

WATER SECTOR TRUST FUND

DISBURSEMENTS OF FUNDS



Financial Support for improved Access to Water and Sanitation

P.O. Box 49699-00100 Tel: (020) 272 9071, 16, 19 EMail: info@waterfund.go.ke Site www.waterfund.go.ke

Disbursements: What are they?

- To disburse – is to pay out (money from a fund)
- Disbursement of funds in this context may be defined as the release of funds from WSTF, to the WSPs
- WSPs are the implementers of SafiSan Projects
- WSPs pay post-construction incentives (PCI) to landlords & householders who have constructed good quality SafiSan toilets



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Disbursements: What is the duration?

- WSTF disbursements are stipulated by a **service level agreement** (standard of service delivery)
- A service-level agreement is an agreement between two or more parties, where one is the customer and the others are service providers
- It can be a legally binding, formal or an informal: may involve separate organisations, or different teams within one organization.
- The WSTF to WSP's disbursements are an informally binding arrangement



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Service level agreement -WSTF



STANDARDS OF OUR SERVICE DELIVERY

Services Rendered		Customer Obligation / Requirements	User Charges	Time Line
1	Financial grants to communities and other recipients towards capital costs of putting up their own water and sanitation projects	Submission of proposals by Community Based Organizations (CBOs) through the respective (WSBs)	Free	Sixty (60) days from the date proposals are received
	Ensure that project proposals are received and processed timely and the applicants are informed of the decisions made			
2	Financial grants for capacity building to ensure sustainability of funded projects	CBOs include training costs in their proposals	Free	60 Days from date of submission
		Support Organizations (SOs) to submit applications through the respective WSBs	Free	Quarterly
3	Communicate the decisions of the Board of Trustees to the concerned parties	Feedback	Free	7 Days from the date of the decision



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Water Services Trust Fund [Urban Projects Concept]

Service level agreement-WSTF



4	Reply to all correspondences	Acknowledge Receipt	Free	14 Days from the date of receipt
5	Monitor WSTF processes and systems of operations to ensure effective service delivery	Feedback on WSTF processes and systemst	Free	Continuous
6	Payments to customers	Submission of payment documents	Free	14 Days from the date of receipt of the claim
7	Share information on regular basis through newsletters	Feedback	Free	Quarterly for newsletters and once for annual reports
8	Respond promptly to all telephone calls and promptly attend to all visitors	Cooperation	Free	Pick telephones by the 3 rd ring and attend to visitors within five minutes

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Funds disbursement schedule

No.	DESCRIPTION	Budget breakdown			WSTF Disbursements			
		Total Project Budget	Cost of items provided	Net Total Budget to be Disbursed (KES)	1 st		2 nd	
					(KES)	%	(KES)	%
1	Software							
1.1	Personnel (Social Animators)	450,000	0	450,000	225,000	50	225,000	50
1.2	Accompanying Measures	450,000	220,000	230,000	115,000	26	115,000	26
1.3	Social Marketing Package	435,000	206,000	229,000	114,500	26	114,500	26
1.4	Project Administration	197,000	0	197,000	98,500	50	98,500	50
1.5	Sanitation Unit Package	347,500	115,000	232,500	116,250	33	116,250	33
	Sub Total	1,879,500	541,000	1,338,500	669,250		669,250	
2.1	Sanitation Infrastructure	12,208,000	298,000	11,910,000	8,010,000			
	Sub Total	12,208,000	298,000	11,910,000	8,010,000	67	3,900,000	33
	1.5% contingency approved by WSTF	151,312.5	0	On request				
	GRAND TOTAL	14,238,812.5	839,000	13,248,500	8,679,250	66	4,569,250	34



Causes of delay in fund disbursements

- Delay in requisition by the WSP
- Failure of submitting monthly reports by the WSP
- Lack of financial report attachments in the application by WSP
- Red flag issues (Management, corruption, etc) issues of the WSP
- Slack by employees of WSTF (**red tape and wrong priorities**)



Causes of delay in fund disbursements

- CRM reports – complaints of poor quality work (etc.) by WSTF representatives
- Lack of correlation between % work progress and % funding application
- Presentation of amendments in the contracts
- Delay by WSTF owing to workload, wrong priorities, etc.



Consequences of untimely disbursements

- Increases customer vulnerability to corruption ; among the
 - Social Animators
 - Project Task Team
 - Sanitation Team of the WSP
- Reverses / slows down social marketing
- Destroys customer confidence in the project
- Gives room for misinformation about the project



Consequences of untimely disbursements

- De-motivates the **Project Implementation Team**
- Destroys donor confidence in the WSP and the WSTF
- Elongates the project execution time:
 - Impacts on child mortality
 - Increases staffing costs



What to do when funds are delayed?

- The CRM should assist the WSP in making follow-ups at the WSTF by way of e-mails and telephone calls
- The MD can approach the CEO of the WSTF (complain)
- Visit by CRM to the WSTF offices to resolve the stalemate
- **Any other suggestion?**

