

**The Water Dialogues- South Africa**

**Proceedings**

**Working Group Meeting**

**15-17 September 2008, Lala Nathi, Harrismith**

## **Meeting Register**

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### **15 September**

Kathy Eales (Independent)  
Mary Galvin (WD-SA Coordinator)  
Jean Pierre Mas (JOWAM)  
Sandile Mbanjwa (Westonaria Municipality)  
Thobile Mthiyane (DWAF)  
Tony Sanders (Water and Sanitation Services, SA)  
Laila Smith (Mvula Trust)  
Jessica Wilson (Environmental Monitoring Group)

### **16 & 17 September**

Kathy Eales (Independent)  
Mary Galvin (WD-SA Coordinator)  
Neil Macleod (eThekweni Municipality)  
Jean Pierre Mas (JOWAM)  
Sandile Mbanjwa (Westonaria Municipality)  
Thobile Mthiyane (DWAF)  
Helgard Muller (DWAF)  
Tony Sanders (Water and Sanitation Services, SA)  
Laila Smith (Mvula Trust)  
Jessica Wilson (Environmental Monitoring Group)

### **Presenters/Observers**

Hilary Coulby (UK Consultant – WD International);  
Anne Mayher (Researcher presenting on Maluti-a-Phofung)  
Glen Robbins (WD-SA Researcher/ Acting Coordinator);  
Carina van Rooyen (Researcher presenting on Johannesburg)  
Malcolm White (Irish Aid, WD-SA Donor)

Ann Harper (Facilitator);  
Erin Raab (Recorder)

### **Apologies**

Hameda Deedat (SA Water Caucus)  
William Moraka (SA Local Government Association);  
Nino Manus (Department of Water Affairs and Forestry);  
Jay Bhagwan (Water Research Commission);  
Laila Horton (PPP Unit of National Treasury);  
Jeff Rudin (South African Municipal Workers' Union);  
Nolene Morris (Bloem Water)

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## 15 September 2008

### Process Evening

The evening of the 15 September was designed for the Working Group to discuss and explore issues of process. As such, a process document record of the evening is attached as an addendum to these proceedings.

## 16 September 2008

### I. Welcome and Introduction

Ann welcomed everyone to the day's session and gave a brief recap of the dialogue from the previous evening:

1. The group discussed how everyone was feeling about the process of WD-SA, and the kinds of engagement the group is having. We talked about making sure disagreements do not interrupt the dialogue. The decision was that if people are sitting with discomfort about something taking too long, or taking us back, etc., then the space needs to be made to speak up. The group will need to decide together about whether or not to move on from a topic, but an individual should bring up his/her own discomfort.
2. A conversation was begun about how to demonstrate output from the dialogue and the research we have generated and how to start advocacy. The WD-SA forum needs to be structured to take us forward.

### II. Update on case study research and agenda for the day

Mary gave the WG an update on the status of each case study:

**Johannesburg:** Carina has begun interviews and will present initial data in this meeting.

**Maluti-a-Phofung:** The fieldwork is largely complete; and Anne will present background information for the WG field visit.

**uThukela:** Glen will give comments on the uThukela case today and has questions he would like the group to engage with.

**Chris Hani:** Research is just starting. Mary and the Maluti-a-Phofung team held an orientation session with the new Chris Hani researchers and strategised.

**Cape Town:** Municipal data has been gathered and a draft submitted but community research is outstanding.

**BBR:** Cobus is doing financial work to fill gaps, and the report itself still needs a good amount of work. This could potentially be the 'it is just not working' case. The iLembe and Ugu reports are in a stronger position.

The objective for the day is to locate all cases within the bigger project. The proposed agenda is:

1. Before lunch a significant amount of time will be spent on the Johannesburg case. We will see if it is moving in the right direction and if the guidance and advice the WG gave at the last meeting is bearing fruit. Additionally, we will help to identify areas where things need to be moved forward and/or adjusted.
2. After lunch, we will get a briefing from Anne on the background of Maluti-a-Phofung and the case to get a sense of the context and of the issues that are arising. Then the WG will attend the meeting with community representatives from the different research areas.
3. After our return the group will have an informal discussion on their experience.

