

## **CHAPTER 6 OVERVIEW OF RECOMMENDATIONS**

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## **CHAPTER 6 OVERVIEW OF RECOMMENDATIONS**

### **6.1 Recommendations**

Recommended actions to achieve institutional development have been formulated during the final stages of Phase 1 of the study and logically fall into the categories of policy, strategy, Second Tier and Third Tier development, each of which is discussed separately below.

#### **6.1.1 Policy and Strategy Recommendations**

Of the eleven policy and strategy recommendations five relate specifically to institutional development. However it should be noted that all of these recommendations (shown in Appendix 1) have a bearing on institutional development. The proposals address:

**(1) Integration and Partnership**

A framework and an active plan for sharing information and the integration of activities should be established. A priority is an integrated communication strategy. This plan will examine existing communication instruments and networks, and their effectiveness, and will implement actions to deal with shortcomings.

**(2) Coordination of Training and Training Resources**

An integrated approach to training and the sharing of training resources should be designed and implemented. This might include consideration of issues such as the formation of a training cooperative, the implementation of skills and training needs audits, forums to discuss the deployment of human resources, and the effective use of local support structures such as NGOs, LWCs and RDP committees.

**(3) Water Supply and Local Economic Development and Resource Development**

A strategy to link water supply to both local economic development and community institutional capacity building should be developed and implemented. The key to such a strategy appears to be the entrenchment of planning capacity at local level. Such planning should address the delivery and management of all services, together with the mobilisation of the human resources required to perform and sustain these tasks.

**(4) Sharing "Best Practice"**

An approach and vehicle/vehicles for the sharing of best practices (and information) should be developed. As the transitional process unfolds, it is certain that innovative and effective approaches to issues like cost recovery, local incentives, payment systems, local financing,

and locally managed operations and maintenance will be developed. The strategy is to ensure that these initiatives and experience are shared.

(5) **Appropriate Structuring of MW**

A structure proposal for MW in the Extended Supply Area which addresses short, medium and long term needs, and MW's role vis-a-vis other players in the water and local government sectors should be developed. MW may have to reconsider the present structure of the organisation, possibly extending operations and maintenance functions, placing these in modified spatial and management contexts. It might also wish to build a market development arm, with additional organisational implications.

The above recommendations other than the appropriate structuring of MW impact on all tiers of the structures in the Study Area. Each of the two main tiers was more specifically addressed in subsequent recommendations.

6.1.2 **Second Tier Recommendations**

Chapter 5 of this report discussed this area in detail. The recommendations made in this Chapter addressed:

(1) **Second Tier Frame Work**

A balance should be struck between the current degree of centralisation of functions and a need in the future for greater decentralisation into the zones. Management and coordination will be centralised whereas operations and maintenance will be decentralised. Planning and projects will be integrated between both levels.

(2) **New Functions**

In order to address the requirements of the emerging challenge in the Study Area a number of new functions need to be catered for in future by providing for them in revised Second Tier organisation structures. These mainly impact MW (and other water boards.) The main new functions are:

- (a) Bulk water supply development, which will include engaging stakeholders to identify needs, development planning, organisation development, and Third Tier support.
- (b) Water supply projects, which is concerned with project structuring, institutional development around projects and training.

- (c) Within operations and maintenance the addition of a function concerned with providing interim resources to assist the Third Tier in mobilising and getting involved in water supply. Also training.

A number of changes will be expected within existing functions as well.

### (3) Phasing of Institutional Development

Two distinct phases should be planned from an institutional perspective: Firstly the period to 2002 during which mobilisation will take place and when there will be considerable attention given to getting local authorities into the water supply process. During this period Second Tier players will need to operate outside of their long term roles and possibly even assume certain responsibilities belonging to other role players. This will be justified by the need to meet national water supply goals and as an investment in creating new bulk supply customers. Secondly the period from 2003 to the end of the planning period (i.e. 2015) during which the Second Tier will phase out of transformation roles and into its long term role. It is noted that the long term role will not mean that these institutions will revert to the current status.

