

KINGFISHER: A SOUTH AFRICAN/DUTCH INITIATIVE IMPROVING IWRM THROUGH STRENGTHENING MUNICIPAL WATER AND SANITATION SERVICES



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ABSTRACT

South Africa's water resource governance framework is being reorganized, including transfer of responsibilities from the Department of Water and Sanitation (DWS) to Catchment Management Agencies (CMAs). CMAs will play a critical role in managing the country's water resources. Key water resources partners within a CMA include municipalities, which both utilise water resources and potentially impact on water quality by discharging treated effluent to catchments, thereby impacting on various aspects of Integrated Water Resource Management (IWRM).

The Netherlands are acknowledged leaders in water, especially regarding effective cooperation between municipalities and Regional Water Authorities (Waterschappen). The Netherlands are currently supporting the establishment of South African CMAs through a government to government support agreement known as the Kingfisher Programme, whereby

DWS, CMAs and the Dutch Water Utility experts work together towards successful CMA establishment.

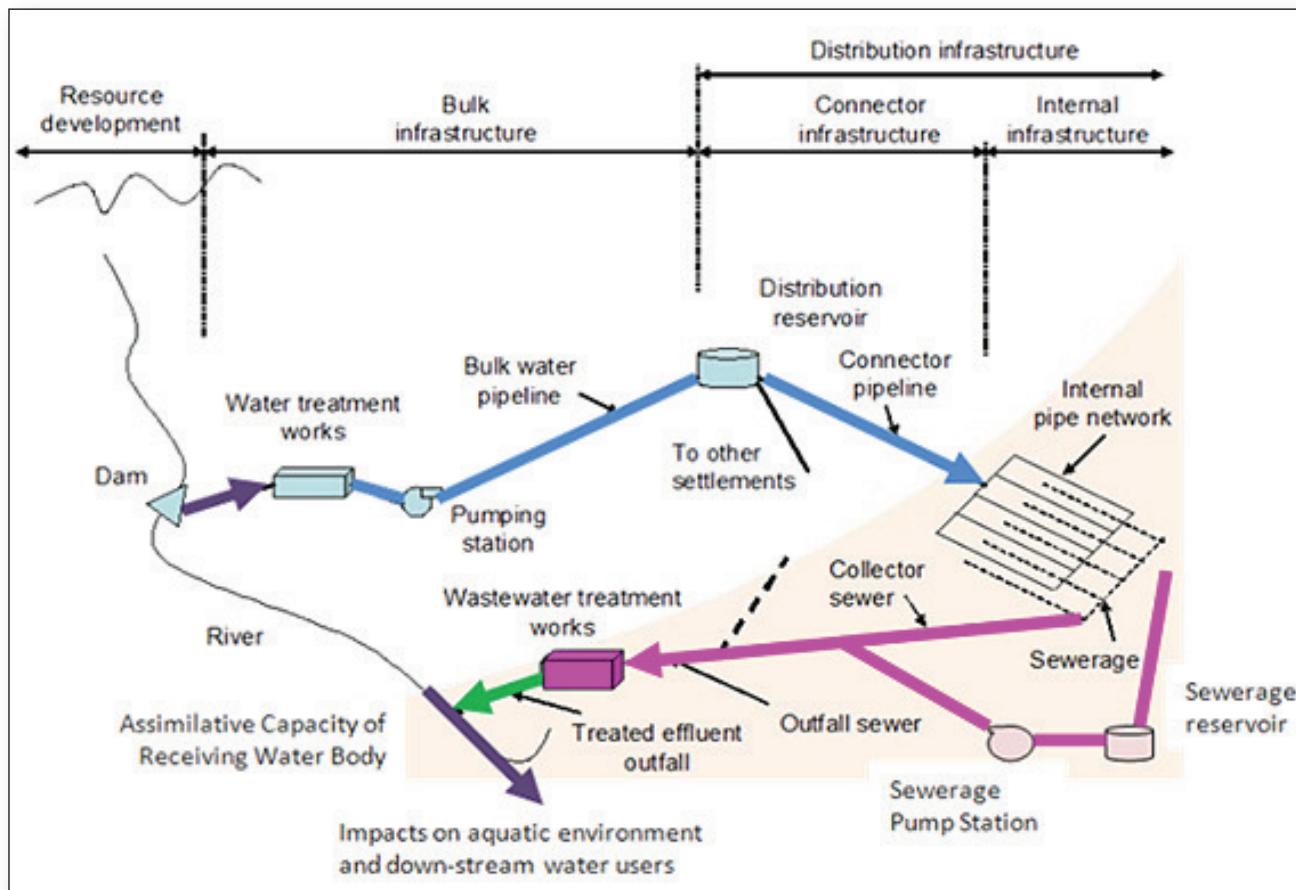
A key focus of the Kingfisher Programme is municipal water management. Unresolved municipal water management issues can result in severe and deleterious impacts on catchment resource quantity and quality. The approach is multi-stakeholder based, whereby key municipal officials (Heads of Department for Finance, Technical Services and Human Resources), the CMA, DWS, and other regional and national stakeholders participate in a facilitated planning process that both identifies municipal business vulnerabilities via a Municipal Strategic Self-Assessment (MuSSA) and "co-creates" a Municipal Priority Action Plan (MPAP) for the sustainable alleviation of those vulnerabilities.

