



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Making progress possible. Together.

WATER AND SANITATION PORTFOLIO COMMITTEE
PORTEFEULJEKOMITEE OOR WATER EN SANITASIE
IKOMITI YESEBE LEZAMANZI NOCOCEKO

1. **ITEM NUMBER:** WS 04/10/24

2. **SUBJECT / ONDERWERP / ISIHLOKO:**

CONFIRMATION OF MINUTES: 5 SEPTEMBER 2024
BEKRAGTIGING VAN NOTULE: 5 SEPTEMBER 2024
UKUQINISEKISWA KWEMIZUZU: 5 EYOMTSINITSI 2024

3. **DISCUSSION**

The minutes of the Water & Sanitation Portfolio Committee meeting is submitted for confirmation.

ANNEXURE 1: Minutes of the Water & Sanitation Portfolio Committee Meeting:
5 September 2024

MINUTES

OF THE WATER & SANITATION PORTFOLIO COMMITTEE OF THE CITY OF CAPE TOWN HELD IN THE COUNCIL CHAMBER, 6TH FLOOR, PODIUM BLOCK, CIVIC CENTRE, CAPE TOWN ON THURSDAY, 5 SEPTEMBER 2024 AT 11:00

PRESENT

Ald. I Neilson (Chairperson)
Ald. C Jordaan
Cllr. A Benadie
Cllr. R Davids
Cllr. C Kobeni
Cllr. A Lansdowne
Cllr. C Mes
Cllr. D Nelson
Cllr. G Peck
Cllr. C Punt
Cllr. C Visser
Cllr. S van der Linde
Cllr. L Gungxe
Cllr. T Mpengezi
Cllr. S Nodliwa
Cllr. L Mazwi
Cllr. L Benge
Cllr. P Jansen van Vuuren
Cllr. N Satarien
Cllr. A Addinall
Cllr. M Mabungani
Cllr. B Maqungwana

LEAVE / APOLOGIES

Ald. D Basson
Cllr. Z Badroodien (Mayoral Committee Member)

ABSENT WITHOUT AN APOLOGY

NIL

VISITING COUNCILLOR

Cllr. S Mbandezi

OFFICIALS

L Manus (Executive Director)
S Marais (Legal Advisor)
S Milandri
C Frehse
M Mallick

Y Mohamed
P Maritz
S Bashe
B Saayman
Z Basholo
E Hugo
N Damane
N Anderson
M Killick
M Coto
K Sinclair
S Mabona
M Levendall

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WS 01/09/24 OPENING OF MEETING/MOMENT'S SILENCE

The Chairperson welcomed everyone present. A moment of silence was then observed.

WS 02/09/24 APOLOGIES/LEAVE OF ABSENCE

An application for leave was submitted via the Office of the Chief Whip for Ald. Basson.

An apology was received for Cllr. Badroodien (MAYCO Member).

RESOLVED that the above be **NOTED**.

ACTION: M LEVENDALL

WS 03/09/24 CHAIRPERSON'S ADDRESS

The Chairperson welcomed Cllr. Satarien, a newly appointed member to the Water and Sanitation Portfolio Committee.

It was noted that the joint site visit, previously scheduled for August 2024 was rescheduled to 26 September 2024. The Chairperson requested that those members who had not informed the Secretariat of their attendance and whether or not they intend using their own or hired transport, should do so as soon as possible.

The following site visits were proposed in response to the Chairperson's enquiry:

- Revisit Potsdam;
- Sir Lowry's River Works
- Milnerton Lagoon / Lagoon Golf Course (where the coastal management branch is having aeration happening)
- Philippi and Phoenix Pump Stations

Cllr. Maqungwana made reference to a joint Portfolio Committee presentation; which was done afterhours via the Skype Platform; and enquired if the presentation could be submitted to the Water and Sanitation Portfolio Committee.

In terms of the catchment clearing in the Waterfront, Mr Killick indicated that he would arrange for TNC to do a presentation to the Water and Sanitation Portfolio Committee on the work being done to clear invasive alien plants.

The Chairperson thanked the members for the above suggestions and indicated that he would formulate a functional program that would incorporate the proposals.

RESOLVED that the Chairperson's Address be **NOTED**.