Members suggested potential changes which were accommodated in the agenda, including:

- The group should discuss issues from the evening before (perhaps at drinks after the community meeting).
- Add a conversation about the Cape Town case. Since it is in the early stages input will help shape direction.
- Helgard offered to present debates happening within and around DWAF on a national level after lunch.

### **III. Presentations**

Before starting the presentations, Mary recommended WG members keep in mind the question of how they can shape the research still being conducted. This is the time for the group to put questions on the table for the writer/researcher to keep in mind when s/he is trying to assemble the massive amount of information gathered. The group should ask the difficult and central questions now so as to ensure the researcher is grappling with those questions when it comes to analysis.

#### **uThukela**

Glen Robbins presented the uThukela case study, which is almost complete, but needs some feedback from critical people who know the case well, and from the WG (see attached powerpoint slides for the full presentation)

The methodology for this case diverged from the other case studies. Glen spoke with three NGOs that work in the area to get feedback, but there was not any dialogue with community stakeholders. Also, access to documents and people was limited by a forensic audit and inquiry being conducted by the provincial Department of Local Government Affairs into the entity. Due to this inquiry, quite a few people were reticent to talk openly because of that process. Despite this research being separate, many of the questions come too close to the quasi-legal issues they are currently dealing with for them to feel comfortable adding comment. This meant that, at times, the people interviewed who were willing to speak were a bit further outside direct involvement than might be preferable.

### ***Issues & Clarifications raised by WG:***

- There are approximately one million people served currently. It seems to be a case of a good arrangement being poorly implemented. There was no financial analysis done to determine structure or tariffs (to be fair this is often not done). When one puts in new infrastructure there is a huge amount of OPEX that will be needed in order to operate, and uThukela did not calculate this into the tariffs.
  - DBSA should have done that before putting in the money – it is not only the people directly involved but also the environment within which they acted that we need to be critical of.
- This is the classic case of a decision being taken on the wrong diagnostics. The reports the consultants put together were trying to push this model, but there was no one who looked closely at the business case recommended, which was based on unfounded optimism. There was no analysis of financing; the system had been unaffordable with the water board but suddenly everyone thought with this new option they could quickly find the money to do everything. They had a task and expectations, but no cash.

What was not understood very well is that there are strict conditions under which funders operate. You need more than preparedness to cooperate – but the contract had no binding clauses, no penalties for walking away. In the end there was no funding, no business plan, an incorrect diagnosis about what would fix the situation and nothing to keep parties involved - so they left.

South Africa needs to find a way to bring smaller municipalities together so they can build on expertise and skills, they did not do that here. The same solution / institutional model could work, but not implemented in the same way.

- The background to this in terms of setting up WSA/WSPs was that a number of municipalities had a budget of three years to establish the function, but they decided it would not actually help them to do anything with the money when they did not have staff with the necessary skills. This was not a business model about how to deal with water challenges with the money available; it was developed because the municipalities were not able to attract managers for water services

in each municipality, so they put it all into one pool. They had wanted a manager with technical staff to support him, but they did not know anything about the business situation (e.g. they did not even know their own infrastructure, etc.)

- Another part of the issue was that one model (the original) came from one political party, while the other (the new) from another party. They were encouraged by DWAF to try this model, but only because it was a new model to try out.
- What made this model more affordable than the water boards when they could not afford the water board? Was any comparison made?
- The complexity deepens with different municipalities participating and it is difficult to pinpoint where the WSA role starts and stops in the model, which is very relevant in terms of the proposals around the regional utilities. How does the paper talk about the model being proposed (single provider with multiple WSAs) and the difficulties around competing interests? What was the regulatory oversight at the time? The current rationale and discussion about performance is very thin, it will need to be unpacked more.

### ***Glen's responses:***

There are differing perspectives about the roles of different entities, and there was some meddling from local government in trying to influence decisions about the model (perhaps politically motivated).

The terrain between the WSA function vested in the municipalities and uThukela Water was a big issue. They went through the section 78 process before everything was aligned and then did not address the conflicting issues that were present (differences in needs, etc.).

