



water affairs

Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA

Enquiries:
Telephone:
Reference:

MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

NATIONAL ASSEMBLY: QUESTION ★220 FOR ORAL REPLY

A draft reply to the above question asked by Mr P M Mathebe (ANC) is attached for your consideration.

ACTING DIRECTOR-GENERAL

DATE: 01/11/2011


DRAFT REPLY APPROVED/AMENDED

**MRS B E E MOLEWA, MP
MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS**

DATE: 2011/11/01

NATIONAL ASSEMBLY

FOR ORAL REPLY

QUESTION NO ★220

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 25 OCTOBER 2011
(INTERNAL QUESTION PAPER NO. 34)

★220. Mr P M Mathebe (ANC) to ask the Minister of Water and Environmental Affairs:

- (1) (a) What are the critical components of her department's long-term strategic asset management plan, (b) what strategies has her department devised to forecast future capital expenditure requirements and (c) how is her department prioritising infrastructure needs with regard to water quality;
- (2) how is her department assessing available options for the payment of future water services in terms of (a) provincial funding and (b) intergenerational fairness;
- (3) whether her department supports municipalities with regard to their asset management accounting and asset depreciated value; if not, what is the position in this regard; if so, (a) to what extent, (b) how are municipalities accounting for asset management in terms of their assessment of (i) inventory and (ii) asset depreciated value and (c) what are the further relevant details?

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REPLY:

- (1)(a) The critical components addressed in detail in the Department's National Asset Management Plan covers:
- Bulk water supply/operations of National Water Resources Infrastructure.
 - Maintenance of water resources infrastructure.
 - Rehabilitation of water resources infrastructure.
 - Protection of public safety and property.
 - Drought management.
 - Financial sustainability.
 - Environmental compliance.
 - Water use efficiency.
 - Infrastructure asset management performance.
 - Risk Management Practices.

These are then also the key performance indicators.

- (1)(b) Life-cycle management plans have been developed for existing departmental infrastructure. These plans indicate when refurbishment will normally be required taking into account normal wear and tear. The forecast for capital expenditure is further informed by regular inspections of knowledgeable technical staff to determine the state of the infrastructure. All of the above inputs into the annual budget cycle where budgets are updated for the MTEF period.

In addition:

As a requirement of the Water Services Act (1997), all municipalities must develop their own Water Services Development Plans (WSDPs) for their area of jurisdiction. The WSDPs will include infrastructure requirements including asset management

needs, capital expenditure for all infrastructure development and time frames for delivery within the planning period. The WSDPs must then be aligned with the Municipal Integrated Development Plans (IDPs) providing a complete picture of the infrastructure requirements for each specific municipality, including water services and all capital expenditure requirements. Collating data from WSDPs nationwide provides Provincial and National perspectives as required. My Department is supporting municipalities in the development of their WSDPs and collating data that has been inputted within WSDPs nationwide.

- (1)(c) The department is conducting the incentive based regulation programs namely the Blue Drop and the Green Drop where assessments of the condition of the infrastructure for both Waste Water and drinking water are identified in areas that need improvement.
- (2)(a) The Water Services Act (1997) clarifies existing options for the payment of future water services which include the availability of Grants, Loans, Subsidies, Donor Funds and Revenue collection. These funding options are currently being assessed as part of the Water Services Act Review that is currently underway
- (2)(b) Intergenerational fairness relates to the concept of fairness or justice between children, youth, adults and seniors and in this context, to the payment of water services. All planning responsibilities within the department is inclusive of the provision of short and long term requirements, which embrace planning for future generations, children, the youth, adults, seniors citizens and vulnerable groups, such as women, children and people with disabilities. The payments for water services in this regard are considered in future planning.
- (3)(a) Yes, the Department supports municipalities with regard to their asset management accounting and asset depreciated value. After the recent approval of the Water Services Infrastructure Asset Management Strategy, the Department is in the process of developing the Water Services Infrastructure Model template that will be used by municipalities of which the asset management accounting, asset depreciated value and inventory will be addressed.
- (3)(b)(i) In terms of the Water Services Act (1997), each municipality is required to develop an Asset Register. This forms part of their Asset Management Plan for which they are accountable.
- (3)(b)(ii) In terms of the Water Services Act (1997), each municipality is required to have an Asset Management Plan. Besides other financial requirements relating to the Assets, the financial component of the Asset Management Plan must cater for the depreciation, refurbishment and replacement of infrastructure,
- (c) Falls Away

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