

Table A Strategic Issues Affecting Water Services Delivery and Proposed Strategies

Issue	Strategy	2002	2003	2004	2005	2006	Comments
Customer and Revenue Management: In order to curb non-payment and increase the revenue, meter reading, billing and credit control of 7 previous Administrations under "Water Services" need to be consolidated	· Implement the Credit Control Policy	█	█	█	█	█	
	· Implement Indigent Policy	█	█	█	█	█	
	· Establish a "Customer and Revenue Management" Section in order to facilitate customer/client relations, as well as improve customer focus	█	█	█	█	█	
	· Ensure universal metering and billing	█	█	█	█	█	
Future Infrastructure Requirements: Water Services envisages spending in excess of R1 billion in capital expenditure over the next 10 years	· Ongoing analysis of financial affordability and sustainability	█	█	█	█	█	
	· Investigate alternative funding mechanisms	█	█	█	█	█	
	· Ensure adequate resources planning	█	█	█	█	█	
Financial Modelling and Tariff setting: The water tariffs of the former MLC's have been converged, but the sustainability and impact of major capital infrastructure needs to be confirmed. Sanitation tariffs have not yet been consolidated	· Strategic issues covered in financial component of WSDP to be addressed	█	█	█	█	█	
	· Financial Modelling	█	█	█	█	█	
	· Formulate a sanitation tariff policy and set tariffs	█	█	█	█	█	
Wastewater Treatment: CCT need to comply with the DWAF's 2010 effluent standards for discharge of treated wastewater into a river	· Upgrade existing wastewater treatment facilities at an estimated investment of R1,5 billion	█	█	█	█	█	
	· Investigate alternate means to facilitate the upgrading	█	█	█	█	█	
	· Improve systems and processes for increased efficiency	█	█	█	█	█	
	· Investigate affordability of 2010 Standards	█	█	█	█	█	
Integrated Water Resource Planning	· Implement the recommendations contained in the Integrated Water Resource Planning Study	█	█	█	█	█	
	· In order to ensure a sustainable water supply for the future, the CCT has to aggressively implement its Water Demand Management Policy and Strategy to reduce projected water demand by 20% by 2010	█	█	█	█	█	
	· Monitor the 5 year implementation program	█	█	█	█	█	
Water a Scarce Source Water Demand currently exceeds available water supply (at a 98% level of assurance). The average historic growth in water demand for the Cape Metropolitan Area has been between 3% to 4% per annum	· Develop additional water resource schemes	█	█	█	█	█	
	· Investigate the siting of future water treatment plants	█	█	█	█	█	
	· Obtain confirmation from DWAF on the availability of future water resources	█	█	█	█	█	
Stormwater Infiltration into Sewer Systems: Stormwater infiltration into the sewer system is a major problem, especially in the Cape Flats area, which affects the available capacity of wastewater treatment works	· Commission a study to determine the extent and priorities (ingress management plan).	█	█	█	█	█	
	· Aggressively implement an ingress management plan	█	█	█	█	█	
Service Delivery: The CCT has a responsibility in terms of the Water Services Act to supply the people in its area of jurisdiction with basic water supply and sanitation services	· Compile a 5 year service delivery program for basic services in compliance with the Water Services Act	█	█	█	█	█	
	· Extend water services as rapidly as possible to all potential customers	█	█	█	█	█	
	· Draft consolidated Water Bylaws in terms of the Water Services Act	█	█	█	█	█	
Asset Management: Currently inadequate preventative maintenance is being done on existing Water Services infrastructure, which will cause major capital requirements in future	· Implement Asset Management System	█	█	█	█	█	
	· Ensure capital expenditure for adequate infrastructure replacement	█	█	█	█	█	
Master Planning: Completion of integrated master planning	· Establish Water Master Plan for areas which currently do not have comprehensive master plans	█	█	█	█	█	
	· Establish Sewer Master Plan for areas which currently do not have comprehensive sewer plans	█	█	█	█	█	
	· Establish a data management bureau	█	█	█	█	█	
Fluoridation of Potable Water: Fluoridation of drinking water at a dosage of 0,7 mg/l is required according to the Regulations in terms of Health Act 63 of 1977 to reduce dental problems. These regulations not only have major implications on the current operation of treatment works and staff requirements, but also require a capital investment of R11 mil and a running cost of R10 mil per annum	· Compile an implementation program for fluoridation	█	█	█	█	█	
Organisational Transformation:	· Complete macro and micro design	█	█	█	█	█	
	· Establish ring fenced business units	█	█	█	█	█	
	· Implement Enterprise Resource Planning (ERP) System	█	█	█	█	█	
	· Draft a Service Level Agreement (SLA) between Water Service authority and Water Service Provider	█	█	█	█	█	
	· Draft SLAs for internal service provision	█	█	█	█	█	
	· Performance Management Systems (including bench marking)	█	█	█	█	█	
Water Quality: Monitoring of water quality	· ISO certification	█	█	█	█	█	
	· Continual monitoring of water quality I.e. resource, potable water and discharges	█	█	█	█	█	