

GOVERNMENT, PAY YOUR WATER BILLS!

Starting the conversation on how issues of water bill payments by public institutions impact the human rights to water and sanitation



#GovernmentPayYourWaterBills, #GPYWB or waterintegrity.net/GovtPayYourWaterBills

Unpaid bills by public institutions have a major impact on utility finances and undermine service delivery to people

Water utilities play a fundamental role in providing access to water and sanitation and therefore play a key role in the realisation of the fundamental human rights of access to water and sanitation. However, the provision of clean water and sanitation requires large infrastructure investment and ongoing maintenance costs. If the financial stability of water utilities is threatened, routine operations and maintenance is undermined and service quality declines. In addition, with limited resources a utility is unable to expand its distribution network which disproportionality affects those populations already not- or under-served.

In many cases, financial instability of utilities is exacerbated by government institutions not paying their due water bills. These arrears have a direct impact on a utilities ability to provide services, operate effectively and efficiently. This in turn jeopardizes services to people.

Someone actually always pays. When the bills remain unpaid, the burden unfairly shifts to people who have to deal with higher tariffs and poor or no service, jeopardising overall national development goals.



Solutions for Water Integrity and Management

New research highlights widespread issues caused by insufficient financing and technical difficulties but also by poor integrity and inadequate governance structures

Research conducted by the Water Integrity Network and End Water Poverty with support from Solutions for Water Integrity and Management (SWIM) and GIZ, showed that government non-payment of water bills is problematic in 95% of utilities surveyed in 18 countries. For some utilities, government and institutional customers represent over a third of their billing. The impact of non-payment can therefore be significant.

Overall, collection rates are consistently lower for government customers than they are for private customers. The institutions reported most frequently for non-payment include public offices, schools, religious organisations, as well as military facilities. Further research shows, reasons for payment vary from absent or inaccurate water meters to the belief that public institutions do not need to pay.

Moving forward: multi-stakeholder campaigning and technical support to improve billing and collection processes, control expenditure, and build accountable governance structures

Research pointed to three main approaches to address the issue: (i) support programmes to strengthen both civil society and water utilities and (ii) the combined efforts of officials, NGOs, utility managers, and the media to raise awareness of the reasons why governments must pay for water services and, (iii) political and financial pressure. Further recommendations such as controlling the budget cycle, as well as adequate metering and billing, were also identified.

The measures must ensure that the rules about who must pay are clear, that the systems are in place for stakeholders to know how much is owed, and that there are controls and stakeholders empowered to enforce payment.

Now is the time to act

The financial situation of many utilities is already precarious and aggravated by non-payment. In the face of the COVID-19 pandemic, it is more important than ever that government institutions pay their bills, as water, sanitation and hygiene services are fundamental in containing the spread of the disease. Nevertheless, in 41% of the cases examined, payments have either been delayed or decreased.

To respond to the crisis and more importantly, to ensure resilience of utilities to future crises and to realise the human rights to water and sanitation, water sector stakeholders must act now to address non-payment, for the long term.