Then, the feeling that the WSA role was not very important began growing; now the negotiation of who does what is an ongoing issue and disagreement. Two different people interviewed said the WSA function 'Is a nice job to give to someone without much experience'. The person in the WSA role had to keep asking if they were allowed to say things or if they could give documents to researchers, so it did not seem there was any vested authority. If capacity is invested in the WSA, it can allow them to demand and oversee work and that did not seem to happen in this case. There are different levels of capacity in the different WSAs, as well as competing interests and agendas. It is difficult therefore to see how someone could conceive of that relationship especially when municipalities have not raised the WSA role to be an important one within the municipal structures. The WSA in this case is an official, and the board was composed of higher political officials who overrode agreements between the WSA and uThukela Water, which ended up meaning there is a huge difference of opinion about who was meant to do what.

Why did they go from the water board to uThukela Water? The strategic plan 2030 made the case that tariffs were not a big issue because there would be massive cost savings that could be made through economies of scale by merging the WSPs for all of the municipalities. The forefront of the case that was made was that the municipalities could leverage all these gains by making bigger business contracts at lower rates. (This actually ended up working in reverse. The case was made in the document recommending the model, but no evidence was given to support it.

***WG recommendations for additions to the report:***

- The relationships are confusing (e.g. the WSA/WSP functions each have a board?). The report needs an organogram to show who is sitting on each board (pure politicians?) and for uThukela Water.
- Ask the WSA people what they see their role as being, and where they think it is going in the future.

Mary then requested the group think about how this report and analysis will feed into the discussions and deliberations happening now around uThukela.

A) She said the Province was adamant that there is an audit going on and we should not release anything until the audit is finished. But we told them there was no timeframe for when the audit would be finished, approved, or released and WD-SA might well be disbanded by then.

B) Originally in this WG we had identified the multi-jurisdictional model as being important. When Glen did the research many of the respondents were initially unwilling to say anything relating to the audit, but then many talked more openly about more real things that did not work. The main reason the model did not work was political positioning that was established which then meant municipalities were not talking about real issues but rather talking about positions. How are they expecting to sort it out through a process that caused the issue to begin with (not individuals but municipalities and organisations having a position)?

C) So, potentially the research will be useful to bring some of the softer, more real, issues forward. What are the politics of that and how would the group like to move forward with it?

- DWAF believes the model is good and wants to look at how to fix it rather than throw it out; recommendations would be valuable. For instance, there is a need to clarify the WSP function and to be clear about who is responsible for oversight.
- People do not want to talk, but actually the sense is that the forensic audit will be looking at what people did, not necessarily at the pros and cons of the

institutional arrangement, how the contract was awarded, and that there were governance breakdowns because the board was political.

- The lessons that could be learned from this are that when a model is set up, it should be made sure that the municipality has done analysis properly, has identified who has the capacity to check performance and from where will support come.
  - WD-SA cannot say you should have 'xyz', but we should say that if you are going to have an institution, then you need to do certain things and we should recommend what steps should be taken.
  - But are we saying in enough detail about what needs to get done? Will we not need to be more specific?
  - We could just explain the need to distinguish between the WSA/WSP functions. Then the WSA can decide to use whatever institutional arrangement they believe is best. In this case they tried to clamp everything together, but there are actually two different decisions to be made. WD-SA needs to say 'if you want to go there, the in terms of analysis you need to do this xxx, in terms of regulation need to do that xxx, etc.'
- In terms of cross-cutting issues, what Glen talked about in terms of the WSAs not having the capacity to regulate the WSP engineers, we have seen this in other models as well. Maybe national needs to either have an academy for WSAs or rework the model.
- If they did not look closely at the business case for the model, then that is part of what they need to do to make it successful.
  - Regional DWAF people said that if they had to do all of the steps before being able to act, then they would end up not doing anything (i.e. ring-fencing of capital. Most cannot do it so by setting it up as a precondition rather than something has to be done during the process you create a situation in which people do not choose to change). Those steps need to be done by a leader not just at the beginning, but throughout the process. There should also be recommendations on how to meet the preconditions while going through the process, otherwise no one will be able to tick the boxes appropriately. There is a need in the system for someone who comes in to give support when there are gaps in capacity. Who has that role?
  - Yes, but the more 'big bang' approach you take, the more risk that comes in. Perhaps there is a need to take the process in steps (e.g. first bulk, then expand).
  - But it is a problem that municipalities think they can get to a successful conclusion without going through these steps. So, it actually is part of the wider problem that they are saying they do not have capacity/time to go through the difficult steps because they are the critical steps and if they do not take them then it is nearly impossible to be successful (e.g. ring-

fencing and identifying a capable WSA). If you do not go through the prerequisite steps like these then you cannot or should not move on a choice because it will almost necessarily cause a failure.

