



## water affairs

Department:  
Water Affairs  
REPUBLIC OF SOUTH AFRICA

[edke]

Enquiries: Mr T Balzer  
Telephone: 012 336 6696  
Reference: 2/2/4

### MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

### NATIONAL ASSEMBLY: QUESTION 3526 FOR WRITTEN REPLY

A draft reply to the above question by Mr G R Morgan (DA) is attached for your consideration.

ACTING DIRECTOR-GENERAL

DATE:

DRAFT REPLY APPROVED/AMENDED

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

DATE: 2011/11/22



## water affairs

Department:  
Water Affairs  
REPUBLIC OF SOUTH AFRICA

[edke]

Enquiries: Mr T Balzer  
Telephone: 012 336 6696  
Reference: 2/2/4

### MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

#### NATIONAL ASSEMBLY: QUESTION 3526 FOR WRITTEN REPLY

A draft reply to the above question by Mr G R Morgan (DA) is attached for your consideration.

**ACTING DIRECTOR-GENERAL**

DATE: 2/11/2011

DRAFT REPLY APPROVED/AMENDED

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

DATE:

NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION NO. 3526

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 11 NOVEMBER 2011  
(INTERNAL QUESTION PAPER NO. 38)

**3526. Mr G R Morgan (DA) to ask the Minister of Water and Environmental Affairs:**

- (1) (a)(i) What are the names of and (ii) who are the permanent employers of all external consultants who are members of the Department of Water's task team on business engineering and (b) on what date did each of these persons join the task team;
- (2) (a) on what date did the business engineering project commence and (b) what has been the total amount paid to external consultants working on this project since its inception;
- (3) since the inception of this project, what (a) have been the key deliverables of the project and (b) are the expected deliverables by the end of the (i) 2011-12 and (ii) 2012-13 financial years;
- (4) whether the permanent employees of her department have been informed of the key deliverables under this project; if not, what is the position in this regard; if so, what are the relevant details;
- (5) whether there has been any resistance from permanent employees of her department to the work of the external consultants on this project; if not, how was this conclusion reached; if so, what are the relevant details?

NW4229E

---00000---

**REPLY:**

- (1)(a)(i) The team that we have appointed is established in terms of Regulation 20 of the National Treasury Regulations and is known as a Committee of Review/Re – engineering. The names of the Members of the Committee of Enquiry to review and advise the Department of Water Affairs on its Business Process are:

- Mrs Brigitte Mabandla (Chairperson)
- Ms Barbara Schreiner
- Professor G M Nkondo
- Mr Tlhopheho Modise
- Mr Ferdi Zondagh
- Ms Rachel Kalidass
- Mr Abel Dlamini
- Mr Robert Mulder
- Mr Warwick Metcalfe
- Ms Sharlottee Naidu
- Mr Raymond Motsepe
- Dr Themba J Mkhonto
- Mr Joshua Kanjere

- (1)(a)(ii) The members of the Business Process Review/Re-engineering Committee have been appointed in their personal capacities and capabilities and bring their individual professional contribution into the work that we do. They have been appointed in terms of Regulation 20 of the National Treasury Regulations and not as consultants of any company or employees of particular companies. The employer(s) of BPR committee members have not been taken into cognisance and do not feature at all in their appointments as each one comes as an individual and not a company or employee.
- (1)(b) The members joined the committee of enquiry on 1 July 2011 apart from Mr Joshua Kanjere who joined the committee as from 1 November 2011.
- (2)(a) The Business Process Re-engineering project commenced on 1 July 2011.
- (2)(b) The total amount paid to committee members working on this project since its inception is R4 898 236.82 and much in line with the amount and quality of work done to date.
- (3)(a) Refer to summary of key deliverables attached as **Annexure A**.
- (3)(b)(i) Refer to summary of key deliverables attached as **Annexure A**.
- (3)(b)(ii) Falls away, the project is targeted to end on 30 June 2012 and may be reviewed depending on the success rate.
- (4) Yes, the permanent employees of the Department have been informed of the key deliverables under this project and are continuously part of implementation of those deliverables.
- (5) No, there has not been any resistance from permanent employees of the Department regarding the work of the committee of enquiry on this project.