This paper presents key aspects of progress by the Kingfisher Programme regarding the pioneering Inkomati-Usuthu CMA (IUCMA), which has trans-boundary responsibilities with South Africa, Mozambique and Swaziland. The Kingfisher Programme is being extended across all CMAs, and the paper ought to be of strong interest to all parties seeking to improve management of municipal performance and IWRM.

WATER SERVICES DELIVERY IN SOUTH AFRICA

The right of access to water for all South Africans is enshrined in the Bill of Rights of the South African Constitution of 1996 (Section 27.1), whilst Section 27.2 makes it incumbent on the state to "...take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of (this and other) rights." The subsequent Water Services Act (Act 108 of 1997) and associated regulations published between 1997 and 2001 state further that "Everyone has a right of access to basic water supply and

FIGURE 1 The Water Service Business: Source - to tap - to source



basic sanitation". Most recently, water and sanitation services delivery targets have been updated through Outcome 9 of the 2014 Medium Term Strategic Framework which sets the target that by 2019 all people living in South Africa must have access to a reliable water supply and safe sanitation.

South Africa's 55.4 million people are spread over some 28 000 settlements countrywide. Of these 40% live in large metropolitan areas; 19% live in medium-sized cities and towns; 6% live in small towns in rural areas; and 35% live in small rural villages and scattered settlements.

Provision of a reliable water and sanitation service to all people living in South Africa requires the operation of a "never ending 24 hours per day / 7 days per week / 365 days per year" business of taking water from source, delivering it purified to the tap and, ultimately, returning it treated back to source. The entire endeavour is dependent on effective and efficient sequential delivery along the full water value chain (see Figure 1 below).

Water and sanitation services provision, collectively termed 'water services' from here-on forwards, is the responsibility of the 152 designated municipal Water Services Authorities (WSAs), made up of Metro's, District Municipalities and Local Municipalities, distributed as per Figure 2 below.

Notwithstanding the noteworthy progress made by WSAs in increasing services delivery since democratisation, WSAs (and their associated water utilities) are facing significant challenges as they strive to increase the quality and manage the financial viability of services to customers. Many of the challenges faced are universally experienced (Water Research Foundation, 2014), including:

- Increased customer level of service demands
- Ageing infrastructure
- Security and emergency response concerns

FIGURE 2 Map of Water Services Authorities by type

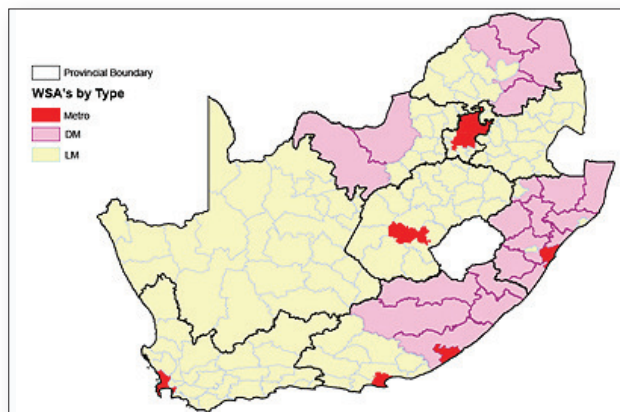
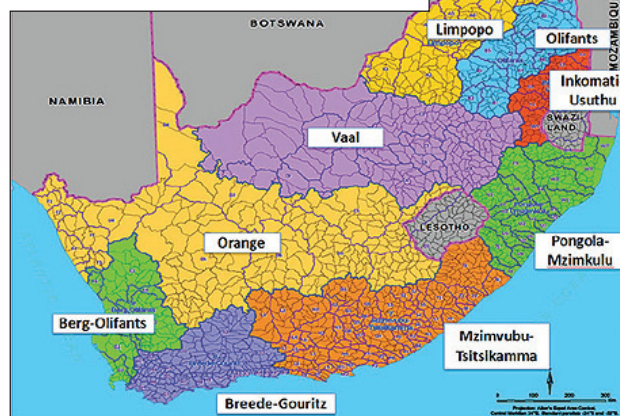


FIGURE 3 Catchment Management Areas of South Africa



- Growth
- Climate change and reduced environmental footprint pressures
- Stricture regulatory environment
- Retirement / Loss of experienced staff and related workforce shortages
- Financial constraints

Regrettably, water services delivery in many of South Africa's municipalities can be regarded as being in a crisis state as evidenced by, inter alia, poor planning, inadequate asset management, inadequate operations and maintenance, poor financial management, and political influence in prioritisation of projects. This cumulatively contributes towards inadequate service levels, poor customer care, poor drinking water quality, poor wastewater quality, etc.

Community protests against poor services delivery have increased in recent years, from 10 in 2004 to 173 in 2012 (Naidoo, 2013) and 164 in 2015 (Municipal IQ, 2016), and were a major feature of the 2014 National Elections (Department of Water Affairs and Forestry (2014) Water and its Role in a Better Life for All, Alignment of MTSF to NDP & Manifesto, unpublished data) and can be expected to be similar for the local government elections of August 2016.

This paper seeks to add to the discussion around the key water services sector intervention dilemma: "How do we as a sector support a more sustainable improvement in water services delivery in South Africa?". It can't just be business as usual.

