

Social Policy and Strategy
for the
Water & Wastewater Sector

August
2018

Summary
Document

What is Social Policy?

Access to clean drinking water is one of the most basic of needs. Similarly, proper treatment of wastewater is immensely important to maintaining the reliability of source water and ultimately promotes a safer environment. Social policy is concerned with improving the welfare of people and it provides an overarching framework that guides the manner with which societies meet basic human needs. In the context of utility regulation for the water sector, social policy seeks to ensure that there is access to safe drinking water and sanitation services by addressing various factors which include but are not limited to affordability, standards of service and the investigation of consumer complaints.

Overview of the State of the Water and Wastewater Sector in T&T

Limited water availability with low pressure and/or intermittent water supply

Years of under-investment in assets leading to continuous and rapid deterioration of the network and equipment, increasing leakage and wastage of potable water resources;

High levels of non-revenue water as a result of illegal connections and high physical leakage levels, coupled with payment collection problems.

RIC's Social Policy Objectives

RIC's Social Policy objectives can be grouped into four main categories; accessibility, quality of service, consumer protection and affordability.

Physical Accessibility and Reliability of Supply

- Improving access to and reliability of water supply.
- Focus on making provisions for expansion in the number of connections to the network. The RIC will support specific projects that will improve the reliability of supply to worst-served areas
- Promote and support strategies designed to assist the poor to gain access to the piped water supply system through funding mechanisms
- Promote improvement of WASA's coverage of wastewater services to low-income groups who have no means of wastewater disposal.

RIC's Social Policy Objectives Cont'd

Quality of Service

- Promote best practice in achieving water quality which is safe for drinking.
- Support consistent and mandatory maintenance of privately owned wastewater systems.
- Develop relevant water and wastewater standards.
- Insist that regular disinfection is carried out by WASA when truck borne supply is provided.
- Promote consumer awareness of water quality and hygiene issues in collaboration with the service provider and other relevant institutions.
- Support other water quality and health education initiatives undertaken by any other organization.
- Support WASA's adoption of sewerage systems managed by private developers, homeowners and other government owned facilities.

Consumer Protection

- Encourage public access to the RIC's customer redress function through the utilization of toll-free telephone number to receive calls from the public, via its website and through social media platforms.
- Promulgate its rules and procedures for resolution of consumer complaints by disseminating on the RIC website and where necessary, provide explanations to ensure they are understood by the public.
- The educational effort of the RIC will involve community/stakeholder participation through stakeholder workshops/forums, national consultations, stakeholder information days etc.
- Continue to work towards achieving timely resolution of complaints.

RIC's Social Policy Objectives Cont'd

Social Tariffs and Affordability

- Ensure that no residential customer pays more than 5% of monthly family income for water service.
- Establish a lifeline block (“social block”) in the tariff structure for consumption – related tariff. This block will reflect basic needs to ensure an acceptable quality of life with respect to hygiene and basic household needs.
- Include an explicit subsidy to the lower income groups/poor for meeting the connection charge (e.g. a fixed dollar discount on connection charge) and would require the service provider to develop and use an appropriate credit system to spread the payment for connection charge over time.
- Establish a special low-income assistance programme whereby a separate fund will be established by the service provider to cater for the special needs of the poorest and most vulnerable consumers in the society.
- Support the use of the Utilities Assistance Programme by the Government whereby poor groups receive a discount on their total bills however, the targeting of such programmes must be improved to ensure that the criterion for qualifying (low-income) is properly applied.

The Way Forward

Overall, the way forward for the water and wastewater sector with respect to social policy will include the following:

- Ensuring poverty-reduction strategies are appropriate within context of the water and wastewater sector
- Expanding investment in water and wastewater sectors for rural areas
- Setting clear goals and targets and holding the service provider accountable, with non-performance being penalized
- Expanding the current regulatory framework to include strong regulatory capacity to protect public interest through the rules for pricing and investment
- Reforming water tariffs and subsidies for delivering affordable water to all through targeted subsidies and “lifeline” tariffs.

Responding to this Document

All persons wishing to comment on this document are invited to submit their comments by **September 7, 2018**. Responses should be sent by post, fax or e-mail to:

Executive Director

Regulated Industries Commission

37 Wrightson Road

Port-of-Spain, Trinidad

Postal Address: P.O. Box 1001, Port-of-Spain, Trinidad

Tel. : 1(868) 625-5384; 627-7820; 627-0821; 627-0503

Fax : 1(868) 624-2027

Email : ricconsultations@ric.org.tt

Website : www.ric.org.tt

All responses will normally be published on the RIC's website unless there are good reasons why they must remain confidential. Any requests for confidentiality must be indicated.

A copy of this document is available from the RIC's website at **www.ric.org.tt**.