ACTION: M LEVENDALL

WS 04/09/24 CONFIRMATION OF MINUTES: 1 AUGUST 2024

RESOLVED that the minutes of the Water and Sanitation Portfolio Committee meeting held on 1 August 2024 be **CONFIRMED**.

ACTION: M LEVENDALL

WS 05/09/24 ANNUAL REVIEW OF ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

RESOLVED that the process for the review of the Organisational Performance Management System be noted and that, if necessary, the members of the Water and Sanitation Portfolio Committee provide input into the Organisational Performance Management System by 30 September 2024.

It was **FURTHER RECOMMENDED** that the reviewed Organisational Performance Management System be submitted to Council as part of the IDP annual review process.

ACTION: M COTO / M FILLIES / M LEVENDALL

WS 06/09/24 FEEDBACK ON THE INTERNATIONAL/OUTSIDE THE BORDERS OF THE RSA TRIP TO ATTEND THE SPONSORED SHORT COURSE "USING OPEN DATA, QGIS AND HEC-RAS FOR HYDRAULIC MODELLING" FROM 10 TO 21 JUNE 2024 IN THE NETHERLANDS

RECOMMENDED that the feedback report on the trip to attend the short course from 10 to 12 June 2024 "Using Open Data, QGIS and HEC-RAS for Hydraulic Modelling" at IHE Delft Institute for Water

Education in the Netherlands undertaken by Kristin Botes be considered and noted.

ACTION: K BOTES / C FREHSE / L MANUS / D VAN SCHALKWYK / G JOSEPHS / M LEVENDALL

WS 07/09/24 WATER AND SANITATION PORTFOLIO COMMITTEE ANNUAL REPORT FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2024

The members of the Water and Sanitation Portfolio Committee supported the recommendation in the report.

Cllr. Bengé's abstention was noted.

RECOMMENDED that the Chairperson's Annual Report for the Water and Sanitation Portfolio Committee for the period 01 July 2023 to 30 June 2024, as set out in Annexure A of the report, be **approved** by Council.

ACTION: I NEILSON / G JOSEPHS / M LEVENDALL

WS 08/09/24 WATER AND SANITATION PERFORMANCE MONITORING REPORT: JULY 2024

Cllr. Maqungwana expressed concern that in certain areas, in particular Samora Machel, no progress was made in terms of sewer reticulation pipeline replacements. He indicated that he had addressed this matter at previous Portfolio Committee meetings and had also requested a list of priority areas for pipeline replacements.

In response, Mr Hugo indicated that he could not for certain confirm that Samora Machel was on the priority list, but he undertook to forward the priority list to Cllr. Maqungwana in order for him to see where pipe replacements were taking place. Additionally, Mr Hugo indicated that the Samora Machel situation was exacerbated by the Philippi collector sewer, which was problematic. The Philippi collector sewer was allocated for pipe replacement on the current financial year and will be implemented within the next two years.

Cllr. Mazwi enquired if Welcome Zinzile in Khayelitsha (Subcouncil 10) was included in the current financial year for pipe replacement.

In response, Mr Hugo indicated that the area that the Councillor was referring to did not sound familiar to him, but he undertook to find out and provide feedback to Cllr. Mazwi.

ACTION: E HUGO / L MANUS / N MHLUNGU

WS 09/09/24 WATER AND SANITATION: 2023/24 FOURTH QUARTER'S PROGRESS REPORT ON THE DIRECTORATE AND DEPARTMENTS' PERFORMANCE

The Chairperson highlighted crucial key performance indicators (KPIs) where the targets were not met (i.e. well below the target) and requested the line departments provide reasons for missing the targets.

Sewer reticulation pipeline replaced (metres)

Due to safety concerns, projects that were located in high risk areas were rejected. The rejected projects had to be re-advertised after community engagements, subsequently leading to the non-achievement of the target.

Pump Station failures resulting in overflows (number)

It was put on record that this was a difficult target to meet and the department would more than likely not meet the target in the current financial year either. However, the department is working on a process of classifying pump station failures, thereby ensuring a uniform approach in terms of reporting, instead of basing the reporting on manual calculations. It was further noted that, historically, there was not a clear baseline for reporting spillages, but now, with the new reporting system in place, the department has more reliable data to work from. The department submitted a change request report to reduce the number of pump station failures resulting in overflows from 222 to 120 over a 12-month period. Consequently, only overflows rated as having a moderate, major or catastrophic impact will be reported on in future. It was noted that response times, in resolving spillages, increased from 80% to 95% within 24 hours.