The discussion was brought to a close in order to move on to the Johannesburg case study presentation, but members were asked to provide additional feedback in writing.

## **Johannesburg**

Carina van Rooyen presented progress on the Johannesburg case study (see attached powerpoint slides for the full presentation).

### ***Issues and Clarifications:***

It was requested that the group stick to only those issues or questions that had significant bearing on direction of case, strategic issues or controversial issues.

- The group was informed that a Council decision was taken on the FBW and tariffs issue: free water will go only to those on the indigent register. A household does not get free water if it is not on the register.
- The report/research might be bit too broad, moving from our focus on the institutional arrangement? Currently the City of Johannesburg wants to pull in the municipality as much as they can, so what seems to be causing this move?
  - The question of customer services being aligned for all of the WSPs was a practical decision; the municipality wants to be seen as providing the service. It is saying that it is not re-municipalising provision and that there is a back office within customer services to bring back issues into the UAC, but this way there is only just one face to the customers.
- Installation of pre-paid meters is happening since the City was allowed the appeal the court ruling.
- The history behind post-2006 decisions comes from a long way back. When eGoli 2002 went up there was a specific part of the political party that was in power, now the one that was sidelined is back in power and this group never wanted the eGoli model.

We cannot say it is a question of model only since it is also a question of people and political effect. Carina should be careful to interview the right people for the right subject. If one interviewee gives one story and many say something else then the research cannot give too much weight to the one outlier. And the report must make sure to include political aspects. For instance, the current MMC for ISD did not support the reduction of FBW, but was outvoted by Parks (so need to be careful not to blame the private sector).

- Carina was concerned that most interviewees will discuss politics, but do not want to be quoted (“let me tell you off-record”). Jean-Pierre offered to discuss some of the sensitive issues with Carina ‘on the record’.
- The shareholder is the council and it is supposed to represent the community and if it only wants 15000 people with FBW then that is what will happen because it will appoint directors who will carry out their plan. This does not mean the partnership failed. The situation needs to be looked at as a desperate case being solved by an action – the JOWAM partnership succeeded in every objective the contract was designed to fulfil. Plus, the strategy the company put in place is still there and did not just fall apart when it left. Now we have entered a new phase and there are fights going on, but this does not necessarily indicate the failure of the partnership.
  - We need to ask: What did intervention do and what is the new model doing? Politics are there and need to be taken into consideration, but it is just the shareholders’ doing and not likely due to the partnership.
- The WSDP is a legal requirement, but the business plan is written for the board. The way these are covered in the paper is not completely accurate. The beauty of the WSDP as a strategy document is that the WSA drove it and brought in people who really know the issues to fight out everything and discuss those issues (define statistics, etc.). If it had been done by consultants rather than the WSA what is happening now in terms of the debate would not have happened. How does a municipality turn the WSDP into a useful process for planning?
  - Who is the WSA? DWAF assumes it is the regulatory sphere, but how do you regulate when everything is so integrated? How does the regulator judge what is holding the WSP back from achieving the objectives set out? When housing disappeared from the discussions, the WSP realised the objectives could not be achieved without housing. Much of the failure of expanding access can be linked to ‘housing’ not achieving what it is meant to.
  - The IDP is the overall document and then the WSDP is meant to sit under that, but currently the integration between the two is not happening. They get four statements from the city manager and incorporate them into the business plan (tail wagging the dog). But the core idea is still there and, to an extent, is still delivering.
- To what degree are the costs and benefits weighed up for the continuous change of institutional arrangements? In each year there is some different framework that comes in and drives different issues (e.g. financing arrangements changed by National Treasury that causes the City of Johannesburg to change how it deals with water). The issues are not only about the efficacy of a water or sanitation structure; substantial new pressures arrive each year, and they also change the parameters within which a sector is successful or not.

