Expert group on equitable access to water and sanitation

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Equitable access self-assessment exercises: Learning from experiences of finalised assessments

Introduction

I- Context in France

a) The French administration and organisation of W&S public services
b) Price setting

II – Difficulties to pay water bill : which tools in France before “Brottes Law”? 

a) Debt forgiveness
b) Monthly payment
c) Welfare assistance

III- The experimentation for a social pricing

a) Aim of the 28th Article of the « Brottes law »
b) Who can experiment ?
c) What is made possible thanks to the experimentation?
I- Context

a) The French administration and organisation of W&S public services:

- The French situation: a **decentralised** management due to its history and institutional system

The administration of water policy is **shared** by the different state’s local representatives

The French specificity: 36 600 municipalities and 4 500 inter-municipal bodies are responsible for over **31 000 water and sanitation services**

- Water & sanitation asset is not privatised
- Two different ways for operating W&S services:
  - Public operator
  - Private operator (public service delegation contract)

b) Price setting

→ How is the price of water and sanitation services set?

Each local authority decides the price of its services → There is **no unique price** in France, indeed, there may be **as many as local authorities**

Price depends on the localization of the service, on the water quality, distance and depth of work, length of network, etc.

Main principle: the water bill only pays for water services and water service cost are recovered in the bill.

“**Water users pays for water use**”
II - Difficulties to pay water bill:
Which tools before « Brottes law »?

a) Debt forgiveness

Possibility for household to ask the water service (local authority or company) for a *gesture* because of temporary difficulties

→ only temporary and not compulsory  → depends on the goodwill of the service

b) Monthly payments

Two payments per year are compulsory: in order to lighten payments it is possible to ask for paying in monthly payments → *repayment schedule*

C) Welfare assistance

« Housing Solidarity Fund » Fonds solidarité logement (FSL) : created by a law in 1990 and since 2004 is run at a local level “department” (local authority between municipality and region), which provide financing

→ goal : to help for all *expenses* relating to water and energy

→ for disadvantaged households (owner, co-owner or leaseholder) who « are unable to fulfill their obligations relating to the payment of water supplies [...] »

→ 2006 : financial help via FSL = 220 millions €  → 2009 : 65 000 households were helped concerning waters expenses

Moreover, municipalities could intervene in aim to help disadvantaged household by implementing a *progressive* water pricing.

*Limits : This solution rewards thrifty households but not especially the poorest one, and it does not work for households in collective housing who pay their water charges*
III- The new possibility for a better access

These solutions were **curative** and allowed to lighten payment of bills for people in difficulties, and are not applied in the same way everywhere.

→ All these tools were considered **insufficient**, and a new law introduced the possibility of an experimentation for a social price scale for the water and sanitation services.

→ Law relative to preparation for energy transition (n° 2013-312), 15th April 2013 (Brottes law)

**a) Goal of the 28th Article of the « law Brottes »:**

Complete the curative system by a **preventive** one: which was not possible before.

**An experimentation** for 5 years for a social price scale concerning water and sanitation services, carried out by local authorities.

Following this experimentation: the most relevant, coherent and effective solutions could be generalised to the whole territory → regular follow-up by different bodies.

**b) Who can experiment ?**

All the communities who want to can experiment in order to « **promote access to water and implement a social water price scale** ».

The only requirements for applicants were to be **in charge of water and/or sanitation services** and to be a candidate by **December 31, 2014** after having officially deliberate.

**No selection** was made among the candidates.

Until the **16 April 2018**
c) What is possible thanks to the experimentation:

Three main exemptions to the current law are allowed:

1) Having a progressive price scale depending on the household social situation
   - Household composition
   - Incomes

Within the price list, first consumption block can be free: prohibition of free water supply which existed since 2006 (LEMA) is adjourned for social reasons

   One municipality talks about
   - Vital water (btw. 0-10/15m³): the first block → free in order to improve access to water service
   - Useful water (btw. 16-100/110/120 m³): the second block
   - « Cosiness » water (beyond 100/110/130 m³)

2) Services are allowed to give financial help for households which have difficulties with their water bills and whose resources are insufficient: giving a cheque to pay the bill is possible

3) The communities are allowed to be a bigger contributor for the FSL: their subvention can be bigger than before to the FSL or local social centre (CCAS)
51 applications were received:

- 18 services are mentioned on the first decree allowing the experimentation

The smallest applicant is a municipality of 7,900 subscribers
The biggest applicant is a group having 350,000 subscribers
Total: about 700,000 subscribers

- About 25 local authorities will be on the second decree (June 2015)
  (One applicant was not accepted because was not respectful of one requirement)

A third decree could be published when (or if) the remaining applications are completed.

Within all the applications, a majority propose to
- pay a direct help to households (already have social help)
- create price list depending on household composition and incomes

Some applicants also want to provide “water saving kits”

Some application files propose to set up a follow-up system within their organisation.

A follow-up is also planned on a national scale.