**MEDIA STATEMENT**

**WATER AND SANITATION FINANCIAL RECOVERY PLAN GETS THUMBS UP**

**Parliament, Tuesday, 12 November 2019 –**The Portfolio Committee on Human Settlements, Water and Sanitation has welcomed the Department of Water and Sanitation’s financial recovery plan. The plan gives the committee assurance that the current leadership will be able to overcome the department’s long-standing challenges.

An efficiently-run department is a precursor to improved service delivery. The plan and the impacts it has made so far are reasons for optimism, the committee believes. One of the major areas of improvement has been the reduction in accruals and payables, which has decreased from R1 667 8871 in March 2019 to R808 460 on 31 October 2019. The payment for services received ensures that service providers remain viable and that projects are completed.

The committee welcomes the department’s consequence management initiatives to deal with the R16 642 937 319 in irregular expenditure. The committee has always emphasised that consequence management is a necessity to deter wrong-doing. The committee welcome the 86 guilty verdicts, 13 dismissals, one demotion and various suspensions meted out against errant officials.

In respect to debt owed to the department and its entities, the committee has emphasised the need for constructive discussions coupled with strong implementation in areas of agreement to deal effectively with the debt and to assist water agencies to improve their balance sheet. This is necessary if the Department of Water and Sanitation’s entities are to achieve their mandate and ensure water provision.

The committee notes the intention to exit the War on Leaks programme, which has been an albatross to the department due to planning inefficiencies. While the committee acknowledges the need to conclude the programme, the department should improve its’ planning capacity, as the intentions of War on Leaks were noble and much could have been achieved, especially in relation to decreasing non-revenue water, which is at 41% at an estimated R9.9 billion in lost value.

The committee will await a concrete strategy from the department on how exit the War and Leaks programme. The committee has also requested regular updates from the department on the financial recovery plan.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, WATER AND SANITATION, MS MACHWENE SEMENYA**