- What complicates water delivery? Context. Now local elections are coming, which means there will be changes to what happens with Johannesburg Water (despite the same party being in power).
- Cross-Cutting issue: We should put emphasis on the contractual perspective. There is a model meant to be in place for five years, ¾ of the way through the TOR changed. The fickleness and politics of the city affect the model in that if it can just change its mind, despite the fact that it had entered into a major contract, then how secure is the contract? This could start some thinking more broadly about shifting political scenes in terms of contracts. In particular, there is a need to talk about the issues that can arise when changes are not made in response to context shifts, but to political whims or priorities.
  - The contracts should be made so they are flexible enough to allow for renegotiation when changes occur (either context or political). In the iLembe case we can see when this is not happening because iLembe DM is not taking advantage of the opportunity there is to renegotiate the contract (due to the 'political reason' that the current staff was not part of the decision to create a concession in the first place).
- How has Johannesburg Water been financed? Equitable Share, no? There is a lot of talk about the local regulator, but it needs to expand to include the national regulator role as well.
  - Highlights immense complexity of regulating at national environment, mostly unequipped so how can it work? Most regulation should happen locally but not happening and national cannot do it, so what now? (There are two regulators within the same organisation that do not agree...regulation so complex because in reality there is nowhere to go).
  - No one from DWAF came to see JOWAM about regulation and find out how it's working and missed an opportunity to learn from the arrangement.
- The report should highlight what stays constant in the midst of political changes. What has been institutionalized from the management contract and what has not?
  - Look at the policies, ideas, and systems that JOWAM brought into the system. For instance, accounting systems that are good.
  - In Johannesburg the model chosen "solved the right problem" versus in uThukela where they solved the wrong problem by looking at corruption instead of the issues facing water services. Johannesburg brought in people from all over the world and said 'please develop something that will solve our problems'. There were obviously problems, but they were able to solve them and get it right whereas uThukela tried to do it within city management and has not solved any of the initial problems.
- CC Issue: WSAs are not effective at regulation because they are, in general, weaker than the WSPs they are meant to oversee. And, the way DWAF is handling oversight is not working either. So we know that what we have is not

working; we need to move beyond this conclusion and look at how it can be improved.

Mary requested the group give her direction about the general direction the research should take in terms of community input (this is important to WD-SA process and methodology). We could follow the established WD-SA methodology (e.g. participative workshops in four diverse areas or do a profile of many areas and some voices coming from community level). The issue here would be the questions of which areas to choose and what issues we should bring to them. Alternatively, we could revisit the methodology and do a partial study, not go to hear community voices and just cover institutional relationships?

- Community points of view are important because they do not know what is going on institutionally and because they do integrate all the different services which might reveal surprising facts.
  - We should remember that if we go into a place that is highly organised, then we are unlikely to talk to people who are just users – we would be talking to people who have been taught a similar ideology.
  - The researcher also must be careful in the interpretation of what information is given. S/he will need to be very knowledgeable about the background of the case and the area to be able to interview properly.
  - When you speak with users on the ground you often find they want prepaid meters (need to be careful of people with a specific agenda). But, when one talks about well-being they talk about pre-paid water meters and electricity being preferable so that they can budget. Prepaid meters have been discounted for their successes.
  - Very useful to break people up into age groups (older people give long-term perspective and an idea of what has changed), and gender.
- The researcher should also speak with councillors/intermediaries.
- The research should find out about and include in the analysis information about people's raised expectations. How and why have people's expectations of the services changed, not just whether or not they have changed.
- What is the cost of providing interim service to informal settlements (intersects with housing)?

*Decision:* The case will need to have a participatory community process. Researchers should ask questions about 'what were things like in 1995, what is it like now'...etc. If interviewees/ workshops bring up other issues then they can be included. Then, the WG will figure out a process in which it will help to try and make meaning of the data.

### **Maluti-a-Phofung and Field Visit**

Anne presented data that has been collected to-date. The presentation was designed to provide background information for the WG's township visit to Intabazwe (see powerpoint slides attached for full presentation).

The institutional arrangement of Maluti-a-Phofung was modelled after the Johannesburg arrangement. Thus far all main stakeholders have been helpful (e.g. WSSA, Maluti Water, Municipality, though still need some information from Rand Water).