---00000---

KEY DELIVERABLES TABLE

Annexure A

		DELIVERABLES TIMEFRAME		
Key Focus Area/ Workstream	Key Deliverables Since Inception (i.e. 01/07/ to 11/11/2011)	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)	
<p><b>1 Mandate, Strategic Planning and Future Water Challenges</b></p>	<ul style="list-style-type: none"> <li>Strategic planning session held with top management of DWA to revise the Annual Performance Plan 2012/13</li> </ul>	<ul style="list-style-type: none"> <li>Revised Annual Performance Plan for DWA for 2012/13;</li> <li>Report on the mandate of DWA and potential gaps and overlaps in relation to the mandates of other departments</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate the finalisation of the National Water Resource Strategy (NWRS);</li> <li>Develop a participatory policy and planning process to include historically marginalised communities;</li> <li>Refine Business Plan 2013/14, with SMART objectives emphasizing measurable outcomes and impact;</li> <li>Develop an operation model for mandate and planning for DWA and its institutions</li> </ul>	
<p><b>2. Policy &amp; Legislation</b></p>	<ul style="list-style-type: none"> <li>A water regulatory framework aligned with national policy and legislative imperatives;</li> <li>Proposal for a National Redress and Equity Water Strategy</li> </ul>	<ul style="list-style-type: none"> <li>A framework of mechanisms and procedures for inter-governmental co-ordination;</li> <li>A profile of repealed or modified laws and policies that constitute</li> </ul>	<ul style="list-style-type: none"> <li>An integrated empowerment strategy for women, children, people with disabilities, and internally displaced people;</li> <li>Recommendations on a compliance-based monitoring system / process with measures of effectiveness;</li> </ul>	

		DELIVERABLES TIMEFRAME		
Key Focus Area/ Workstream	Key Deliverables Since Inception (i.e. 01/07/ to 11/11/2011)	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)	
<b>3. OD &amp; HR</b>	<ul style="list-style-type: none"> <li>As-is assessment of the Human Resources Department and recommended improvements;</li> <li>One on One interviews conducted with top management and focus group discussions held with Chief Directors to assess the culture and identify gaps'</li> <li>Focus group discussions with the HR Team to determine short comings in each of the sub directorates'</li> <li>Fast-tracking the process of filling-in of vacant SMS positions, and completion of Performance Agreements</li> </ul>	<ul style="list-style-type: none"> <li>To-Be of the HR Department and Implementation Plan;</li> <li>Implementation of Change Management strategies to obviate resistance to change'</li> <li>Infusion of progressive organisational culture ;</li> <li>Analysis of Organisational Design and alignment to service delivery</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring filling-in of all managerial positions;</li> <li>HPO intervention delivery;</li> <li>Strategically aligned Talent Management Plan;</li> <li>Strategically aligned Employee Performance Management System;</li> <li>Strategically aligned Structure ti Deliver;</li> <li>Submission of final report</li> </ul>	
<b>4. Financial Systems</b>	<p><b>Auditor-General's Report and Management Letter 2011 (WTE and Main Account)</b></p> <ul style="list-style-type: none"> <li>Detailed analysis of the Audit</li> </ul>	<p><b>Financial Management</b></p> <ul style="list-style-type: none"> <li>Restructured Balance, Chart of Accounts, Balance Sheet Trial of</li> </ul>	<p><b>Internal Control Policies and Procedures</b></p> <ul style="list-style-type: none"> <li>Gap analysis of Finance Policies and Procedures;</li> </ul>	

		DELIVERABLES TIMEFRAME		
Key Focus Area/ Workstream	Key Deliverables Since Inception (i.e. 01/07/ to 11/11/2011)	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)	
	<p>Report and Management Letter to identify root causes of audit queries and quick wins for 2011/12 audit;</p> <ul style="list-style-type: none"> <li>Detailed review and analysis of "Turnaround and Finance Improvement Plans" prepared by management to determine adequacy of action plans to address the Auditor-General's queries. Recommendations for improvement of turnaround plans discussed with Finance Management, who are currently in the process of implementing these recommendations.</li> </ul> <p><b>Internal Audit and the Audit Committee</b></p> <ul style="list-style-type: none"> <li>Comprehensive report on the effectiveness of the Audit Committee and Internal Audit functions within the Department, identifying any possible gaps or weaknesses, and recommending the necessary corrective action (work already</li> </ul>	<ul style="list-style-type: none"> <li>and AFS;</li> <li>Calculation of Government Grant requirements for 2012 onwards;</li> <li>A management report with recommendations on: <ul style="list-style-type: none"> <li>Pricing strategy;</li> <li>Revenue collection;</li> <li>Procurement and Expenditure process; and</li> <li>Cash flow management and controls.</li> </ul> </li> <li>Expenditure Analysis Report; and</li> <li>Analysis Report of current capacity in the Finance Division, and recommendation required of capacity to sustain and maintain sound financial management practices.</li> </ul>	<ul style="list-style-type: none"> <li>Recommended enhancements to existing Finance Policies and Procedures; and</li> <li>Compilation of Finance Policies and Procedures where these are lacking.</li> </ul> <p><b>Funding Model</b></p> <ul style="list-style-type: none"> <li>Recommendations on balance sheet restructuring; and</li> <li>Funding Strategy report.</li> </ul> <p><b>Monitoring and implementation of Internal Audits, Auditor-General's and BPR recommendations and corrective action</b></p> <ul style="list-style-type: none"> <li>Turnaround Action Plan updated with implemented corrective action (i.e. plan vs actual achievements);</li> <li>Submission of final report.</li> </ul>	