### (4) Training for New Roles

There should be a considerable investment in training by the Second Tier. i.e. up to 5% of turnover per annum could be expected based on international norms.

## 6.1.3 Third Tier Recommendations

Chapter 4 of this report discussed this area in detail. The recommendations made in this Chapter were that:

### (1) Capacity Building in Lagging District Councils

The six District Councils in the Study Area join to establish a District Council Institutional Development Forum. It is not proposed that this be permanent body but that it is established to formulate and pursue some specific objectives related to:

- (a) Nature of capacity shortcomings in District Councils.
- (b) Organisational models for District Councils.
- (c) Lessons from successful organisational models.
- (d) Relationships with MW.

(2) **Community Institution Building Programme for Vulnerable Communities**

Community capacity building is a priority throughout the Study Area. However, there is a need to prioritise and to focus capacity building and training initiatives on disadvantaged and vulnerable communities. A particular challenge is the development of "generative" capacity (i.e. the ability to plan and implement programmes). It is suggested that this programme might reside in the proposed District Council Forum (see Section 4.4.3).

(3) **Institutional Support Programme**

The NGO sector should be harnessed as the potential champion for the envisaged institutional support programme. Currently there is no single point of co-ordination of such programmes (see Section 4.4.4).

(4) **Training Programmes**

There are a variety of training requirements which need to be met in the process of the above mentioned Third Tier support (i.e. (1),(2) and (3) above) and these are summarised in a table in Chapter 4 (Table 4-7). These will need to be provided for in the future.

## **6.2 Integration and Operationalisation**

### **6.2.1 Need for a framework**

In the preceding section the recommendations developed in this phase were summarised, some thirteen recommendations in total. What is obvious is that there are common themes and overlaps and the recommendations cannot therefore be considered in isolation of each other. Discussion of this interrelationship by the study Team led to the conclusion that an integrative framework needed to be developed which would serve the purposes of:

- (1) Identifying a hierarchy within the recommendations. That is to say differentiating between; those that have major, area wide and fundamental impact on the players, from those that have lesser and less broad based impact.
- (2) Relating the recommendations to a process (or system) of development. That is to say to be able to place the recommendations into a sequence in terms of action and time.

It was felt that this framework would enable the key players (and stakeholders) to grasp the impact and relate to the recommendations in total. Conceptualisation of the whole challenge will also serve the purpose of enabling institutions to understand where they have a role to play but more importantly that institutional development will be a participative effort.

### 6.2.2 Proposed Framework

To meet the above need an integrative framework has been developed (Figure 6-1). This framework has two dimensions:

- (1) Firstly a process into which the recommendations can be slotted. This is shown on the horizontal axis and is a very simple but proven sequence : Strategy needs to precede structure and process. Structure should in turn precede deployment of resources and determines the nature of the resources.
- (2) Secondly a hierarchy reflecting the nature of the interaction required between the parties ranging from full synergy (ie. maximum integration) to informal co-ordination (ie. sharing of information.)

### 6.2.3 Interpretation of the Matrix

The matrix demonstrates the following:

- (1) Degree of inter relationship and strategy formulation.

A strong need for synergy in relationships means that strategy formulation must be a partnership process (i.e. shared accountability). By contrast at the other end of the scale if the need in the relationships is only for sharing of information then strategy formulation only requires coordination between parties. In between these extremes lie relationships of co-responsibility (which is a lesser form of partnership) and integration.

#### Application to Institutional Planning

Water supply in the Study Area is recognised as being a shared accountability between the first, second and Third Tiers. Also that the supply of services and economic development are seen as being highly integrated. A partnership and co-responsibility model should therefore be adopted by the players as a strategic foundation step in the process of institutional reform. If this relationship of partnership is not entered into then many of the subsequent dependent requirements will not have the necessary sponsorship and support.

In the longer term as the water supply roles become more operationally differentiated (i.e. Second Tier bulk only and Third Tier retail supply mainly) the requirement for synergy will be less. Integration and coordination will then be the requirements rather than partnership.

- (2) Degree of interrelationship and organisation.