### **Community Meeting in Intabazwe**

Brand welcomed everyone and explained that the 'official' languages of the meeting would be seSotho, isiZulu and English and people could choose to speak in any of them. The Ward Councillor then also welcomed both the WG and community members and assured everyone they should feel comfortable and express themselves.

The purpose of the meeting was explained to the community representatives. The WD-SA WG has a meeting in Maluti-a-Phofung and thus the members would like to see where the research has been conducted. Mary introduced WD-SA and the WG representatives present. She thanked the community members for welcoming the group so warmly, and the councillor for being present. The meeting began with each WG member introducing themselves, and explaining which organisation they come from.

Then, Mary explained about the research WD-SA is conducting. All of the big stakeholders have ideas about how to solve the water and sanitation issues, so the idea is that WD-SA does research in 8 places, with Maluti-a-Phofung as one of those places. The question is 'what is the best way to improve water and sanitation delivery?' The people here on the WG are looking at what happened in the different places and trying to get ideas about how to improve policy at a national level, so that delivery on the ground is improved.

It was stressed the WG cannot solve any of the communities' problems now; however, issues will be taken forward in two ways: 1) we will discuss all of the places where research has been done and try to change national policy; but, this may be hard to see on the ground, 2) municipal and community findings will be put together and WD-SA will bring all of the information back to the communities, present the findings, and then bring community representatives together with the municipal officials (Maluti Water and the municipality) in a meeting here to discuss the issues.

### **Community Introduction**

Community representatives chose one person to present to the WG for each of their communities.

#### *Intabazwe:*

There are not many issues compared to other areas since there is a sewer system and clean water. The only challenge facing the community is the situation within informal settlements where there are no sewer systems or water. Part of the problem is that the informal settlements are constantly growing (one day 500 then 600 then 700). Sometimes they put in taps and the pipes are removed. There is another part called

Polani where water is expensive and there are cut-offs, but most of the challenges are in the informal settlements. Now there are two areas to which the people are meant to move and they have spent R36m to relocate these people and build infrastructure.

When issues are reported the community is able to get help, and there is generally a response about pipes bursting, etc. The challenge is that there is a private company that works on water and sanitation and they do not fix problems that are inside the yard or problems that happens at the sites that are municipal-owned. This has an impact anytime there are blockages in municipal structures because someone has to go in and report it to offices and then it takes time to fix the problem.

#### *QwaQwa:*

There are many problems in the village, but only a few will be mentioned here. Because of the hilly nature of the area it is difficult for the municipality to lay pipeline from which many households can draw water. The area has about 60 percent access to water and 40 percent without. Access to water is generally communal taps. We do not know what happened to the communal taps in the area for the other 40 percent, so those people are taking water from the taps of the 60 percent. The problem is that QwaQwa is rich in water resources so the understanding is that the 40 percent has access to water all over, so they are surprised people do not. The biggest problem for the 60 percent with access is that there are cut-offs without any notice. After the problem has been fixed and the water comes again, the water that is not very clean at first. And, there are other problems that are not very different from those in Intabazwe which have to do with informal settlements.

#### *Thabsin:*

Ward 19, Thabsin, is divided into five wards. It is very similar to QwaQwa, due to the hilly nature and leakages from the laying of the pipes.

### **Questions and Comment**

*Community:* The difficulty the municipality is faced with to provide everyone with water and how to lay pipes so everyone has access. There are some areas in QwaQwa where there has not been rain for several months. There are many resources that are meant to be used for water provision. The feeling is that if DWAF could fund the municipality to get more networks, then the problem would get resolved. We have so many places where there is no network at all, and in rural areas then it is too much to ask the municipality to get networks to all of those places, but they need access. There are places where they have to draw water from more than 250 metres.

There was one place overlooked when WD-SA did the research where the community does not have access to water at all (32 kilometres from Harrismith). This is referred to as the 'dumping site' by residents because they used to dump rubbish there (but they have since moved the rubbish dump so now people have built their houses there).

In Intabazwe it takes too long for anyone to respond to fires because there are no hydrants and the pipes burst during the winter anyway. Also, farm evictions are causing populations to increase in the towns where the systems are already strained.

