



**water affairs**

Department:  
Water Affairs  
**REPUBLIC OF SOUTH AFRICA**

## **Review of Local Government Infrastructure workshops**

- **RBIG**
- **WSOS**
- **MWIG**

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1. What has worked well with the administration of your grant(s) and why
2. What hasn't worked well and why
3. Potential solutions for more efficient funding of municipal infrastructure

# 1: What has worked well - RBIG

## 1. Schedule 5 grant. Provide opportunity

- Transferring funds to prioritized WSA e.g 24 DM (MWIG) and WSOS
- Only monitoring spending and monthly reports from WSA

## 2. Schedule 6 Grant. Why : Provides opportunity:

- to re-allocate funds to performing projects and therefore ensure budget expenditure. (Funds are reversed when project challenges are rectified)
- Ensure that transfer / payments are made once work is completed.
- To appoint Implementing Agent that have appropriate capacity.

## 3. Allocation of funds for studies. Why: Provides opportunity to:

- have more direct control on feasibility and technical studies
- Avoid inappropriate technology, and solutions.
- Avoid the common practise of appointing PSP on risk

# .... What has worked well

## 3. Performance evaluations. Why:

- Oversight and direct involvement of National office staff
- Quality control of reports
- Obtaining monthly reports

## 4. Distinction / separation between , technical reports and Implementation Ready Study (IRS) reports. Why:

- Give emphasis to non technical issues as well (i.e. Legal, sustainability, strategic issues)
- The IRS report enables managers (not only engineers) to assess projects..

## .... What has worked well

5. **Provincial planning** co-ordination committees (worked well only in some provinces) **Why:**

- Enabled transparency
- Enabled prioritisation of projects
- Participation of other stakeholders

6. **Appropriate and innovative technology** (in certain projects) **Why:**

- We actively promote innovation
- Option analysis / wide stakeholder participation during feasibility

## 2: What has not worked well

1. Receiving **co-funding** from municipalities. **Why**:
  - Although commitments are often made by WSA , these sometimes do not materialise. Difficult to enforce
  - Some WSA cannot afford to co-fund
  - Some WSA co-fund from MIG
2. Adherence to **conditions and processes** developed. (Problem is both internal (DWA) and external) **Why**:
  - Limited staff / capacity
  - Poor project management
  - Difficult to enforce directives

# ....What has not worked well

## 4. Time delays. Why?

- Lengthy procurement processes
- Poor project management
- Original time frames were not realistic (under-estimate time required before construction, i.e. planning, design, procurement)

## 5. Alignment of certain projects. Why?

- Other projects have not materialised or performed as agreed.
- Poor planning.

## 6. Sustainability of projects. Why?

- O & M costs are too high
- Capacity of WSA to operate and maintain infrastructure



# ....What has not worked well

## 7. Procurement and appointment of inadequate contractors by WSA.

### Why?

- Long delays in procurement
- Suspicious appointments of contractors that do not have necessary credentials.
- Inability of DWA to interfere with WSA procurement

## 8. Scope limitations of RBIG. Why?

- WC/WDM measures could reduce bulk requirements significantly, but restricted in funding WC/WDM initiatives.
- Refurbishment of aging infrastructure rather than new infrastructure could be the best solution (NT has only recently agreed to allow funding for refurbishment)



## ...What has not worked well

9. **Scope** overlap with MIG. Why?
10. WSA often do not want to use capacity of Water Board and will often submit projects that will duplicate bulk capacity.
11. Inadequate **Infrastructure Master plans by WSA**. This may lead to project requests that are not aligned with existing capacity.
12. Lengthy delays due to electricity supply.
- 13 Lengthy delays due to EIA assessments
- 14 None or late submission of monthly reports
- 15 None commitment of funds by end of June each year, necessitating Treasury to recoup such funds, this seriously affect progress.

# 3: Potential solutions

1. Greater integration between MIG and RBIG and all related programmes.
  - a. Policy / procedures
  - b. Funding allocations
  - c. Planning
2. Link infrastructure projects directly to effective management solutions /initiatives, and institutional improvement initiatives. (Where service provision in a WSA is unsustainable an additional infrastructure project increases the problem).
3. Institutional support to WSA with poor track record must improve significantly.
4. Projects / funding should not be allocated to institutions with a poor track record or institutions under administration.

# ...Proposals

5. Centralise the integration / alignment of all planning in the water sector.
6. Improve governance / controls /funding for effective and appropriate studies.
7. Indorse, support and improve the Provincial Water Services planning committees (initiated by DWA)
8. Urgently address the poor financial management of municipalities (no-payment, and water losses) which is the backbone of most sector related problems.
9. Facilitate and agree on process (through current legislation) to allow easier intervention by National Government when WSA fail.