



# water & forestry

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Department:  
Water Affairs & Forestry  
REPUBLIC OF SOUTH AFRICA

## **WATER SECTOR INFRASTRUCTURE ASSET MANAGEMENT STRATEGY**

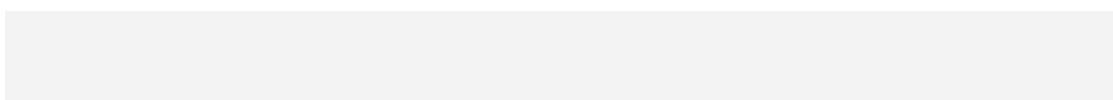
**TERMS OF REFERENCE:**

**REFERENCE GROUP**

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## BACKGROUND

The poor state of infrastructure and the multiple bad media reports on lack of, or failing infrastructure, particularly at a municipal level, has prompted Government to assess and initiate reforms towards better and sustainable service delivery. The backlog in maintaining existing structures has also come to the fore very strongly. As a result, the financial impact on water sector institutions to reverse the situation within a reasonable time and their ability to meet the demand, while still creating needed new infrastructure in order to provide a basic level of service to all communities is being questioned. It has become evident that a lack of planning for timely maintenance of infrastructure over the long term as well as the lack of proper evaluation of the long-term financial impact of new infrastructure are major contributory factors to the poor services rendered.

The water services infrastructure asset management strategy has been developed in order to guide the water sector support to WSAs in managing water services infrastructure assets. In time, similar documents will be needed for other important institutions in the sector addressing not only water services infrastructure but also water resources infrastructure.

The relevant sector departments at National Level should be involved in the Reference Group to be able to feed critical specialist information to the Group to ensure that frameworks and guidelines developed do not contradict legislation that is applicable or ignore practical issues in their respective operational areas. Set frameworks and guidelines will provide the ability to influence initiatives and measure current and new initiatives against the reform objectives. The members of the Group will have the opportunity to inform one another on any initiatives instigated from their respective responsibilities or undertaken by municipalities through consultants, thereby ensuring that duplications or overlapping in initiatives are avoided or used to best advantage through identifying possible joint ventures.

Government policy is increasingly focused on the need for infrastructure asset management specific guidelines. This includes the following (not a complete listing):

- Government-wide Immovable Asset Management Act (GIAMA)
- South African National Standards (SANS)

- International Infrastructure Management Manual (IIMM)
- Guidelines for Infrastructure Asset Management in Local Government (dplg)
- National Infrastructure Maintenance Strategy

DWAF is also actively participating as a stakeholder in a number of IAM reference groups and project steering committees (PSC), the key ones being:

- The Immovable Infrastructure reference group, which monitors and coordinates asset management reform activities on a municipal level. This reference group is chaired and coordinated by National Treasury.
- The National Infrastructure Maintenance Strategy (NIMS) Project Steering Committee, which will provide oversight to the NIMS programme implementation. This PSC is chaired and coordinated by national Department of Public Works.

## 1. PURPOSE OF THE REFERENCE GROUP

The purpose of the reference group shall be to provide expert input into the strategy and implementation of infrastructure asset management in the water sector.

The Reference Group shall promote integration and synergy amongst all the stakeholders and role players, thus ensuring sound IAM practice within the local Government water services sector.

## 2. OBJECTIVES OF REFERENCE GROUP

- To develop an IAM strategy (ies) that addresses the water sector as a whole.
- To align the IAM Strategy to sector priorities
- To ensure that the IAM strategy addresses the needs of municipalities
- To ensure that the IAM strategy addresses the needs of other key institutions in the water sector
- To serve as a network for experience sharing
- To ensure integration of sector planning and implementation programmes



- g) To promote integration of service delivery efforts
- h) To provide platforms for sector communication and information exchange.

