

Policy changes that supported and provided impetus to the initiative were:

- **Relaxed procedure for slum connection.** Ration cards, electricity bills, and election cards are deemed sufficient proof to sanction a connection.
- **Service-level innovation.** Rather than demand individual connections from all customers, it agreed to allow shared connections for 8 to 12 households as an alternative option, particularly for very poor or congested slums.
- **Specific pricing policy for slums.** Connection fees were significantly lowered for all slums. In early 2005, approval was finally granted by the state-level Urban Development

Department (to whom the BWSSB reports) for a new tariff structure, which considerably lowered the minimum monthly bills.

- **Slum focus.** Proving the Board's increasing commitment to extending services to slums, the Chairman began to circulate a proposal for citywide slum connections to international donors.

## Mobilizing Communities

The BWSSB also created a Social Development Unit, headed by a senior development specialist, with the broad mandate of continuing the work started in the slums. By early 2005, the

<sup>1</sup> US\$1 = Rs. 44.54 (as of December 15, 2006). Conversion rates from www.xe.com. All conversions from Rs. to US\$ are approximate.

SDU had begun work in an additional 46 slums, approximately 30 of which are receiving regular water supply. After the community makes its decision, the SDU conducts site visits with local non-governmental organizations (NGOs) and residents, usually represented by community leaders. It then repeats the site visit with engineers from the BWSSB's local service station. After this it ensures that the entire necessary street-level infrastructure is in place and issues application forms to the community, either directly or through the NGO. Slum dwellers must submit completed application forms and payment for connection fees to the NGO or directly to the concerned engineer, usually in batches of 50 applications at a time. Engineers issue meters and sanction plumbing work to connect slums directly to the street-level pipes, usually only after at least 50 percent of the slum population has paid. Finally, a trial run of water is conducted. Subject to satisfactory

completion of the supply chain, the engineers begin distributing water to the slum and start the process of monthly billing and collection.

## Financing

The financial and budgeting implications of the program to date have been minimal, since the BWSSB has been able to connect slum dwellers to piped water supply with very little investment or financial risk. Individual slums are expected to bear the costs of individual meters through the connection charge as well as the cost of plumbing and piping to the house on their own. Since starting in 2000, the BWSSB has gradually upped its revenue collection targets to improve its financial position.

## The Progress

From the BWSSB's perspective, these initiatives have increased both its consumer and its revenue base, regularized illegal connections, and reduced the consumption of



non-revenue water through public taps. Since the completion of the Package Program in late 2004, almost all of the 46 slums now have water lines, although many of these lines are not being serviced regularly. The BWSSB has thus targeted approximately 10 percent of the slums in the BMP area, and rolled out the program successfully in over half of them. When the 1,000 households connected during the AusAID project are included, the BWSSB would have brought over five percent of the slum households in the city onto its customer base. Although it still has a long way to go to roll out the program to every one of the nearly 400 slums in the city, the BWSSB's progress is real and many lessons have been learnt.

### Highlights

- A well-documented, explicit policy on slums and a publicized roll-out strategy are crucial.
- An adequately funded, suitably staffed and respected Social Development Unit is a powerful way to operationalize pro-poor reform.
- A source of funding must be identified.
- Reputable non-governmental organizations or community groups are vital partners.

### References

- Connecting the Slums: A Utility's Pro-Poor Approach in Bangalore. Field Note. Water and Sanitation Program-South Asia. February 2006.
- Client Power and the Poor: The Case of the Bangalore Water Board's Services to Slums (abridged from a study by Genevieve Connors).