



ACTIVITIES DURING 2004/2005 (Financial Performance)

- Ω The Change in Accounting policy whereby the inventory has been included at market value thus increasing profits by R1.9m.
- Ω An increase in VAT payment was realized due to the correction of an error which occurred during 2004 financial year.
- Ω 67 % of the O & M costs were funded by DWAF through salary grants for transferred personnel.
- Ω The Nsikazi project yielded a profit of R1.4m at the end of the financial year.



Major Achievements

- ∞ Production was increased by 6.1 % and 3.8 % for Bohlabela and Mbombela areas respectively as a result of optimization and reduction of water loss.
- ∞ Establishment and application of water quality assurance activities.
- ∞ Compliance with SABS 241 - 1999 with regard to chemical (100%) physical (98%) and bacteriological (100%) water quality.
- ∞ Surplus from Nsikazi Project increased by 291 % as compared to the previous year.



Major Challenges & Plans to overcome them

- ∞ Poor cost recovery:
 - DORA for reporting on a monthly basis to National treasury
 - To enter into enforceable agreement with WSA.
 - Assist municipality with billing and collection.
- ∞ Lack of approved financial policies:
 - Develop and implement the following policies; Supply chain management, Procurement policy, Fleet management, Fraud prevention plan, Corporate financial Manual, external audit charter, internal audit charter, audit committee charter, delegation of authority.
- ∞ Poor internal systems of control:
 - Appointment of the internal auditor (PWC).
 - Conduct a corporate risk assessment exercise to identify our strength and weakness.
 - Develop a three year operational plan to address the identified business risks.



CONCLUSION

- ∞ Sustainability of water services hinges on effective and efficient management of the services through optimization of all resources to minimize operating costs and loss while maintaining a good quality product.
- ∞ The role that BWB plays as a service provider will go a long way in achieving the 2008 - 2010 targets.
- ∞ It is our view that the targets will be achieved only if all spheres of government cooperate in the development of sustainable water services.
- ∞ The activities towards achieving the targets must be done in an integrated and sustainable manner so as not to deplete/degrade the environment which we have borrowed from future generations.
- ∞ We hereby pledge to do everything in our power to see to it that the targets set by the South African Government are achieved within and beyond our area of jurisdiction.

THANK YOU:WE WISH YOU A HAPPY WATE



PRESENTATION TO PORTFOLIO COMMITTEE ON WATER AFFAIRS AND FORRESTRY

HEARING SESSION: ANNUAL REPORT 2004/05
22 MARCH 2006

• INTRODUCTION: BOTSHELO WATER

- Area of Jurisdiction : 50 000 sq km

(42% OF NW Province)

- Operate in 3 WSA areas

- **Moses Kotane LM**
 - Madikwe Area
- **Bophirima DM**
 - Kagisano LM
 - Molopo LM
- **Central DM**
 - Ramotshere Moiloa LM
 - Ditsobotla LM
 - Mafikeng LM
 - Ratlou LM



20/03/2006


SVR

Major Achievements

- **Constitution of new BW Board**
- **DWAF positive acceptance of 5 year business plan**
- **Presentation of paper to National Water Advisory Council;**
- **International Water Association Conference (IWA) Zimbabwe.**

20/03/2006

SVR



- **Continued water resource management**

- **Development of Preventative Maintenance System**

- **Twinning Project: Nyere Water & Sanitation Company (Kenya)**



- **Projects**

- **Moses Kotane Drought Relief**

- **CDM : Dinokana/Matlhase Refurbishment**

- **Mafikeng Peri Urban Ph 2**

- **Tsunami Intervention : Sri Lanka**
- **Masimbambane Strategy**
 - **BW serves in NWWSF**
- **Provincial Growth & Dev Strategy -BW serves in Infrastructure & Construction Working Group**
- **Service Level Agreement**
 - **Negotiate with BDM**
- **Section 78 Process**
 - **Cooperated with MKLM & CDM**

Mechanism to Achieve/ Strengthen Service Delivery

- **New File server and printer for Billing System**
- **Negotiation with WSA's**
 - **MKLM Service Provider Agreement**
 - **CTMM Service Provider Agreement**
 - **BDM (in process)**
 - **CDM (in process)**
- **Community Awareness Training**
- **Cooperative governance**

Strategic Challenges

- **Debt Collection**
 - [Constituted a cost recovery Task Team]
- **Restructuring**
 - [Appointment of CEO and senior staff]
- **CDM WSP Agreement not signed yet**
 - [Cooperate with DWAF Joint Response Task Team]
- **Over Reliance on Ground Water**
 - [MOU -Midvaal Water]
- **Unauthorised Connections**
 - [Water Conservation/Demand Management]
- **Uncertainties created by Section 78 Processes**
 - [Cooperate with DWAF Joint Response Task Team]

Strategic Plan (Updated Oct 2005)

- **Vision :**
 - **Botshelo water will become the recognised global model for the efficient and effective supply of quality water and sanitation services, whilst recognising the right of all to access basic water services**



- **Mission :**

- **Botshelo Water is a service organisation committed to providing on demand-driven basis, a safe, reliable and affordable water supply and sanitation services equitably to consumers, primarily in Africa, and other continents where opportunities arise.**



- **ACTION PLAN 1**

- Development and Implementation of a Human Resources Strategy and Plan**

- **ACTION PLAN 2**

- Penetrate Potential Target Markets in Africa and other Continents**

- **ACTION PLAN 3**

- Optimize Productivity/Income; Upgrade and Support Systems; Cost Savings; Asset Management**

- **ACTION PLAN 4**

- Develop and Re-develop an Organization Structure with focus on Strategic Priorities**

State of the Nation Address

- **BW FULLY SUPPORTS ASGISA (ACCELERATED AND SHARED GROWTH INITIATIVE OF SA)**
 - **Part of Infr & Constr W/Group: PGDS**
 - **Integrated Planning (MIG;IDP;WSDP)**
 - **Professional Project Management**
 - **Mentoring Internal and External (WSA's)**
 - **Skills Development**
 - **Support BBBEE**
 - **Develop Women and Youth (People Centered)**
 - **Sustain a Motivating Work Environment**

**END
THANK YOU !
RE A LEBOGA !
DANKIE !**