WATER RESOURCES MANAGEMENT

South Africa is ranked as the 30th driest country in the world. Average rainfall is 450 mm per annum, which is well below the world average of 860 mm per annum. Climate change predictions are for a drier western half of the country and for far more variability, with more extreme events, in the east. Given that municipalities use approximately 30% of South Africa's available water (agriculture uses most at approx. 60%), they are a major role-player in water resource management. Management of South Africa's water resources involves catchment and river systems management, water storage, water abstraction, and return flow management. Integrated management techniques are required to ensure that water is both protected and utilised to its full potential. The responsibility and authority for water resources management rests with CMAs and, at a local level, Water User Associations (WUAs). These institutions represent all water users and facilitate effective participation in the management of water resources in their areas.

There are nine water management areas (WMAs) that are to be managed by nine CMAs, namely Limpopo-North West, Olifants, Inkomati-Usuthu, Pongola-uMzimkulu, Vaal, Orange, Mzimvubu-Tsitsikama, Breede-Gouritz and Berg-Ofifants as per Figure 3. Currently four CMAs have been established: the Limpopo-North West, Pongola-uMzimkulu, Inkomati-Usuthu and Berg-Ofifants. Only the last two are operational.

A wide range of water resources management functions may be delegated to these CMAs, depending upon the local priorities and capacity, including:

- Developing strategies for integrated water resources management within the WMA;
 - Developing and supporting organisations in the WMA, including coordination and capacity building;
 - Regulating water use, including authorisation and charging of water use;
 - Managing information to support the other water resources management functions;
 - Implementing physical interventions, including conservation and demand management and possibly infrastructure development and/or operation; and
 - Auditing water resources management, in terms of the stated objectives of organizational business plans and water resources management strategies.
- CMAs will need to be smart and innovative in the way they manage their

catchments. An Integrated Water Resources Management approach is critical.

Although Water User Associations (WUAs) are “water management” institutions, their primary purpose, unlike CMAs, is not water management. They operate at a local level, and are in effect co-operative associations of individual water users who wish to undertake water-related activities for their mutual benefit.

KINGFISHER PROGRAMME AND THE IUCMA

Introduction to the Kingfisher Programme

The Dutch are recognised for their expertise in the water arena, including centuries of experience of co-operation between Dutch municipalities and Dutch Water Authorities (Waterschappen) in improving the effectiveness and cost efficiencies of water management. Initial engagements between CMAs and Waterschappen originated in 2004 at the IUCMA. This cooperation focused on a government-to-government (colleague-to-colleague) approach. The value of this cooperation was duly recognised, and in 2012 the initiative was expanded into supporting the nationwide roll-out of CMAs in South Africa, and the Kingfisher Programme was born via a signed intergovernmental memorandum of understanding in 2013.

The overall objective of the Kingfisher Programme is to contribute to the establishment and improved functioning of the nine CMAs both in their water management and regulatory role - thus providing a basis for effective IWRM. The South African and Dutch partners work together on a colleague-to-colleague basis in four main areas: (i) CMA establishment & policy development, (ii) operationalisation, (iii) monitoring & evaluation, and (iv) stakeholder involvement as per Figure 4 overleaf. Support is provided by exchange of international expertise and experiences between South African and Dutch Water Management Institutions and Local Government, over the period 2013 to March 2016.

Notable achievements via the Kingfisher Programme to date include:

- Cooperation and knowledge exchange between 9 CMAs with 13 Waterschappen on governance aspects such as water system monitoring, stakeholder involvement, institutional arrangements, revenue collection, data management, licensing & enforcement, change management.
- The establishment of a CEO Forum for (proto) CMAs, in which the CMAs are able to join forces and speak with one voice.
- Catchment Management Strategy (CMS) development and cooperation in the revision and updates of guidelines for CMS development.
- Water quality and wastewater treatment. Specifically wastewater as a resource rather than a problem.
- A starter pack to guide CMA establishment in which relevant documents

are brought together, available on a web based platform.

- Support with regard to the implementation of water use and discharge charges.
- Establishment of a collaborative mutual gains approach.
- Strengthening trans-boundary cooperation at the regional (local) level through international cooperation.
- The use of Remote Sensing images for operational water management.
- Establishment of a “Hydronet Water Control Room” for the IUCMA (see further in 3.2 below).
- Development of an Adaptive Operational Governance Dashboard (AOGD) to monitor the Social, Technical, Ecological, Economic and Political (STEEP) aspects of the implementation of the CMS through Strategic Adaptive Management.

Although the Kingfisher Programme was due to end in 2016, the program has recently been extended until 2020.

The Kingfisher Programme and the IUCMA

The IUCMA is responsible for IWRM within the Inkomati-Usuthu Water Management Area. This area falls wholly within the boundaries of Mpumalanga Province, covering nine municipalities. The IUCMA is responsible for the protection of water resources against the impacts of municipal wastewater treatment works, as well as other activities such as mines, industries, solid waste sites and agricultural return flows.