		DELIVERABLES TIMEFRAME	
Key Focus Area/ Workstream	Key Deliverables Since Inception (i.e. 01/07/ to 11/11/2011)	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)
	completed – for discussion with Acting DG and the Minister regarding implementation of recommendations).	<p><b>Financial Reporting</b> Recommendations on:</p> <ul style="list-style-type: none"> <li>• Reporting process; and</li> <li>• Budget monitoring process.</li> </ul> <p><b>Risk Management</b></p> <ul style="list-style-type: none"> <li>• Comprehensive report on the adequacy of Risk Management within the Department, identifying any possible gaps/weaknesses and recommending the necessary corrective action.</li> </ul> <p><b>Audit preparation 2011/2012 external audit</b></p> <ul style="list-style-type: none"> <li>• Project Plan for execution of 2011/12 external audit; and</li> <li>• Quality assured audit file and draft AFS for the 2011/12 external audit.</li> </ul>	
<b>5. External Institutions</b>	<ul style="list-style-type: none"> <li>• Diagnosis of under-performing Water Boards;</li> <li>• Review of governance model</li> </ul>	<ul style="list-style-type: none"> <li>• An Incentives Framework and compulsions for DWA's external</li> </ul>	<ul style="list-style-type: none"> <li>• Development of a Business Case for Institutional Arrangements (what institution there should be to</li> </ul>



		DELIVERABLES TIMEFRAME		
Key Focus Area/ Workstream	Key Deliverables Since Inception (i.e. 01/07/ 'to 11/11/2011	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)	
	for external institutions, including mechanisms of transparency and accountability	<ul style="list-style-type: none"> <li>institutions to perform;</li> <li>Report on an analysis of the transaction and opportunity costs and benefits of the institutional arrangements and recommendations for reducing the costs and enhancing the benefits of such arrangements</li> </ul>	<ul style="list-style-type: none"> <li>deliver on the DWA mandate / must also be strategically aligned);</li> <li>Developing individual business cases for the reform, realignment and/or expansion of prioritised water boards based on the preferred approach;</li> <li>Submission of final report</li> </ul>	
<b>6. Infrastructure and Assets</b>	<ul style="list-style-type: none"> <li>Development of a template for a robust infrastructure register;</li> <li>As-is report regarding the recording of assets, condition assessment and valuation;</li> </ul>	<ul style="list-style-type: none"> <li>Development of an Infrastructure Asset Management strategy;</li> <li>Report on governance in asset management practices;</li> <li>An appropriate infrastructure budget framework developed;</li> <li>A skills attraction, development and retention plan for the NWR organisation</li> </ul>	<ul style="list-style-type: none"> <li>An 'As-Is' status for BPR comment on Infrastructure and Facilities;</li> <li>Report on pions and recommendations regarding DWA facilities;</li> <li>An Implementation plan for updating and improving the asset register;</li> <li>Submission of final report</li> </ul>	
<b>7. Programme Management</b>	<ul style="list-style-type: none"> <li>Development of BPRC Programme Logic and Programme Management System;</li> <li>Development of BPRC Programme Objectives and Governance;</li> </ul>	<ul style="list-style-type: none"> <li>Assessment of all DWA projects;</li> <li>Proposals for a BPR-compliant organisational model for DWA;</li> <li>Coordination of 'quick - wins' for DWA;</li> </ul>	<ul style="list-style-type: none"> <li>BPRC perspectives on Consolidation of immediate, intermediate, and long-term deliverables to the Department</li> <li>Submission of final report</li> </ul>	

