



CITY OF CAPE TOWN | ISIXEKO SASERKAPA | STAD KAAPSTAD

WATER & SANITATION

ASSET MANAGEMENT POLICY STATEMENT

The Department of Water and Sanitation is fully committed to consistently and continually provide the highest quality water and sanitation services that meets and/or exceed the current and future service requirements and expectations of our consumers by ensuring the implementation and application of sound infrastructure asset management practices and principles within the Department.

OUR AIM

- To maximize the service potential of all new and existing assets by ensuring that all new assets, including greenfield projects and plant upgrades are correctly designed, constructed and commissioned;
- To optimize the life cycle costs of owning and operating assets by seeking cost-effective maintenance, refurbishment and enhancement options throughout an asset's life cycle;
- To ensure that the assets are correctly operated, maintained and safeguarded by suitably skilled and competent personnel that have been properly trained; and that all potential risks are investigated, eliminated or mitigated against;
- To ensure that the condition and performance of all departmental assets are monitored and that the operating performance is maintained throughout their useful life to ensure asset reliability and maximize plant availability;
- To reduce the demand for new assets by optimizing the use of existing assets; and the management of demand for water and sanitation services through the use of non-asset service delivery options;
- To establish clear lines of accountability and responsibility for asset acquisition, operation, safe custody, maintenance and disposal to ensure good governance and control;
- To develop, maintain and update the departmental fixed asset registers;
- To develop asset management plans incorporating an asset replacement policy that forms an integral part of the department's integrated planning and budgetary process;
- To make asset replacement, refurbishment and disposal decisions based upon financial, technical and operational efficiency considerations designed to achieve the best possible return on investment for the City of Cape Town and made in accordance with the provisions of the Municipal Finance Management Act;
- To develop and implement risk-based internal controls supporting all asset management practices.

The Director and the respective Branch Managers of the Department of Water and Sanitation takes full responsibility for this policy.

PHILEMON MASHOKO

DIRECTOR: WATER & SANITATION

DATE: 11 April 2011