EXCO REMARKS BY ETHEKWINI MUNICIPALITY MAYOR, CLLR CYRIL XABA, 26 FEBRUARY 2025

- Deputy Mayor
- Speaker of Council
- Whip of Council
- Chairpersons of Portfolio Committees
- EXCO Members
- City Manager and Senior Management
- Members of the Media
- Ladies and Gentlemen

Good Morning

Allow me to welcome you all to this EXCO meeting to receive the Water Turnaround Strategy Business Plan.

Following extensive consultations at the highest levels of government, one can confidently say that as the city we are ready to roll out a concrete plan to tackle water challenges head-on.

You will recall that at the EXCO meeting of 11 February, I made a commitment that the City Manager Musa Mbhele will soon table the Water Turnaround Strategy Business Plan. Last week, I announced that the strategy is ready to be presented, however I had to consult the Premier Mr Thami Ntuli, Minister of Water and Sanitation Ms Pemmy Majodina and other relevant stakeholders.

I am pleased to report that last week on Wednesday, the Troika and the Water and Sanitation team, led by the City Manager, were able to brief the Premier on the strategy and

this past Sunday, we had a meeting with the Minister of Water and Sanitation (DWS), Ms Pemmy Majodina and the uMngeni-uThukela Water Board (UUWB).

I must mention that we had a fruitful meeting with the Minister and her team to an extent that she agreed to temporarily uplift water curtailment measures which the Department of Water and Sanitation and UUWB has been implementing since October last year. This interim reprieve will be in place until April this year. This will allow us to implement water balancing measures without customers feeling a huge strain.

The team from UUWB also assured us of their commitment to recommission pipeline 53 tomorrow which will also bring much-needed relief to our customers in the outer west region. This pipeline had to be relocated due to the ongoing SANRAL N3 upgrades.

So, we trust that in the next few days, water supply will be fully restored in areas such as Kloof, Hillcrest, Waterfall, KwaNdengezi, Hammarsdale and Clermont. The pipeline provides 30 megalitres of water a day to the city.

Let me hasten to indicate that the challenges I have outlined above (water curtailment measures and pipeline 53) compounded the existing water challenges we have in the city. However, I have made it clear on our previous engagements that the people of eThekwini are no longer interested in knowing about the causes of water supply challenges. They want to know when they are going to get reliable water supply in their areas.

In a nutshell, they want a tangible plan of action with clear timelines.

Colleagues, there is consensus among all of us that curbing water losses is critical in turning around water services in the municipality. Since 2017, the city has been losing water at an alarming rate and currently, our non-revenue water is sitting at 54%. This is an undesirable situation and if it is not addressed, water security will continue to be a pipe dream in the city.

Therefore, I am happy that the draft plan that will be presented today clearly outlines the actions that need to be implemented to reduce water loses. It spells out boldly that we

must reduce non-revenue water by 5% annually until we achieve the South African benchmark of 25%. This will not only guarantee water security in the city, but it will also enhance our revenue.

We have agreed that we need to improve our operating cost coverage ratio from 0.95 to 1.2 in the mid-term and 1.3 in the long-term to sustain the water service. The international best practice for operating cost coverage ratio is 1.5. Therefore, we have made a commitment that in the 2025/26 financial year, the city must be able to operate an efficient and financially viable water service.

We are confident that through the following actions, we will be able to achieve this target:

- Conducting monthly meter readings
- Proactive maintenance of water meters by ensuring that we replace meters that are above 15 years
- Identify unmetered consumers and install meters
- Improve meter reading contract management
- Identify illegal water connections and disconnect them immediately
- Ensuring that 95% of reported water leaks are responded to within 24 hours
- Monitoring of transfer points where water buy back by uMngeni uThukela Water takes place so that they pay for every single cent due to us

Let me reiterate that at the heart of this water turnaround strategy business plan, is the need to address non-revenue water. Therefore, we will spare no effort in preventing leakages in our water network.

