



June 2014

Multilingual tools to collect, analyse, and use life-cycle costs of water and sanitation services

IRC offers free as well as tailor-made life-cycle costing tools to assess, share and compare the financial sustainability of different water and sanitation services.

The first step towards delivering sustainable services is to know the actual expenditure required to reach everyone forever. Life-cycle costing data is critical for identifying and addressing equity issues, affordability, financial sustainability and developing appropriate service delivery models.

Over the course of six years, IRC has developed and tested the use of life-cycle costing and related tools at the request of different governments and organisations. These tools have been successfully applied to learn about life-cycle costs and used to make decisions. Do the math and make it last!

WASHCost life-cycle costing tools

Examine value for money and potential to achieve lasting impact of water and sanitation services by calculating expected capital and recurrent expenditure for different technologies and service levels.

Users

Planners, implementers and service providers.

Indicators

Utilises approximately 50 indicators depending on context, technology and service levels (water, sanitation and hygiene). The indicators are adaptable to different country contexts, policy frameworks and service standards.

Outputs

Benchmarks and life-cycle costs against service level data in a particular country/district context.

Tool format and language

Web-based; English and French. Additional languages based on demand.

Different WASHCost tools for different needs

Understand the life-cycle costs approach

IRC offers free online tools to get started with the life-cycle costing and customised trainings and support.

The Costing Sustainable Services online course trains hundreds of people on the application of the life-cycle costs approach, every year.

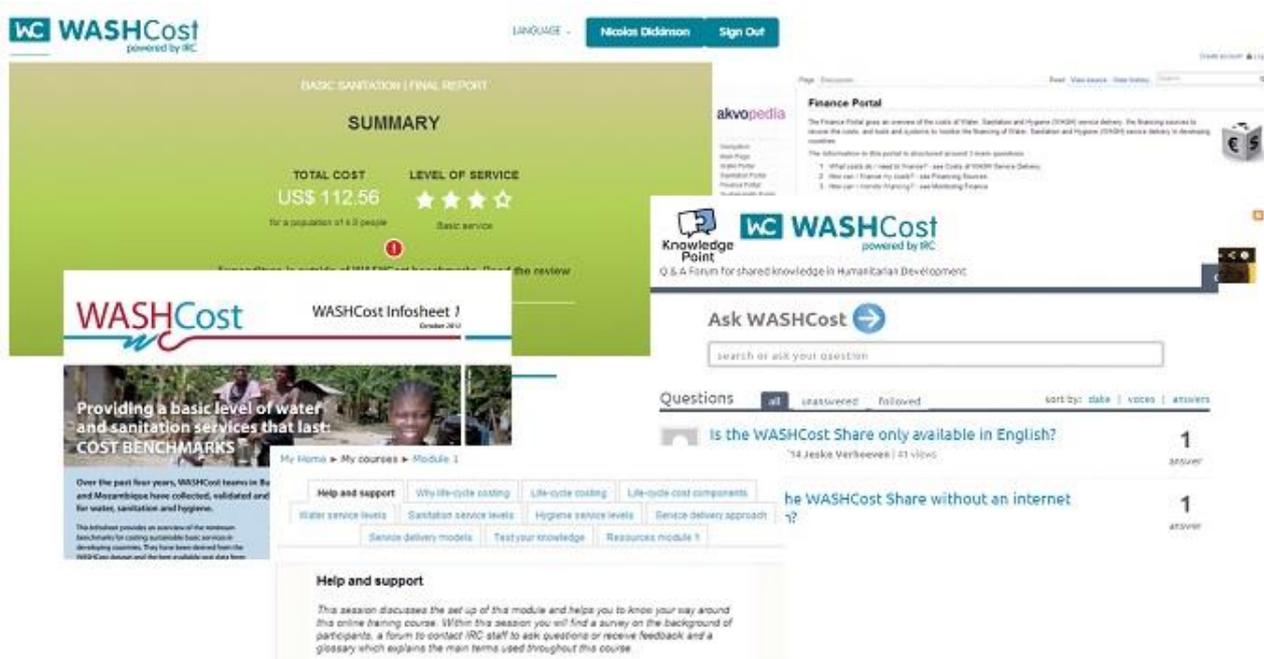
The entry level training teaches about the categories of expenditure, how to assess service levels, and how

to analyse expenditure across different years and currencies. It prepares

course participants for the basics of life-cycle costs data collection and analysis.

The popular *Akvopedia finance portal* and the new WASHCost *KnowledgePoint* support service are both edited by IRC. Thousands of people per year access these web-based resources, which provide open and free reference information and allow users to dialogue with experts on the life-cycle costs approach.

With partners, IRC has identified life-cycle cost benchmarks (see resources) for household water and sanitation that can be used until real contextual expenditure data is available.



Value for money for households, schools and in emergencies

Organisations that wish to achieve improved water, sanitation and hygiene services in a specific area can adapt the life-cycle costs approach to their own needs. From household sanitation and faecal sludge management, to public or school water supplies, the approach helps to cost and sustain interventions.

The UN Refugee Agency (UNHCR) and IRC are exploring the application of the life-cycle costs approach as a method for planning the water supply systems in emergency camps and post-conflict

settlements. The approach is now being piloted in an emergency camp in Ethiopia, and a post-conflict settlement in Chad; service level indicators and cost data have been adjusted accordingly. This value for money analysis on the levels of investment required to sustain adequate levels of water services concludes in early 2015.