In the Kingfisher project the IUCMA has a partnership with the DWA Waterschap Drents Overijsselse Delta (WDO Delta). The general objectives, approach and programme of activities are based on the Kingfisher approach. In this “colleague to colleague” approach both partners want to learn from each other. Key areas of progress to date include:

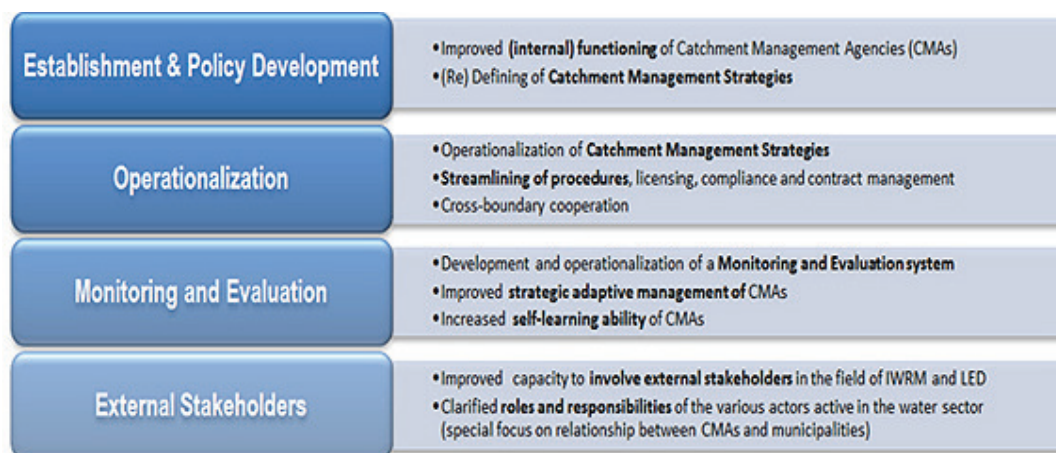
Cooperation in the development and implementation of Catchment Management Strategies based on Strategic Adaptive Management (SAM). The IUCMA has adopted SAM as the guiding principle for their CMS, whilst WDO Delta wish to implement SAM for the Vecht River Catchment. Both organisations work together in the development of an Adaptive Operational Governance Dashboard (AOGD) to monitor the Social, Technical, Ecological, Economic and Political (STEEP) aspects of implementation of the CMS through SAM. The IUCMA and WDO Delta are supported in this by respectively the University of Kwazulu-Natal (UKZN) and the University of Utrecht (UU).

Strengthening trans-boundary cooperation at the regional (local) level through co-operation in two International Rivers, namely the Inkomati (South Africa, Mozambique, Swaziland) and the Vecht (Germany, Netherlands). In the cooperation REMCO (River and Environment Management Cooperation) the regional water authorities responsible for operational water management in the Inkomati and Vecht catchment share knowledge and expertise, catchment management strategies and operational

water management. A conference for sharing knowledge is organized on an annual basis, alternating between the Inkomati and Vecht catchments.

IUCMA and WDO Delta were both involved in research projects on the use of Remote Sensing imagery for operational water management and have decided to start a knowledge exchange project on the research and the

FIGURE 4 Collaborative Governance areas addressed in the Kingfisher Programme



results. Cooperation with Universities and the Private Sector has resulted in the submission of a funding proposal for a demonstration project “Hydronet Water Control Room for South African Water Management Institutions”. This proposal has been accepted by the Partners for Water programme in the Netherlands.

Implementation of the demonstration project “Hydronet Water Control Room” for the IUCMA in which historical, actual and forecasted meteorological information, like rainfall and evaporation from The South African Weather Service (SAWS), is made available on a near real time basis. This information is a vital input in the hydrological models and water management decisions of the CMAs. The Hydronet tool is also used by the Waterschappen in the Netherlands, and DWS has planned to roll out the implementation to all CMAs in South Africa. Results of the demonstration project are also shared with neighbouring Swaziland and Mozambique as part of the REMCO initiative.

DWS / Kingfisher / IUCMA progress with South African municipal engagement

A more recent focus area of the Kingfisher Programme is supporting improved cooperation between the CMA and the municipal WSAs. WSAs depend on the right quantity and quality of water from the resource, and at the same time affect resource quality by discharging treated effluent from wastewater treatment works (WWTWs). Critical WSA municipal water management business issues, if not well managed, will result in severe negative impacts on water resource quantity and quality.

The municipalities that fall within the IUCMA include: Thaba Chweu LM, Bushbuckridge LM, Mbombela LM, Nkomazi LM, Umjindi LM, Emakhazeni LM, Chief Albert Luthuli LM, Mkhondo LM and Msukaligwa LM. The IUCMA carries out compliance monitoring inspections, responds to complaints about pollution incidents, monitors water quality through monthly sampling, disseminates information through presentations at catchment management forums, and distributes of annual water quality status reports. Based on the feedback from water quality monitoring, the IUCMA can conduct investigations to establish the cause of a particular impact in the water resource and instruct the transgressor to take corrective measures.

An annual water quality status report is circulated to all stakeholders in the catchment and a concerted effort is made to bring it to the attention of municipal managers and their relevant Heads of Departments to ensure that they plan accordingly for corrective measures. The annual IUCMA Water Quality Status report serves not only as a reporting tool for the IUCMA, but also provides substance to the various areas where municipalities are found to have vulnerabilities and weaknesses. Key WSA-related concerns highlighted in the report for 2013/14 included that only four out of 50 WWTWs were found to operate within their design capacity, only six of the 50 WWTWs had emergency dams, and only 17 were authorised - with eight licensed and nine operating under General Authorisations. 33 WWTWs were therefore unauthorised, and only three of those authorised complied with the set standards or authorisations.