A strong need for synergy in relationships has the implication that institutions need to structure to achieve common goals. The key issue here is that players seeking to achieve this

synergy have to accept that their internal structures will change and will be dictated, to a degree, by the requirements of the partnership. By contrast at the other end of the scale sharing of information only requires institutions to put in place a contact structure.

#### Application to Institutional Planning

Magalies Water will need to adapt internal structures to achieving the goals of water supply (in the broadest sense) in the Study Area and not restrict its structural capacity to the bulk water supply role only. District councils will need to structure to provide support to other DCs and to the Third Tier. These will not be the long term structures but those required during the period of commitment to shared responsibility.

A number of forums will need to be established to achieve integration and create vehicles for implementing strategies and achieving objectives. The study team defines forums as being purpose specific and time bounded structures. Three forums recommended are the Project Execution Forum (the proposed implementation structure for Phases 2 and 3 - see Main Report Chapter 10), DC Institutional Development Forum and a Training Coordination Forum

#### (3) Degree of interrelationship and support.

Strategy and structure are operationalised by the resources harnessed in their support. A strong degree of integration in strategy and structure arising from synergy requires an optimisation of resources (implying sharing of resources). By contrast support in situations of little synergy will be limited to information sharing.

#### Application to Institutional Planning

The high degree of synergy in strategy and structure will logically dictate that resources will need to be shared to make maximum use of the lack of capacity in the Study Area in general. This applies in particular to training resources which will be stretched to the limit in meeting the capacity building needs in the Study Area.

Innovative ideas for sharing, involving agency arrangements, service cooperatives and secondments will need to be explored (the detailed policy and strategy recommendation detailed in Supporting Report D capture many of these possibilities).

Practice sharing has potential to be considered as a long term initiative serving the needs of stakeholders both in the short and long terms.

Figure 6-2 presents the matrix with the above implications shown in more detail.



#### 6.2.4 Scheduling and Timing

From the matrix a logical sequence can be established which should be followed to initiate the process of institutional development and ensure that it succeeds in the long term. In a sense a critical path can be established. Table 6-1 below shows a first draft of this which will need to be confirmed in consultation with stakeholders in the setup of Phases 2 and 3:

**TABLE 6 - 1 : PROPOSED SCHEDULING AND TIMING**

STEP	ACTIVITY	TIMING
1.	Gain commitment to water supply partnership	Phase 2 & 3 Setup
2.	Agree overall priorities	Phase 2 & 3 Setup
3.	Allocate roles and responsibilities	Phase 2 & 3 Setup
4.	Set up forums required	Phase 2 & 3 Setup
5.	MW and DCs to consider structure requirement for the future	May 1997 - October 1997
6.	Structures to be put in place	1998 - 2002
7.	Resource optimisation plans to be developed	May 1997 - October 1997
8.	Resource sharing plans implemented	1998 - 2002
9.	Competencies transfers initiated	1998 - 2002

#### 6.2.5 Contribution of JICA Phases 2 and 3

During these phases an institutional development plan will result from the facilitation envisaged in the TOR for the feasibility studies under the heading of "Implementation of Organisational Change". It is recommended that this should be done within the framework proposed in this chapter. By following this framework the recommendations made during Phase 1 will be logically integrated into future plans.