		DELIVERABLES TIMEFRAME		
Key Focus Area/ Workstream	Key Deliverables Since Inception (i.e. 01/07/ to 11/11/2011)	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)	
	<ul style="list-style-type: none"> <li>• Development of Project Management timelines and resources;</li> <li>• Joint strategic project coordination with the DBSA and NWAC resource support on, e.g. National Water Resource Strategy, Acid Mine Drainage, and Water in the context of Climate Change;</li> <li>• Scoping the project</li> </ul>	<ul style="list-style-type: none"> <li>• Knowledge transfer for senior DWA officials</li> </ul>		
<b>8. Water Trading Entity</b>	<ul style="list-style-type: none"> <li>• Review of Auditor-General's statements on WTE ;</li> <li>• Locate causes and capacity of WTE's revenue collection</li> </ul>	<ul style="list-style-type: none"> <li>• A high level status quo report to make decision on entity operation;</li> <li>• Interim operating model and business plan to increase staff morale and enable WTE to operate effectively in the short term (2012/13) in order to improve its functionality and relevance to Departmental mandate;</li> <li>• A Business Case of option for water infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>• Infusion of project and contract management skills among staff and senior officials in the organisation;</li> <li>• Ensuring WTE's adoption of a business model that reduces its reliance on Treasury interventions;</li> <li>• Set of business improvement projects;</li> <li>• A comprehensive Strategic Plan with operating plan and Performance Agreements for senior management;</li> <li>• Submission of final report</li> </ul>	
<b>9. BPR &amp; ICT</b>	<p><b>1. Reports to Minister and Advisory relating to the exit management of T-Systems'</b></p>	<p><b>(Subject to Budget)</b></p> <p>1. Business &amp; ICT Architecture Framework &amp;</p>	<p><b>1. Architecture Blueprints</b></p> <ul style="list-style-type: none"> <li>• Process Architecture;</li> <li>• Information Architecture;</li> <li>• Application Architecture;</li> </ul>	

		DELIVERABLES TIMEFRAME		
Key Focus Area/ Workstream	Key Deliverables Since Inception (i.e. 01/07/ to 11/11/2011)	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)	
	<p>Involved business, legal and technical expertise in negotiating a clearly-defined agreement with the incumbent provider in preparation for an open and restructured tender.</p> <p><b>2. Discovery and Business Analysis</b>, leading to advisory on way forward (ICT).</p> <p>3. Inception Report v1.</p>	<p>High Level Blueprint</p> <p>2. Supplier/Service Management Strategy</p> <p>3. New tender published</p> <p>4. Ramp-up Strategy (detailed skills analysis and training/ recruitment plan)</p>	<ul style="list-style-type: none"> <li>• Infrastructure Architecture;</li> <li>• Security Architecture</li> </ul> <p><b>2. Qualified ICT Team</b></p> <ul style="list-style-type: none"> <li>• Governance Processes'</li> <li>• ICT Performance Mgmt.;</li> <li>• Training &amp; Ramp-up'</li> <li>• Interviews &amp; Hire</li> </ul> <p>3. Ongoing Training Program me outputs and outcomes</p> <p>4. Tender Awarded &amp; SLA Signed;</p> <p>5. Submission of final report</p>	
<b>10. Communications</b>	<p><b>Internal</b></p> <ul style="list-style-type: none"> <li>• Integration of seconded DWA officials into Secretariat;</li> <li>• Facilitation of inter- and intra-workstream communication;</li> <li>• Administrative and logistical support to BPRC members;</li> <li>• Facilitation of BPRC meetings;</li> <li>• Establishment of communication system between the BPRC and DWA's Senior Management;</li> <li>• Compilation and submission of Inception Report to Minister</li> </ul> <p><b>External</b></p>	<p><b>Internal</b></p> <p>Review and compilation of periodic BPRC reports to Minister</p>	<p><b>Internal</b></p> <p>Submission of comprehensive and final BPRC report to Minister</p>	
		<p><b>External</b></p> <ul style="list-style-type: none"> <li>• Review of DWA's</li> </ul>	<p><b>External</b></p> <ul style="list-style-type: none"> <li>• Completion and submission of</li> </ul>	

Key Focus Area/ Workstream		DELIVERABLES TIMEFRAME		
	Key Deliverables Since Inception (i.e. 01/07/ to 11/11/2011)	Key Deliverables by 2011/12 End of Financial Year (i.e. by 31/03/2012)	Key Deliverables by 2012/13 (i.e. 30/06/2011)	
	<ul style="list-style-type: none"> <li>Facilitation of BPRC-DWA meetings and workshops;</li> <li>Review/Diagnosis of the DWA/ Communication Services' New Communication Policy – with the view to locating its (in)efficacy, functionality, and relevance (i.e. gaps, overlaps, redundancies, cost effectiveness, etc.) and</li> <li>Determination of communication profile and log of Communication Services</li> </ul>	<ul style="list-style-type: none"> <li>A performance monitor on DWA centripetal and centrifugal official communications)</li> <li>Finalisation of input (report) on New Communication Policy;</li> <li>Finalisation of input (report) on National Water Information System ;</li> </ul> <p><b>Research</b></p> <ul style="list-style-type: none"> <li>Planning and execution of empirical and literature-/ document based examination of the current Communication Policy</li> </ul>	<ul style="list-style-type: none"> <li>research report &amp; research findings'</li> <li>Proposals for a 'To-Be' on DWA's centrifugal communication</li> </ul>	