A DWS/IUCMA workshop on water quality and waste water treatment with the municipalities in the IUCMA area has resulted in the decision to utilise and facilitate the MuSSA/MPAP programme of DWS in all the municipalities falling within the IUCMA area. The IUCMA has been, and continues to be, involved with the associated MuSSA's and MPAP's of all WSAs within the IUCMA area.

The light that the MuSSA and MPAP processes shed on the challenges faced by municipalities enhances the

ability of the IUCMA to engage with them. It also allows the IUCMA to make inputs on what needs to be considered and taken forward by the municipalities in the management of their WWTWs.

RESOLVING WATER SERVICES VULNERABILITY

Engaging IUCMA WSAs via the Municipal Strategic Self-Assessment (MuSSA)

In order to guide engagement with WSAs, the Kingfisher Programme and the IUCMA are using the DWS MuSSA diagnostic tool. MuSSA determines both the business health (or conversely, business vulnerability) of 18 key municipal water and sanitation services business attributes, and also the overall rolled-up Vulnerability Index of the WSA's water and sanitation services function. The 18 “legs of sustainability” (business attributes) cover the full “water services business” of the WSA. These include key municipal benchmarks that are important to DWS, the Department of Cooperative Governance and Traditional Affairs (CoGTA), National Treasury (NT), the Planning Commission/Office of the Presidency, the South African Local Government Association (SALGA) and the municipalities themselves. MuSSA updates are overseen annually across all 152 WSAs by DWS and are seen as an important indicator as to the “business health” of a municipal WSA (Wensley et al, 2015).

Facilitated MuSSAs, involving the DWS/IUCMA/Kingfisher team, were carried out for all nine WSAs within the IUCMA. These involved consultation with the WSA Heads of Department, including Chief Financial Officer, the Head of Human Resources, and the Head of Technical Services. Five “essence questions” for each of the 18 “business attributes” were put to them to determine the business health / vulnerability level per attribute. The outputs are reflected in an easy to interpret colour coded “spider diagram”. The MuSSA supports improved business management and performance by presenting the overall business health of water services and highlighting the likely choke points of reliable water services provision (i.e. early warning system). The associated analysis indicates areas of need for proactive alleviation to avoid negative outcomes, including impacts on the catchment.

A MuSSA Spider Diagram for a WSA of the IUCMA is shown in Figure 5. This clearly communicates that levels of extreme vulnerability exist within technical staff skill levels, technical staff capacity, WRM, IAM, O&M, and revenue collection. It needs to be emphasised that, as the MuSSA vulnerability measurements are forward looking, this does not necessarily mean that the WSA is currently not performing in these attributes. What is clearly indicated are those business attributes in which proactive measures are necessary to support achieving effective and reliable municipal service delivery.

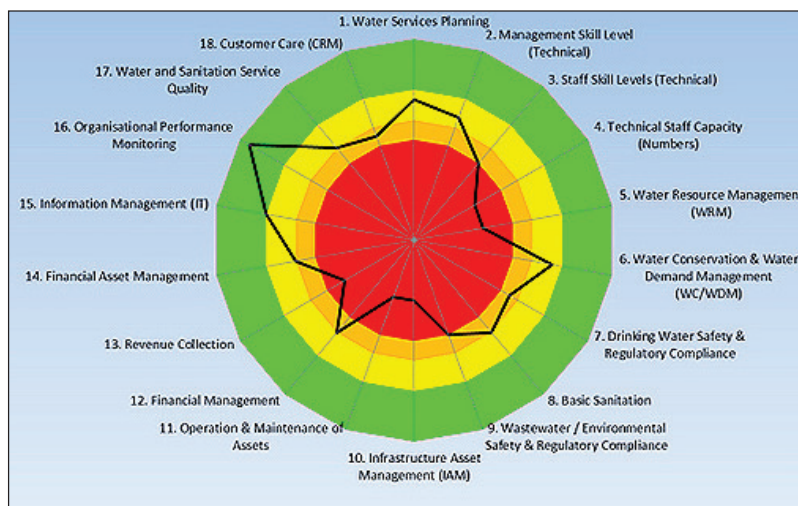


FIGURE 5 MuSSA “Spider Diagram” Output Highlighting Vulnerabilities at a WSA of the IUCMA

A combined overview as to the status of all the WSAs within the IUCMA is shown in Figure 6 below, with areas of highest vulnerability for the grouping clearly indicated.

Figure 6 shows that the “big three” areas of extreme vulnerability for IUCMA WSAs are Financial Asset Management, Financial Management and Operation and Maintenance of Assets. Also of raised concern are Technical Staff Capacity, Water Resource Management, Water