*WG: If there is a burst pipe at night or weekend what happens?*

If it is a weekend or holiday people tend to go to the ward councillors, and there is the toll free number and the councillors can call it for Maluti Water to come and respond. There is a place in Ward 6 that there was a problem and about 2 days later it was fixed by calling. The problem in the rural villages is that even if it is reported, Maluti officials come first to see if it is the pipe of someone who has illegally connected then they will not fix it. If it is someone who is paying then they will fix it.

*WG: Is there any difference since 2006?*

In Intabazwe there were no problems with Amanziwethu, but things have gotten worse since Maluti Water took over. Before there were no cut-offs without notice, but now there are quite a few.

*WG: What is happening in rural areas with sanitation?*

The councillor is helpful if there is any blockage they will get someone to fix the problem immediately. In rural villages they have their own pit latrines and they just move the latrine. Those who have access to water-borne sewage report problems to the municipality and someone is sent to fix it. There is one section that used to use the bucket system, but now those who are still there are using pit latrines. Those who have been moved to Polani now have a sewer system.

*Community:* Farm workers often live where water is supplied by the municipality through tanks, but when the tanks run dry then they are not refilled right away and sometimes workers can go three weeks without water. Under Amanziwethu the service was excellent, but now it is not as good under Maluti Water. The big change seems to be in the workers hired by Maluti Water since, before, if the councillor called a worker about a problem he would hurry to fix it, but now they take their time in responding. Also, before they had a computer system that would track everything and now they do not.

It takes time for the entities to merge and get to work well as one organisation.

The communities might find the situation will improve as Maluti Water irons out these issues of the merger.

*WG: Is water affordable over the 6kls?*

Without wanting to lie, because the majority of us then we cannot afford to pay for the extra. There is a system within the municipality that you fill forms to be classified as indigent and so then can take care of you. But it does not mean that old bills will be relieved, but the current one.

*Community: Once registered on the indigent list, what happens? Who are considered indigent?*

An indigent household is one where the income of the family is R1500 or less. Having accepted a family as indigent means the municipality will not cut off the water if too much is used, instead restrictors will be put on the taps to limit the amount of water that can be used. There is speculation that there will be serious shortages of water and some link the necessity of the indigent policy's restrictions with being founded in this theory of shortages; however, WD-SA is not looking at water resources but rather at water services and so will not be getting involved with this issue.

## **WG Discussion on the Intabazwe Field Visit**

Ann welcomed everyone back from the trip and explained the main purpose of the evening session would be to first discuss the field visit.

### *Discussion of field visit*

The issues raised by community members at the meeting were not negative enough to suggest poor performance on the part of Maluti Water, but rather showed more about how people cannot wait for change. It seems unfair to judge progress after such a short period of time. We cannot make a judgment call one way or another on the model without hard evidence. People had obvious biases 'it is much worse because the private sector is here to make a profit', but there is no real proof yet. It is a pretty serious concern, however, that Amanziwethu took out all of its systems so the new organisation had to start over. This may be causing some of the issues.

Tony had a fairly clear understanding of what the challenges were pre-Maluti Water and what they are afterwards. He anticipated there were many more issues, so it was positive to hear there were not as many as he might have predicted; but, there were some serious concerns and Maluti Water must take them into account. Especially about how the councillors say if they go through call centre they did not get results.

While residents seemed upset about it, the municipality has been clear from the beginning that any internal plumbing problems are for consumers to fix themselves, and outside leaks the municipality will fix.

There are some big concerns about sources of revenue for the company. Is there enough cross subsidisation from industry for the domestic tariff? There are huge levels of indigence; will this cover the full cost?

- We need to make sure we know about how indigent policy works.
- It is important to get an idea of how the company is planning to get people to pay for water, where funding is coming from and how the indigent policy is applied. There is a recognition that many people will not be able to pay and that is what the indigent policy is for, but what happens when they use more than the allocated amount?

The WG always hears 'we are not warned in advance about cuts' from community representatives. Communities need to be given more information about the differences between planned interventions and burst pipes. A minimum level of education should be given during the WD-SA feedback to community, including this kind of information.

- If the public have the perception that they are not getting warned about cuts when they are really burst pipes then how effective is the WSP at communicating?
- The WSP needs a system in place to ameliorate the effects of water outages whether they planned or not.

