

NATIONAL ASSEMBLY
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 156 [NO1632E]
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★156. Mr A R McLoughlin (DA) to ask the Minister of Finance:

With reference to his reply to question 1267 on 21 June 2013, has the National Treasury given the full amount required for the completion of the Sedibeng Regional Sewer Scheme to the Rand Water Board; if not, (a) why not and (b) when will such payment take place; if so, (i) what was the total amount, (ii) when was the amount paid and (iii) what specific instructions have been given to the Rand Water Board in this regard?

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REPLY:

- a) As reported in the Estimates of National Expenditure 2014, the total cost of the Sedibeng Regional Sewer Scheme which consists of two components, the Sebokeng Regional Bulk Sewerage Scheme and the Meyerton Waste Water Treatment Works, is estimated at R1.5 billion.

The full amount for this project has not been allocated. Bulk water supply is funded on budget and through water tariffs charged for treated water and approved by the Minister of Water and Sanitation. On-budget funds are allocated through the Regional Bulk Infrastructure Grant which provides only for the social component to protect the poor against water capital charges. The economic component is collected through tariffs on industry and other households. In the Sedibeng District Municipality, 35% of households are indigent in terms of the 2011 census.

- b) (i) (ii) (iii) The budget provides annual expenditure estimates and not actual payments. The Minister of Water and Sanitation can provide details of payment dates relating to this project. The Minister of Water and Sanitation also appoints Water Boards through Section 41 of the Water Services Act. In this case Rand Water was instructed to implement the project.

From a budget perspective R69 million (unaudited) has been spent on this project since 2011/12 which provided for feasibility studies, infrastructure design and other preparatory work.

Over the 2014 MTEF period R724 million is allocated through the Regional Bulk Infrastructure Grant (managed by the Department of Water and Sanitation) which provides for construction.