FIGURE 6 MuSSA Summarised Vulnerability Findings: IUCMA

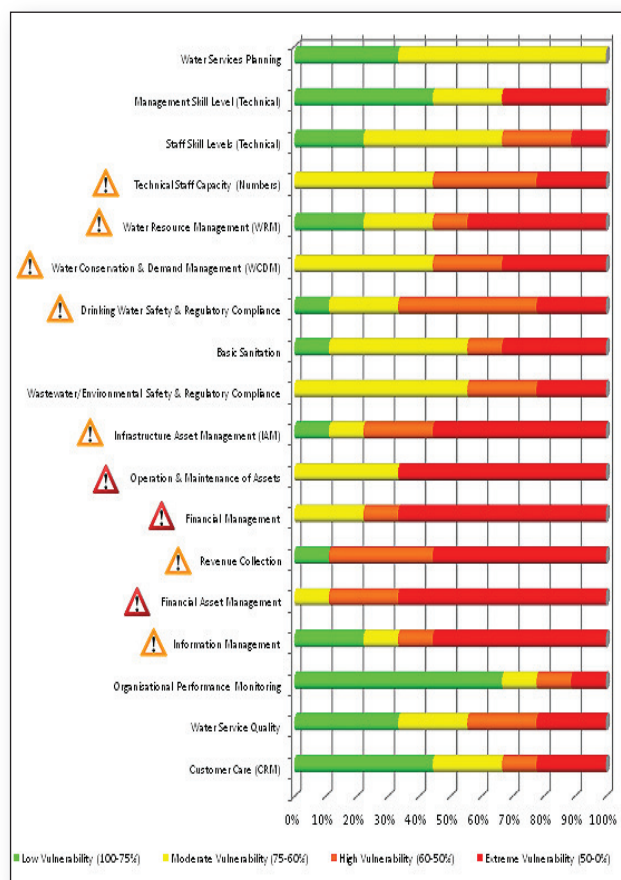
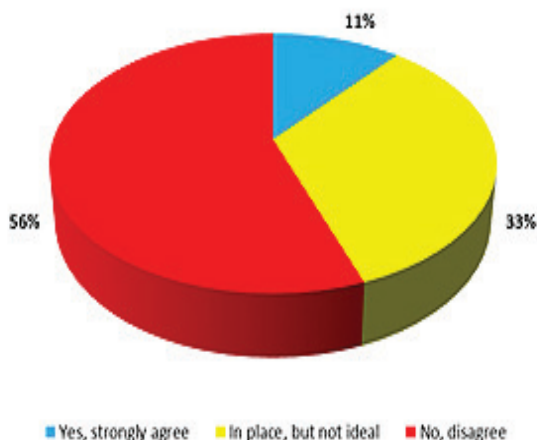


FIGURE 7 Infrastructure Asset Management



Conservation and Demand Management, Drinking Water Safety, Infrastructure Asset Management, Revenue Collection and Information Management. These are clear areas in which DWS, Kingfisher and the IUCMA should be seeking to engage with the WSAs to alleviate.

The IUCMA MuSSA information set can be further analysed for each of the “essence questions” to determine in more detail clear areas of engagement to assist in improving WSA business health.

By way of example, in Figure 7 above, 5 of the 9 WSAs of the IUCMA area have no Infrastructure Asset Management (IAM) plan, whilst another 3 have an IAM plan which is not ideal; i.e. only 1 WSA has an appropriate IAM plan in place. Further analysis (not shown) reveals, inter alia, substantial shortcoming in the implementation of IAM outcomes (with only 1 WSA satisfactorily implementing its IAM plan), and that IAM budget spend is poor (only 2 WSAs indicate that they have appropriate budget spend).

The lack of effective IAM is particularly disconcerting from an IWRM perspective in that this is likely to have an impact on both the efficient use of available water resources, as well as on the quality of discharge, with a high potential for pollution incidents, which all affect the mandate of the IUCMA.

Analysis of trends across IUCMA WSAs as regards MuSSA Business Attributes is shown in Figure 8 below, and provides useful business intelligence insights into common areas of improvement and deterioration to which the Kingfisher Programme, the IUCMA, DWS and sector partners can seek respond.

MuSSA Vulnerability Index Trend across the WSAs of the IUCMA

The rolled up MuSSA Vulnerability Index is an aggregated score indicating the overall business health for each WSA. As shown in Figure 9 below the trend in MuSSA Vulnerability Indices for WSAs within the IUCMA is unfortunately one of continuing “extreme vulnerability” and “high vulnerability” amongst the municipalities, with five regressing, two remaining the same and two improving.

Charting the way forward to reliable water and sanitation services: MPAP

The Municipal Priority Action Plan (MPAP) is a high level action plan designed to guide the WSA (and sector partners) towards the alleviation of the key business vulnerabilities of the WSA as identified within the MuSSA. The MPAP methodology has been designed to meet the requirements of both the WSA and other key municipal sector role-players. This is achieved by harnessing the three inputs of a design and test team comprising a WSA Technical Director, a WSA Water Services Portfolio Councillor, DWS National, DWS Regional, SALGA National and Regional champions, and subsequent engagements with CoGTA, NT, Auditor General (AG) and the Office of the Presidency.