In Bangladesh, BRAC is using the life-cycle cost approach to measure value for money in school sanitation interventions, including menstrual hygiene management. The methodology has been rolled out to 120 schools in 2013. The latest results will be published in 2014 and will be used to inform the

indicators used for tracking the sustainable development goals.

Collect and analyse data at scale

IRC provides free reference sheets of the WASHCost life-cycle costs and service level indicators for collecting data. The specific surveys and data sheets used to collect data in several countries are freely available and can be easily replicated across different contexts.

The Ministry of Water Resource in Sierra Leone, in partnership with the Kwame Nkrumah University of Science and Technology of Ghana and IRC received a grant from the Department for International Development, through Adam Smith International, to apply WASHCost's action-research project in Sierra Leone.

The project aims to generate good quality life-cycle costs data for sector planning and implementation, and monitoring of sustainable WASH services delivery nationwide. It also seeks to stimulate the use of cost information in sector processes, and create local capacity for the continuous update and utilisation of cost information beyond the life of the project. About 2,000 households have been surveyed and data was collected using mobile phones. The results are being discussed with national and local governments.

IRC is now simplifying the collection and analysis of life-cycle costs data in partnership with BeDataDriven

BRAC ICT and UNHCR to roll out mobile data collection surveys. These tools will feed into online and offline data management platform that will

enable data cleaning and automate the analysis of life-cycle costs and service level indicators.

Data for advocacy and programming purposes

An increasing number of organisations ask for cost data, which is often only available in different and disparate formats.

WASHCost Share is an online open source tool, which enables users to look at and create life-cycle cost reports.

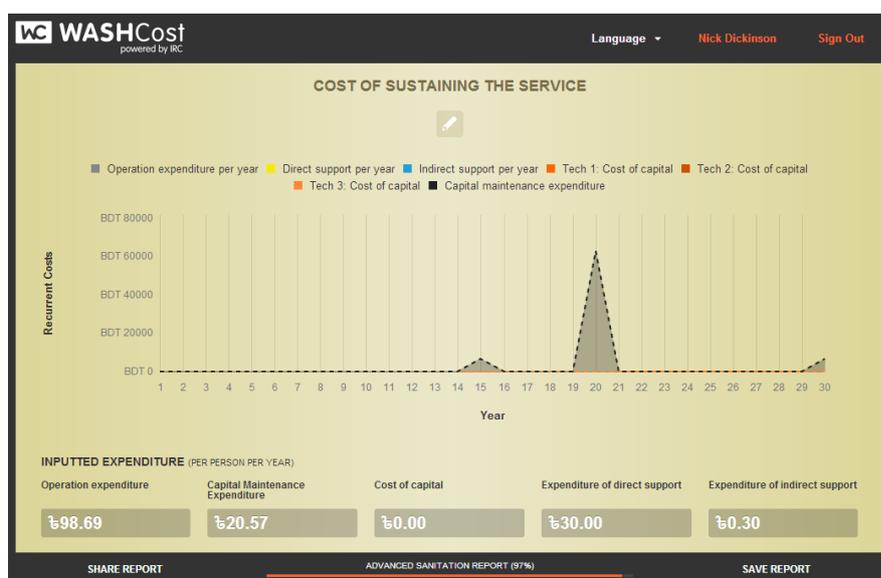
The most important life-cycle costs indicators are shown in the shared reports, such as: the context of the service area (location, population, direct and indirect support costs), service technologies (type of technology, capital expenditure and recurrent expenditure), and service levels. Rural and peri-urban water supplies and household sanitation is currently supported.

There are two types of reports. The basic report is designed for advocacy purposes and is easy for anyone to understand. The advanced reports are designed for programme managers in search of quick overviews of the life-cycle costs of different service areas. After free no-hassle registration, users have access to all tool functions. The tool also allows for report sharing via a web-link. Advanced users may also connect the WASHCost Share tool to their own information management systems.

It is critical that organisations start sharing their life-cycle costs for advocacy and accountability purposes. As an open source tool, IRC also encourages and supports innovation and adaptations by third parties.

Use the free WASHCost tools to get started!

<http://www.ircwash.org/resources/washcost-tools>



Strengths and limitations of the WASHCost tools

When to use	When not to use
To understand the real and historical life-cycle costs of water and sanitation to improve performance.	To predict expenditure of an untested technology. Life-cycle costs are useful for modelling; however, other tools are better suited to estimate costs of technologies.
To develop cost benchmarks over time with other organisations for a specific district or country. Benchmarks will be of limited value without real data.	When looking for a tool to evaluate non-financial factors that will impact sustainability.
There is interest to share and communicate about the financial sustainability of services to discuss who will pay.	

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FURTHER INFORMATION

- Access the WASHCost Tools:
<http://www.ircwash.org/resources/washcost-tools>
- WASHCost infosheet 1 : Providing a basic level of water and sanitation services that last : cost benchmarks
<http://www.ircwash.org/resources/providing-basic-level-water-and-sanitation-services-last-cost-benchmarks>

About IRC

IRC is an international think-and-do tank that works with governments, NGOs, entrepreneurs and people around the world to find long-term solutions to the global crisis in water, sanitation and hygiene services. At the heart of its mission is the aim to move from short-term interventions to sustainable water, sanitation and hygiene services.

With over 45 years of experience, IRC runs projects in more than 25 countries and large-scale programmes in seven focus countries in Africa, Asia and Latin America. It is supported by a team of over 100 staff across the world.

www.ircwash.org