Colleagues, on daily basis, our call centres, social media platforms and ourselves as the leadership, we are constantly inundated with complaints of bursts and leaking water pipes. To address this challenge, we are now adopting a business unusual approach by implementing the following interventions:

- Reduce turnaround time for the repair of burst pipes to 24 hours

• Proactive water leak detection

• Create Non-Revenue Water Nerve Centre within water and sanitation unit manned by a skilled technical team.

• Deployment of technology including sensors to monitor water infrastructure

• Implement quality control for repairs

• Building internal capacity by insourcing plumbers

• Conducting conditional assessment on our 12600km water network to phase in pipe replacement programme

As part of trading services reforms – water as a business unit is to remove multi points of accountability and become a ringfenced unit with a single point of accountability.

To achieve this, we will decentralise the supply chain management, fleet management and human resources function relevant to support the unit. In addition, the unit will take full control of its ICT and fleet, including yellow plants. We also want to ensure there is well orchestrated succession planning and improve the conditions of service which will help attract and retain scarce skills. We will offer bursaries to students in the relevant fields of study as part of our strategy to build new skills including in the fields of Artificial Intelligence (AI). The structure for the ringfenced business unit will be finalised by May and coming into operation in July this year. In the adjustment that will be presented in the next few days, we will be allocating a new funding of R400m.

Other interventions we will be introducing include the following:

• Introducing insurance to cover forced repairs. This is a programme through which we fix leaks inside private properties to reduce water losses

• Metering (rural, informal and standpipes) to for every kilolitre spent on indigent

• Ensure water maintains the right levels of competencies and that a right skills set is appropriately deployed. The City Manager will next week present to us the current Water & Sanitation structure, identify vacancies and period for which those positions remain vacant and the placement of individuals competencies/skillset. Where there are people in acting positions, justify why it is necessary to keep them in those acting positions.

• We will prioritise the filling of all key funded vacant posts.

• Identified management, technical and professional staff will attend tailor-made courses as part of sharpening our skills. The courses will be arranged according to the Workplace Skills Plan.

• We will ensure that the City has enough key materials for repairs to leaks and bursts; that the city keeps the right meter stock levels per month; that it addresses lack of backfill material and that water control valves are in good condition, automated; and that they are enough vehicles for our plumbers.

To improve water sales, the City will ensure that the residents are billed for the water they consumed in that month; that urgent steps are taken to repair or replace all malfunctioning meters; and that the 40,000 meters with reading database that have zero consumption are corrected.

We will root out the culture of indolence and create a responsive unit. Consistent with this mindset shift, we will ensure that we maintain an effective call centre. The adjusted budget will provide a new allocation to address this. The call centre must complete the cycle by giving feedback to customers who have logged service delivery issues.

To end corruption and malfeasance we will ensure that disciplinary matters that have been flagged by the City Integrity and Investigations Unit are concluded as a matter of urgency; and that its recommendations are implemented. Furthermore, all audit action plans must be implemented to address all the audit findings.

In terms of this, we are committing ourselves to reducing non-revenue water and improve our cash collections. We are committing to investing in our water infrastructure to ensure we maintain a reliable service.

As we implement these short-to-medium-term interventions, we will be closely monitoring the progress on our major water infrastructure projects to improve water security. These projects include:

• Lower and Upper Umkhomazi Dams which are due for completion in 2027 and 2032 respectively

- Phase 2 of water remix plant (desalination)
- Water reuse plants in KwaMashu and Northern Wastewater Treatment Works

Colleagues, this administration has signed a contract with the people of eThekwini to deliver quality services and we dare not fail them. Therefore, let us recommit ourselves that all hands will be on deck in the implementation of this business plan – the people's contract on uninterrupted water provision.

I am happy that we now have a tool against which we can hold people accountable and if anyone deviates from this plan, consequence management must be implemented.

I am now handing over to the City Manager to lead the presentation of the Water Turnaround Strategy Business Plan.

Thank you for your attention!