Simply put, the MPAP process harnesses an iterative improvement approach using a standard “Plan-Do-Check-Act” methodology of continuous improvement. The MPAP engagement takes place in a facilitated strategic planning workshop environment with key stakeholders in which the following is covered:

- Verify the WSA business vulnerabilities identified by reviewing the MuSSA.
- Prioritize MuSSA identified business vulnerabilities for corrective actions, and jointly strategise approaches to resolving.
- Set associated practicable goals, actions, responsibilities and budget. (To be subsequently acknowledged, approved and adopted by municipal senior management and Council).
- Monitor, evaluate and communicate progress of MPAP, including the updating of MuSSA.
- Provision of accurate and accessible information, strategic

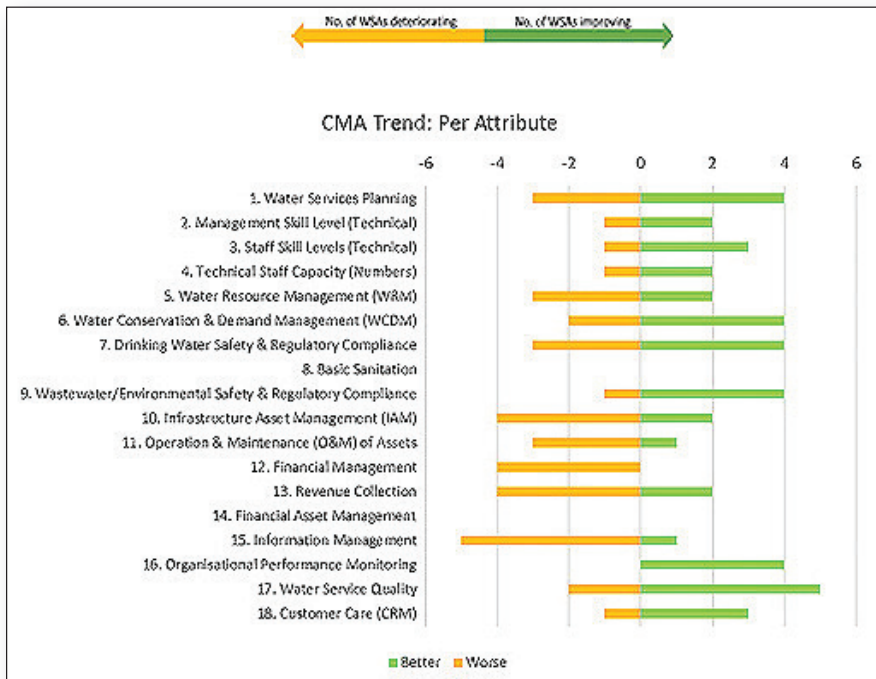


FIGURE 8 MuSSA Summarised Trend Analysis: IUCMA Attributes (Note: Attributes 8. Basic Sanitation and 14. Financial Asset Management are new attributes introduced in 2015, and can therefore not be compared to results from 2014.)

WSA	MuSSA Vulnerability Index (VI) (2015)	MuSSA Vulnerability Index (VI) (2013)	MuSSA Vulnerability Index (VI) (2012)
1. Thaba Chweu	0.88	0.90	0.94
2. Msukaligwa	0.82	0.83	0.89
3. Bushbuckridge	0.82	0.71	0.84
4. Albert Luthuli	0.81	0.70	0.72
5. Mbombela	0.80	0.77	0.99
6. Mkhondo	0.73	0.76	0.99
7. Nkomazi	0.71	0.63	0.81
8. Emakhazeni	0.67	0.81	0.63
9. Umjindi	0.59	0.35	0.46
Key Extreme Vulnerability (VI ≥ 0.75) – Red High Vulnerability (VI ≥ 0.5) – Orange Moderate Vulnerability (VI ≥ 0.25) – Yellow Low Vulnerability (VI < 0.25) – Green			

FIGURE 9 IUCMA Vulnerability Index Trend

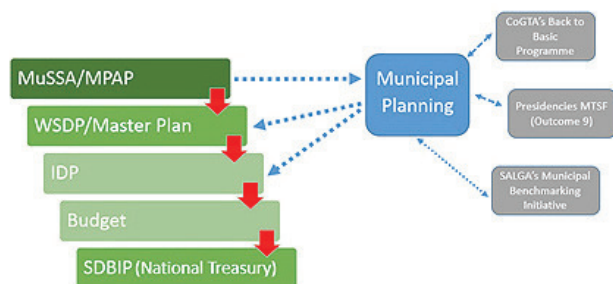


FIGURE 10 The combined MuSSA / MPAP outputs feed into the WSAs business planning and are aligned to other municipal sector initiatives

perspectives and topic specific expertise to national DWS in order to support strategic management for improved water service delivery.

- Implementation of procedures and protocols to satisfy audit and governance requirements.

The combined MuSSA / MPAP methodology is active in WSAs in KZN, Eastern Cape, Northern Cape, Free State, Gauteng, the NT17 non-delegated municipalities and a few other targeted priority District Municipalities. In Mpumalanga, the lead WSA participating in a combined MuSSA / MPAP process has been Mbombela.

During the Mbombela MPAP process, which included supportive participation from Kingfisher and the IUCMA, special effort was made by the MuSSA/MPAP teams of DWS to ensure alignment with CoGTA and the Back 2 Basics (B2B) Programme, the Municipal Infrastructure Support Agency (MISA), National Treasury, Office of the Presidency, the AG, and SALGA. These interactions included emphasizing and supporting the alignment of the MuSSA

and MPAP as regards the Municipal Planning Processes, and this was done broadly in the manner as noted in Figure 10.

The Mbombela MPAP, as initially produced in July 2015, has been accepted and endorsed by Mbombela WSA and is active. An M&E engagement with Mbombela in April 2016 showed that good progress has been made against the MPAP.

