Improving water point sustainability through savings groups

BACKGROUND

45% of wells in rural Uganda are broken. The majority fall into disuse after several years of inadequate maintenance. In communities where two-thirds of households lack cash savings, the challenge of collectively saving for future repairs is evident.

Yet savings groups have a long history helping the poorest rural communities to mobilize one or two thousand dollars a year in savings across 25–30 households. In 2017, we tried adapting this methodology to save for a shared water point. In 2018, we began scaling this program to another 100 communities. In this brief, we summarize the year-two results of the pilot as well as the year-one results of the initial scaleup.

HIGHLIGHTS

• 111 groups trained and actively financing water point maintenance and repairs

• 94% of pilot groups and water points active and functioning after two years

• $169 spent on water point maintenance or kept in reserve fund after two years of group operations

• Total annual group savings and interest generated increased from $1,500 in year one to $2,300 in year two
YEAR-TWO RESULTS SHOW THAT GROUPS ARE STRONG, GROWING, AND FINANCING REPAIRS.

We monitored the initial pilot groups and water points to see if groups would continue to function effectively in their operations both as a savings and credit cooperative as well as steward of water point maintenance funds. We contrast the results with 28 sites that received intensive coaching of their volunteer management team at the same point in time. Key proxy indicators for long-term functionality, such as the amount saved or spent for water point maintenance and repair, demonstrate that there is a significant increase in the financing mobilized for necessary maintenance. The average expenditure for self-help groups was $42 in this period.

At the moment, 94% of pilot water points supported by self-help groups are functional and 94% of groups renewed for their third cycle. While the functionality rate is high, it will take several years to demonstrate that increased maintenance spending translates into meaningful, sustained impact on long-term functionality.

SUCCESS CONTINUED WITH EXPANSION SITES, INCLUDING WATER POINTS BUILT BY GOVERNMENT AND OTHER NGOS.

Funds reserved for or spent on water point maintenance in prior year:

We contrast the results with 28 sites that received intensive coaching of their volunteer management team at the same point in time. Key proxy indicators for long-term functionality, such as the amount saved or spent for water point maintenance and repair, demonstrate that there is a significant increase in the financing mobilized for necessary maintenance. The average expenditure for self-help groups was $42 in this period.

At the moment, 94% of pilot water points supported by self-help groups are functional and 94% of groups renewed for their third cycle. While the functionality rate is high, it will take several years to demonstrate that increased maintenance spending translates into meaningful, sustained impact on long-term functionality.