

Expert group on equitable access to water and sanitation

Third meeting – 11/12 May 2015

Camille MEUNIER

**Ministry of Ecology,
Sustainable Development and
Energy - FRANCE**



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.