CONCLUSIONS, DISCUSSION AND NEXT STEPS

From the information presented regarding the status of business health at the WSAs it is clear that there are a number of ongoing challenges facing the municipalities within IUCMA catchment area. These include:

- Municipal governance
- Impaired municipal business viability
- Impaired municipal financial sustainability
- Poor water services performance

Furthermore, key municipal business areas affecting the IUCMA are:

- Drinking water treatment
- Waste water treatment
- Water resource management
- Infrastructure asset management
- Operations and maintenance
- Revenue collection

The Kingfisher Programme has made good "colleague to colleague" progress in strengthening the IUCMA towards meeting its mandate; including early stage engagements with WSAs via the MuSSA and MPAPs towards improving WSA business health and mitigating WSA related impacts on IWRM and the IUCMA.

The DWS recognises the above, and will continue to proactively participate as sector leader in engaging with key sector partners to support WSAs and CMAs, including via the Kingfisher Programme. The key question is how best do the Kingfisher Programme and the IUCMA support and build on existing DWS initiatives, as well as their own initiatives? Furthermore, how can these parties collectively best align these activities to other sector initiatives supporting municipalities, including CoGTA's Back 2 Basics programme.



Mbombela Local Municipality DRAFT MUNICIPAL PRIORITY ACTION PLAN
Workshop: 30 July 2015

Context Information	MuSSA Status	Comments
a) Municipality name	Mbombela Local Municipality	
b) Date of completion	30 July 2015	
c) Municipality type	B1 - LM	
d) Water service provider type	Combination of internal and external	Rand Water and Sembcorp
e) Wastewater service provider type	Combination of internal and external	Rand Water and Sembcorp
f) Water system maintenance	Combination of internal and external	Rand Water and Sembcorp
g) Wastewater system maintenance	Combination of internal and external	Rand Water and Sembcorp
h) The key staff (i.e. managerial) turnover in your WSA	Low: <10% (i.e. not an issue, good staff retention)	
i) Your WSA has developed and implemented a scarce skills policy	No, not developed	
j) Your WSA is preparing for the impacts of pending and/or new regulations (e.g. Regulation 17 (WTV))	In process	

FIGURE 11 The MPAP is supported by both Excel and Web-Based tools for capturing thereof

Based on the progress to date between DWS, the IUCMA and the Kingfisher Programme, the authors recommend that the next steps forward include a jointly determined programme to join forces and combine efforts to prioritise specific and integrated support to the municipalities to address the identified short-comings and challenges

faced in the IUCMA area. This should include the completion of MPAPs for all nine WSAs within the IUCMA.

Furthermore, the learnings from the Kingfisher Programme at the IUCMA should be taken forward to the other eight CMAs for South Africa, and their WSAs, thus covering the entire country.

ACKNOWLEDGEMENTS

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SOLVING OUR MUNICIPAL SERVICE DELIVERY CRISIS THROUGH PPPs - NOT-SO-NEW SOLUTIONS TO OLD PROBLEMS



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ABSTRACT

South African continues to be plagued by significant service delivery challenges at a local government level. Among the issues facing the South African Government are unskilled municipal staff and irregularities in the spending of allocated budgets. Government has to urgently find a solution that can be rolled out in a programmatic way across the country.

Part of this solution could be to involve the private sector through Public Private Partnerships (PPPs). Not only can PPPs help Government avoid increasing general taxation, but they also provide an avenue for solving capacity and capability constraints in the short term. Over the past decade, the South African Government has undertaken various initiatives at supporting the adoption of PPPs at the municipal level (including the enactment of various pieces of legislation, the publication of support guidelines, and setting aside funding to support project development). Despite these efforts, very few Municipal PPPs have been signed to date, and their impact remains insignificant.

This paper attempts to propose a possible solution for this impasse. By gleaned learnings from the very successful Renewable Energy Independent Power Producer Procurement Programme (REIPPP rolled out over the last three years by the Department of Energy), we identify initial foundations for a programmatic solution for the municipal domain. This programmatic solution would allow for streamlined soliciting (and awarding) of

private sector interest in municipal service delivery.

INTRODUCTION

South African local government continues to face significant challenges in responding to the service delivery needs of their constituents. Underperforming municipalities have caused widespread service delivery protests. The poor performance has been linked to a lack of skills, corruption, political interference, intergovernmental relations challenges and weak basic administrative systems.

The involvement of the private sector through Public Private Partnerships has long been touted as a possible solution. Proponents of this approach point to private sector efficiencies, access to private capital, and the superior technologies and skills the private sector bring to the table. In a time of mounting fiscal pressure, PPPs can help government avoid increasing general taxation¹, while solving the public sector capacity and capability constraints in the short term.

In fact, the South African Government has illustrated their intent to this end through the publication of a range of supportive legislative, policy, and guidance documents to enable Municipal PPPs. Among others, this includes the original Municipal Systems Act (2000), Municipal Finance Management Act (2006), and Municipal PPP Guidelines. Refer to the next section for a brief history of municipal PPPs in South Africa.

Yet, despite these efforts, the number of successful Municipal PPPs remains insignificant. Clearly PPPs have not (yet) served as a solution for local government in South Africa. This paper lays out our assessment of the main challenges facing Municipal PPP development and delivery in South Africa, and suggests a possible solution to overcome these challenges. To start off, we present a short introduction to PPPs (for readers unfamiliar with the concept).

WHAT ARE PPPs?

1. This is really only the case where PPPs recoup (fully or partially) investment and operational costs directly from users.