



water affairs

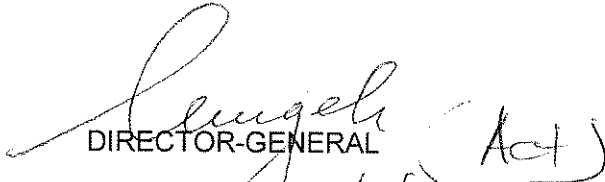
Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA

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MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

NATIONAL ASSEMBLY: QUESTION 475 FOR WRITTEN REPLY

A draft reply to the above-mentioned question asked by Ms A T Lovemore (DA), is attached for your consideration, please.


DIRECTOR-GENERAL (Act)

DATE: 24/7/09

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DRAFT REPLY APPROVED/AMENDED


M S B P SONJICA MP
MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

DATE: 28. 07. 2009

NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION NO 475

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 10 JULY 2009
(INTERNAL QUESTION PAPER NO 6)

475. Ms A T Lovemore (DA) to ask the Minister of Water and Environmental Affairs:

Whether any management systems are in place to ensure the required maintenance and upgrading of dams and other bulk water infrastructure that were transferred by her department to water boards; if not, why not; if so, what are the relevant details?

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REPLY:

My Department has to date not transferred any major dams or large bulk water infrastructure. No special Transfer Management Systems are thus in place as such are not required. The existing infrastructure maintenance and upgrading is performed as per the Department's normal management systems.

In terms of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and the Municipal Structures Act, 1998 (Act No. 117 of 1998), Municipalities have the Executive Authority and right to administer the provision of Water Services within their areas of jurisdiction. Therefore, my Department transferred all Water Services Assets belonging to the National Government in terms of Section 73 of the Water Services Act, 1997 (Act No.108 of 1997). Only in a few cases smaller dedicated dams and smaller bulk water pipelines to provide specific Water Services Schemes were involved.

In all cases, approval of Parliament is required if a schemes total value exceeds the amount determined in concurrence with the Minister of Finance which is R100 million as published in Government Notice 902 of 16 September 2000. Also, In terms of section 73 (2) (b) of the Water Services Act, 1997, no Water Services Works owned may be transferred or disposed of without prior consultation with all affected Water Services Institutions, if its value is within the specified amount.

It must be noted that Water Services Assets were only transferred to three Water Boards, namely Lepelle Northern, Bloem Water, and Sedibeng Water Boards. The bulk of the assets were transferred to 59 municipalities.

All assets that were transferred to Water Boards and Municipalities were both executed in accordance with the "Joint Transfer Policy Position for the Transfer of Water Service Assets" as determined between the Department, South African Local Government Association (SALGA), Department of Cooperative Governance and Traditional Affairs (DCGTA) and National Treasury (NT) which constitutes the overall management system.

The next management tool that controls the transfer process is a legally binding "Transfer Agreement" document that was negotiated between the Department and transferring entity. The Transfer Agreement states conditions for staff transfers, Operation and Maintenance subsidies and funds required for the rehabilitation of transferred schemes.

It must be noted that the Joint Transfer Policy Position states that no funding for upgrading would be entertained for the refurbishment process. Any additional funding required must be addressed through the existing capital grant programmes such as the Consolidated Municipal Infrastructure Programme (CMIP) or the Community Water Supply and Sanitation Programme (CWSS) until these grants were consolidated into the Municipal Infrastructure Grant (MIG) and the Bulk Infrastructure Grant (BIG). These grants have been specially structured to address infrastructure requirements.

All funding is made available as per the Division of Revenue Act, 2009 (Act No.12 of 2009) as promulgated annually. As such, both the transferring department and receiving entity are subjected to the Management Systems as stated in the Act.

Due to special difficulties to manage the refurbishment programme, a special Management System was developed to facilitate the refurbishment process.

Lastly, it must be noted that the Transfer Agreement specifically stipulates the date when the Water Services Authority (WSA) takes over the management of the Water Services Assets. Up to such date, the Department ensures the required maintenance as per their normal Management Systems until the over date and thereafter the WSA must resume its responsibility.

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