We need feedback on investment programmes and planned initiatives (e.g. to get rid of asbestos pipes, etc.) And then we should find out how much the community knows about the plans? Community seems to have bought into the change, but they do not appreciate all of the work that has to go into the changeover (development of by-laws, processes, etc.).

- The councillor knew the timeline, budget, etc., which seems to suggest the communication channels are very robust. The question of whether it trickles down to the community is another issue.

We have not necessarily found people who are unhappy with water services. It might be that the people present had some kind of understanding of the situation, but perhaps some people who might be vocal about certain things while other issues in the areas are not as represented. We should remember that councillors and ward committees can have own agenda to make people believe that things are going okay (or not).

- If community members want to communicate about services then they should not be forced into only having the councillor as an intermediary.

The research should NOT do a before and after. Instead, it would be more beneficial to take a brief to look at what happened under both water boards and what has happened since.

**17 September 2008**

## **I. Welcome and Agenda**

Ann welcomed everyone back to the meeting for the final day. The main discussion for the morning was cross-cutting issues and planning for the forum.

## **II. Discussion of Cross-Cutting Issues Document**

The WG discussed the cross-cutting issues document that had been circulated before the meeting by Mary. The document was discussed section by section and WG members debated issues/points and made comments and suggestions for tightening up the document. The discussion and comments were captured within the document itself. The choice was made to take notes within the document to facilitate the next step in the revision process which was for Mary to take the WG's inputs and revise the CC issues document.

This discussion was too complex to be captured outside of the context of the document itself, but main comments included:

- Clarifying definitions (e.g. "capacity" within the WD-SA definition is proxy for operating income);
- Making statements more clear and targeted (e.g. clarifying that equitable share transfers are a main issue in terms of payment between a WSA and external WSP); and,
- Adding in additional information (e.g. including a discussion on RDP standards and how needs should be evaluated based on what is best for each area rather than on strictly-interpreted standards).

## **III. WD-SA Forum Planning Discussion**

Mary presented her proposal for the main objectives of the forum and how it could achieve them. The main three aims of the forum included:

- I. Report back on findings from the case studies
- II. Move from the individual findings into a discussion of cross-cutting issues
- III. Begin to move towards advocacy as a wider group

The proposed structure for the forum event was:

First, pre-forum there would be a civil society pre-session to ensure people from civil society are on-board with the process of WD-SA so that process issues do not hold us back.

Second, the morning of the forum would consist of parallel sessions where participants can go to hear about whichever case study most interests them. There will be a facilitator for each of the sessions and the lead researcher will present the findings.

Finally, the afternoon would be a plenary session where the WG presents the main findings and cross-cutting issues. Then, we would break up into groups again to discuss around the individual findings/themes.

There would be two facilitators: Ann and Nomvula (CDRA). Recorders would be Warren (facilitator and recorder) and Erin. The group will get facilitated feedback from sessions on case studies and add them into the cross-cutting issues document (get reports through the work of the facilitators). Through this we can also find out what the different stakeholders are taking up as issues, and what affects them the most at the different levels – local, provincial, national. From this we can hopefully look at where the avenues of entrance are for advocacy.

**Questions for Group:**

Should there be a debate on language (privatisation, FBW, etc.)? Non-WG members do not have this trust and code of conduct and might be up in arms, so we will need to ensure this is contained somehow.

*It was decided that the forum should be an environment where trust is built and it would be best to not highlight divisions between the sectors.*

How we are going to re-introduce WD-SA, and how we design the process is going to depend a lot on who is coming? We are not going to change our points, but if we discuss this then we can predict better what will come out of the discussion.

*In terms of getting people up to speed there will be a good invitation letter and WG members must brief their sectors as much as possible. Then there will be the pre-forum civil society meeting as well.*

Mary requested two or three people to work with her and the facilitators to decide on the issues. Neil, Jean-Pierre and Jessica agreed to comment on a proposal of themes if Mary sent it out to them. All of the documentation on the case studies will be there so people who need or want it can access it. The documents will all have a caveat about them being works-in-progress and not for outside use (and that we are looking for input from other people).

Ann closed the proceedings and thanked the visitors for coming.