The Chairperson enquired what further measures were being put in place to reduce the number of occurrences, besides the new reporting method and improved response time.

In response, the official indicated that since the department now has credible data to work from, one could start looking at the causes of the failures. Additionally, screens (to protect critical pumps) and sand traps were installed and finally refurbishment and capacity upgrades were being undertaken.

Frequency of water main failure per 100 KMs of pipeline

The variance is predominantly due to issues related to pressure management, which contributed to the high rate of bursts.

Frequency of unplanned water service interruptions

Same as above.

Percentage of drinking water samples complying with SANS241 and Compliance with drinking water quality standards

The Chairperson enquired what the difference was between the two targets.

In response, the official indicated that there are two standards, namely compliance and operational standards. The compliance standards measures whether or not the water is safe for consumption. Operational standards relate to ensuring that the system operates as it should.

Recreational water quality

Realistically, the data is useful for long term monitoring because it's a "once off grab sample" which is carried out either once or twice a month. It represents the water quality at that specific point at that instant in time. So it may or may not pick up specific pollution events. The department is looking at a rolling 12 month average, which essentially means that the current month results is added to the 12 month data and the same month a year ago is then dropped. In this particular case, it was found that in the same month, 12 months back, the indicator was 60% and this month it was just marginally over 48%. So that is directly the reason for what appears to be a dramatic drop in water quality. The department is, however, still looking at the data to determine from the catchments in terms of pollution incidents or interventions, if meaningful correlations can be gained.

The Chairperson enquired when the revised monitoring process will be finalized and implemented.

In response the official indicated that the process around reviewing the sample locations was concluded. A service level agreement was signed with scientific services. Implementation will follow shortly.

Proportion of Air Quality monitoring stations providing adequate data over a reporting year

The reason for the low data capture was mostly due to load shedding. There was no proper back up system in place. UPS's will be installed at all monitoring stations so that the system is operational 24/7.

Percentage of vacant posts filled within 3 months

A moratorium was placed on vacancies as of December 2023 due to financial constraints, hence vacancies were not filled. A partial lift of the moratorium was implemented as of 1 July 2024.

Cllr. Maqungwana enquired if the moratorium applied to critical positions as well. Additionally, he enquired if funds from other funding sources could be utilized for recruitment.

In response the official indicated that the moratorium is placed on all positions within the directorate. However, there is a committee that regularly review the situation in terms of available finance and what positions can be released.

In response to moving funds from other funding sources, the Chairperson clarified that operational funding must come from ongoing income. He indicated that funding sources must match expenditure, In other words, the City cannot use money that was borrowed for capital expenditure on operational disbursements.

The Chairperson noted that, in the majority of cases, the directorate met and / or exceeded their targets. In instances where the targets were not achieved, it was evident that the directorate assessed and put processes in place to improve their service delivery. The Chairperson thanked the Executive Director and the officials for their hard work over the past year. He stated that it was good to see that when targets were set and budgets were allocated, the staff made every effort to meet the challenge.

RECOMMENDED that the impact and performance of the 2023/24 third quarter's progress report, in relation to its functional area, be noted.

ACTION: D PAULSE / N DAMANE / L MANUS / G JOSEPHS / M LEVENDALL

WS 10/09/24 WATER & SANITATION MONTHLY FINANCIAL PROGRESS REPORT (JULY 2024)

Mr Saayman addressed the report and indicated that an updated schedule was circulated in hard copy. The updated schedule has been attached to the minutes as Annexure A.

The capital budget, as at the end of July, was at 1%, however a further R240m was disbursed pushing the capital budget to just over 5%. Presently, the department is behind in terms of the planned spend, but this is due to the invoices that must still be submitted for the Potsdam project.

Mr Saayman reported that in terms of revenue, there was a low actual last month, in terms of revenue charges, but that seemed to have corrected itself in the second month. The updated revenue numbers were reflected on the circulated hard copy schedule.

In terms of expenditure, the department is presently at 93%, however, there were still some secondary costs that must be processed. A bit of underspend is expected, specifically in respect of salaries, with the moratorium in place, but alignments will be done later in the year.