### **3. PARTICIPATION (MEMBERSHIP OF THE REFERENCE GROUP)**

#### **3.1. National Treasury**

The National Treasury will monitor and ensure compliance of IAM interventions with legislative and financial framework requirements

#### **3.2. Department of Provincial and Local Government**

Custodians of the Provincial and Local Government will regulate and monitor IAM implementation in line with the legislative framework.

#### **3.3. Department of Water Affairs and Forestry**

Custodians of water services and water resources will regulate and monitor IAM implementation in line with the legislative framework. A representative from the proposed NIA is also important.

#### **3.4. Key User Sectors**

- i. BUSA
- ii. Eskom
- iii. Agri SA and NAFU
- iv. Association of Water User Associations
- v. Chamber of Mines

#### **3.5. Other Members**

Institutional representation

- i) Municipalities – Water Services Authorities
- ii) Water Services Providers ( including Water Boards)
- iii) South African Local Government Association (SALGA)
- iv) Department of Public Works
- v) Water Chamber (Energy SETA)
- vi) Private Companies (water sector) by Invitation
- vii) Development Bank of Southern Africa
- viii) Water Research Commission

ix) Department of Agriculture

x) DEAT??

Delegation from the above members must be:

- Senior Management
- Functional staff (middle-management)

The Water Services IAM reference group will report to the National Treasury IAM reference group and the Water Sector Leadership Group, via the WSLG Exco.

## 4. FUNCTIONS OF THE REFERENCE GROUP

- Provide expert input into the IAM strategy and the implementation thereof.
- Ensure that the contents of the IAM strategy are in line with sector priorities and meet the needs of municipalities and other key institutions.
- Provide key linkages and lessons learnt from other similar initiatives.
- Assist with the formulation of solutions to specific IAM problems and challenges within the water sector.
- Promote long term thinking and planning at top management level by advocating advantages of the practice, get the buy-in of top management to reform initiatives and obtain support in integration of overlapping business processes between departments, which will be the responsibility of each of the individual members.
- Promote interaction among the different departments to enable effective budget processes and accurate National Treasury reporting.
- Identify key strategic issues to inform the agenda of the Group and establish appropriate sub-structures to deal with each of the key issues in detail.
- The water sector IAM reference group must focus on providing a platform to promote open dialogue on IAM within the water sector.

## 5. GENERAL

### 5.1. Meetings

The frequency of meetings will be decided by the members and be guided by the need for guidance and information sharing at any given time. The initial intervals between meetings will be decided by the members at the first meeting and can be adapted as needed.

### 5.2. Secretariat

A dedicated secretariat support is to be provided (external service provider).

The secretariat shall be responsible for, amongst others:

- To keep appropriate records of the operations of the Reference Group and DWAF Internal task team
- To develop and distribute the agenda and minutes for the Reference Group and DWAF Internal task team meetings

- To send invitations to all members of the Reference Group and DWAF Internal task teams regarding Reference Group meetings, workshops, summits etc
- To develop a calendar for all the meetings of the Reference Group and DWAF Internal task teams and related water sector events
- To prepare reports, including recommendations, to the various intergovernmental Reference Groups especially to the National Treasury IAM Reference Group and the WSLG Exco
- To represent the Reference Group and DWAF Internal task team at other stakeholder water sector meetings.
- To provide any other support as may be deemed necessary by the Reference Group and DWAF Internal task team.

DWAF will bear the costs for the dedicated secretariat support.

### **5.3. Chairing**

To be decided by Reference Group from time to time.

### **5.4. Venues and times**

- The meetings of the Reference Group shall as far as possible be held at venues deemed appropriate (accessibility, size and available support facilities) by the Reference Group.
- The secretariat shall determine a suitable time for holding meetings in consultation with delegates.

### **5.5. Quorum**

- Given that the Reference Group will not be formally constituted as a legal entity, a quorum system will not be used to determine if the meeting is sufficiently constituted to continue.
- Those present will agree if most stakeholders are sufficiently represented in the meeting.