Mr Saayman indicated that there was a slight increase in terms of the collection ratios and the demand plan was showing good progress. Mr Saayman indicated that there were some tenders that were running behind schedule but, as indicated in the report, it is being monitored regularly. Some of the reasons for those items relate to complexities and clarification on tenders, as well as impacts on certain court rulings.

In conclusion, Mr Saayman commented that the main concern at this stage was the slight lag on the capital budget, but he assured the members that the department would continue to monitor the capital expenditure in terms of invoices and cash flows, particularly the big projects.

Cllr. Maqungwana requested a breakdown of the operating budget, in terms of overtime spent per quarter in order to see the impact of the moratorium.

In response, Mr Saayman indicated that he will include it in the monthly handout going forward.

ACTION: B SAAYMAN / S BASHE / L MANUS

~~The meeting concluded at 12:15~~

ALD. IAN NEILSON: CHAIRPERSON

DATE

Water & Sanitation Portfolio Committee:

Directorate: W&S CAPEX and OPEX – AUGUST 2024

W&S Capital Budget Expenditure – AUGUST 2024 @ 04 SEPTEMBER 2024

Department	2024/25 Original Budget	2024/25 Current Budget	Contingencies	YTD Planned Spend	YTD Actual Spend	Commitments	Assigned (Actual + Commitment)	% YTD Planned Spent of Current Budget	% YTD Actual Spend of Current Budget	% YTD Assigned of Current Budget incl Commitments
Bulk Services	3 042 287 381	3 452 629 537	338 016 754	290 580 870	113 292 894	1 721 265 468	1 834 558 362	8.4%	3.3%	53.1%
Commercial Services	146 850 000	146 736 722	0	10 881 251	13 011 456	50 432 200	63 443 658	7.4%	8.9%	43.2%
Distribution Services	1 618 094 858	1 677 628 577	78 076 079	105 430 615	102 886 617	756 125 916	859 012 533	6.3%	6.1%	51.2%
Technical Services	286 149 692	293 475 926	8 231 180	49 885 530	41 694 532	147 204 963	188 899 495	17.0%	14.2%	64.4%
Water & Sanitation	5 093 381 931	5 570 670 762	424 324 014	456 778 266	270 885 501	2 675 028 547	2 945 914 048	8.2%	4.9%	52.9%

Water & Sanitation - Adjusted for Contingency			5 146 346 748		270 885 501	2 675 028 547			5.3%	57.2%
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W&S Operating Budget Expenditure – AUGUST 2024 @ 04 SEPTEMBER 2024

Department	2024/25 Original Budget (A)	2024/25 Current Budget (B)	YTD Budget (C)	YTD Actual (D)	% YTD Actual = (D/C)
Bulk	R4 369 254 276	R4 369 254 276	595 679 130	496 196 630	83.3%
Commercial	R567 356 789	567 255 285	82 490 031	88 340 491	107.1%
Communication & Partnership	R46 753 981	46 633 981	5 851 515	4 187 520	71.6%
Distribution	R12 366 270 583	12 366 270 583	1 298 330 155	1 254 278 243	96.6%
HR Business Partner	R31 767 817	31 887 817	R5 126 153	6 141 210	119.8%
Technical	R632 880 743	632 982 247.37	89 149 561	87 210 622	97.8%
W&S	R18 015 430 654	R18 015 430 654	R2 076 718 770	R1 936 354 716	93.2%

W&S Operating Budget Revenue – AUGUST 2024 @ 04 SEPTEMBER 2024

Department	2024/25 Original Budget (A)	2024/25 Adjusted Budget (B)	YTD Budget (C)	YTD Actual (D)	% YTD Actual = (D/C)
Bulk	-R4 058 000 013	-R4 058 000 013	-R360 112 769	444 884 456.63-	123.5%
Commercial	-R 11 040 299	-R 11 040 299	-R 1 177 939	522 515.29-	44.4%
Distribution	-R 13 617 330 121	-R 13 617 330 121	-R 2 172 566 403	2 137 794 760.33-	98.4%
Technical	-R 30 809 509	-R 30 809 509	-R 3 913 528	6 438 678.75-	164.5%
W&S	-R17 717 179 942	-R17 717 179 942	-R2 537 770 639	-R2 589 649 368	102.0%