**Figure 6-1 : General Study Area Institutional SOS Strategy**

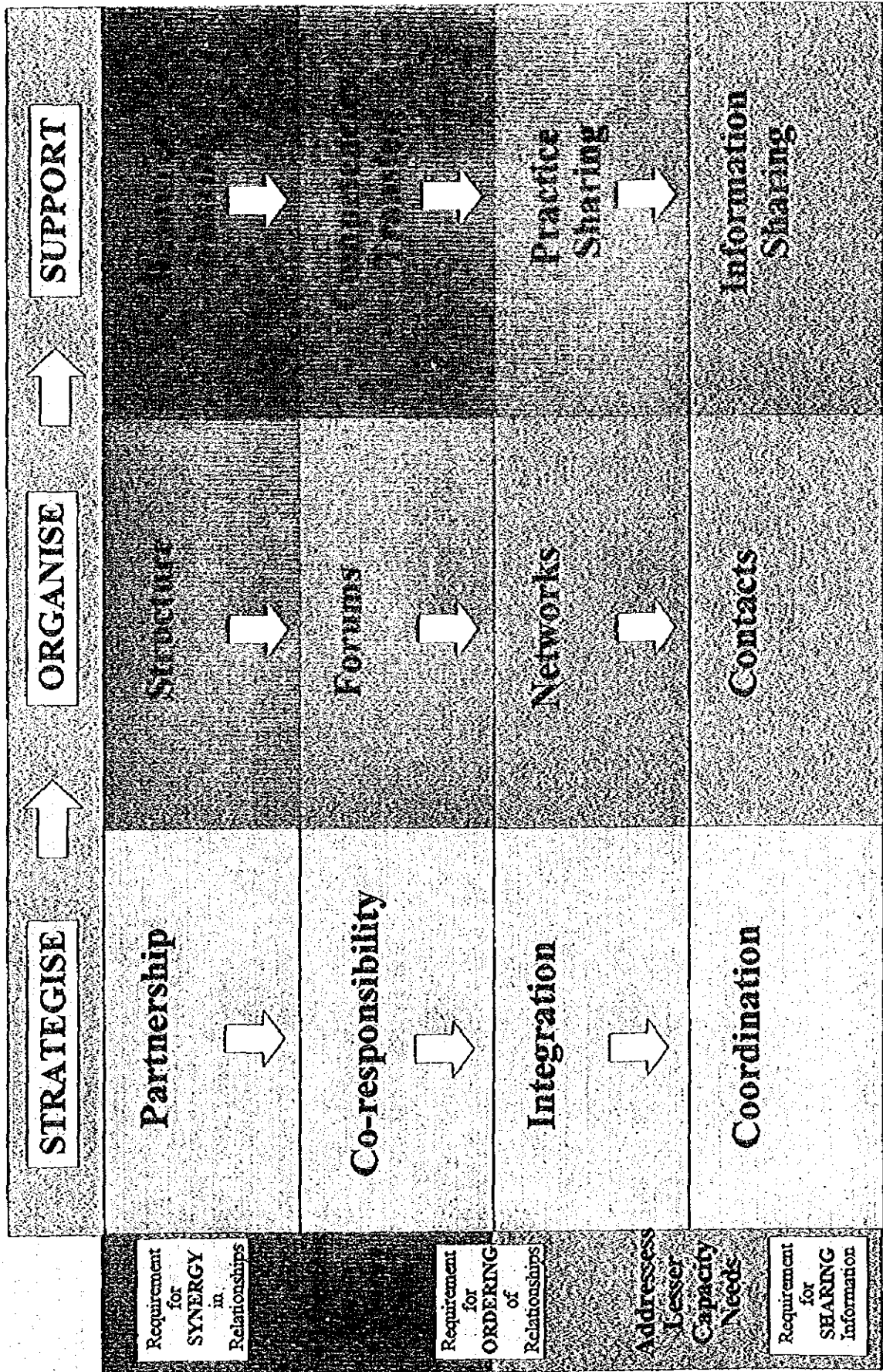


Figure 6-1 : General Study Area Institutional SOS Strategy

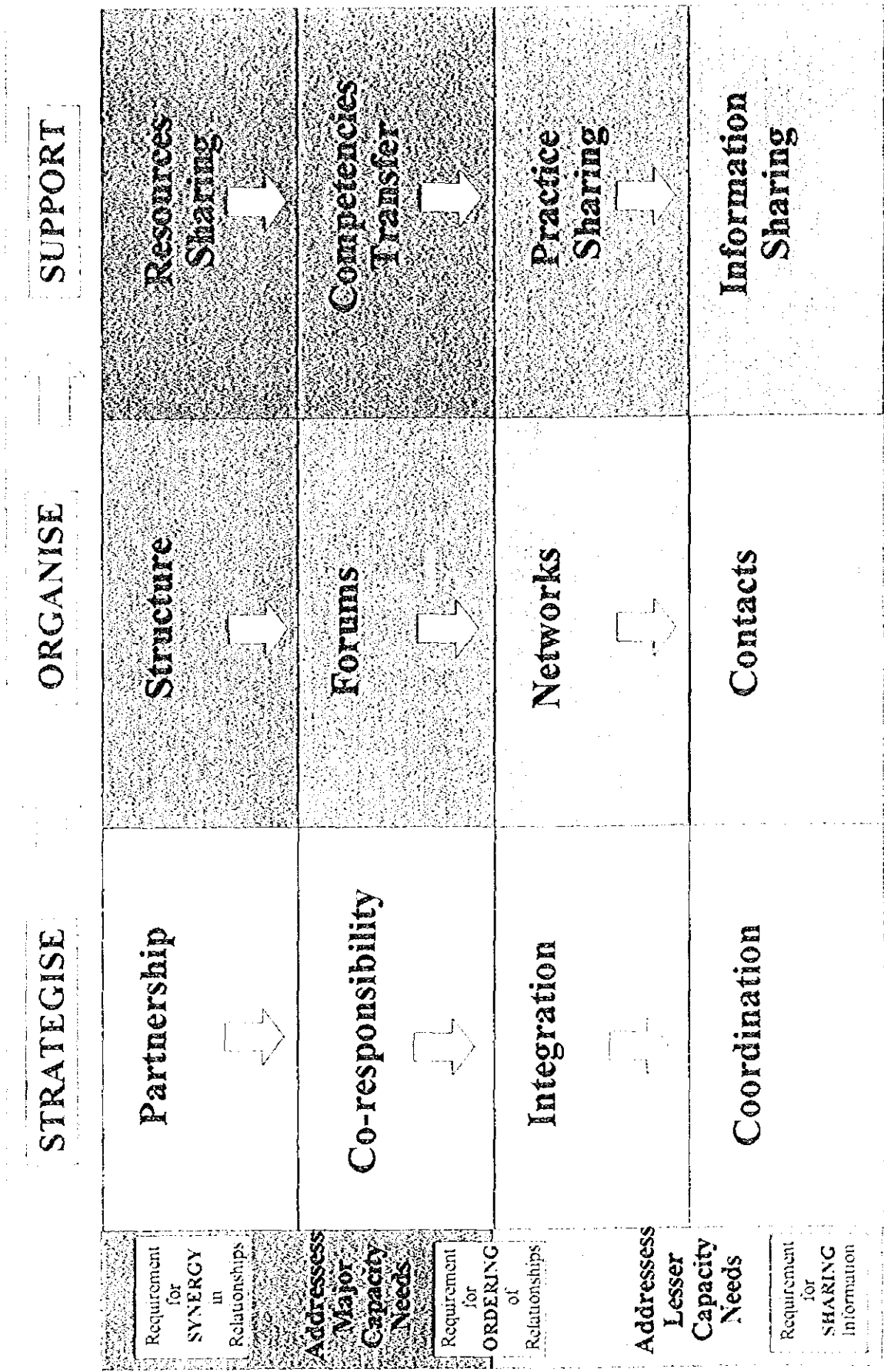


Figure 6-2 : Applied Study Area Institutional SOS Strategy

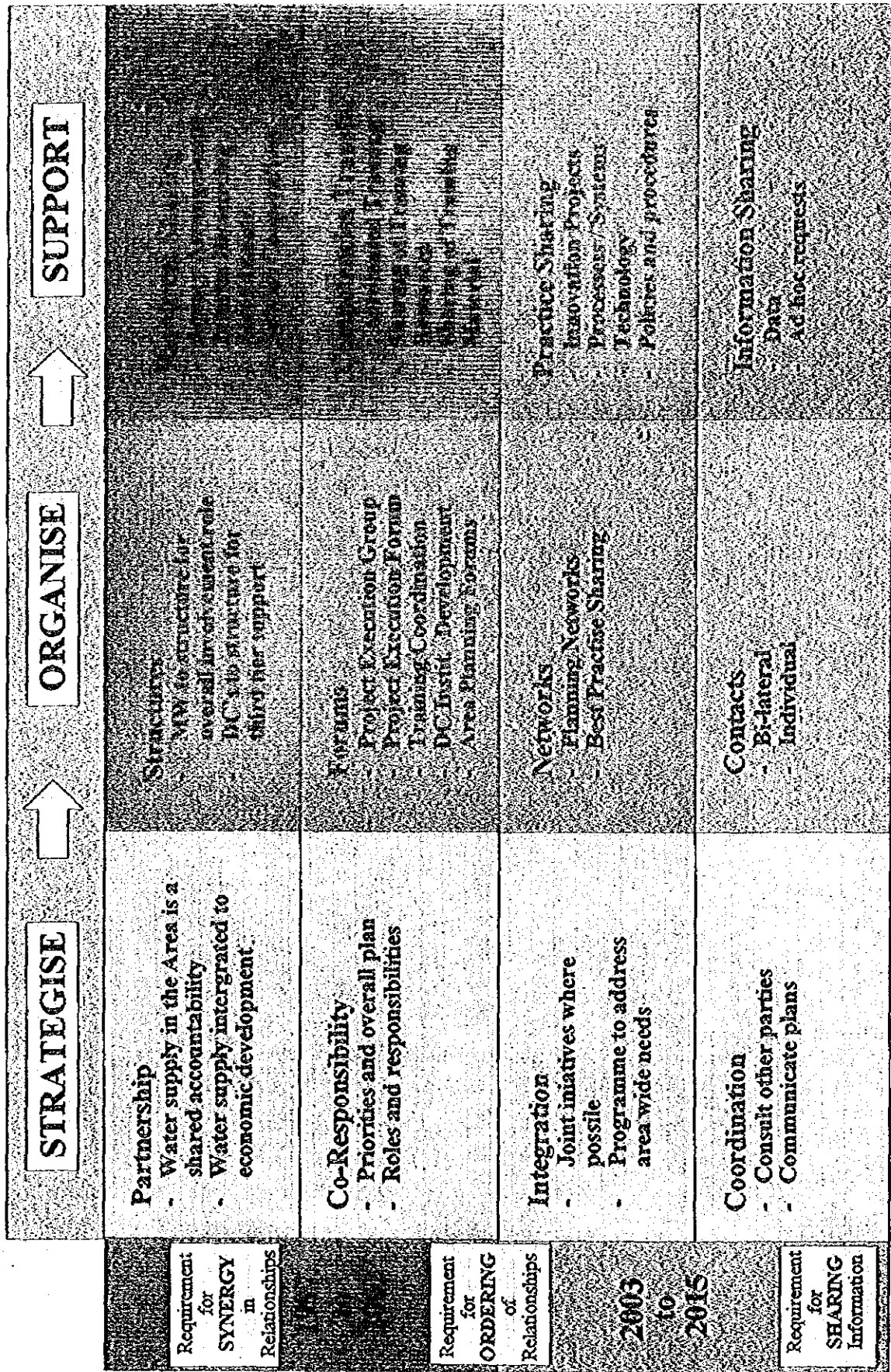


Figure 6-2 : Applied Study Area Institutional SOS Strategy

	STRATEGISE	ORGANISE	SUPPORT
Requirement for SYNERGY in Relationships	<p><b>Partnership</b></p> <ul style="list-style-type: none"> <li>- Water supply in the Area is a shared accountability</li> <li>- Water supply intergrated to economic development</li> </ul>	<p><b>Structures</b></p> <ul style="list-style-type: none"> <li>- MW to structure for overall involvement role</li> <li>- DC's to structure for third tier support</li> </ul>	<p><b>Resources Sharing</b></p> <ul style="list-style-type: none"> <li>- Agency Arrangements</li> <li>- Internat. Resourcing</li> <li>- Secondments</li> <li>- Service Cooperatives</li> </ul>
1997 to 2002	<p><b>Co-Responsibility</b></p> <ul style="list-style-type: none"> <li>- Priorities and overall plan</li> <li>- Roles and responsibilities</li> </ul>	<p><b>Forums</b></p> <ul style="list-style-type: none"> <li>- Project Execution Group</li> <li>- Project Execution Forum</li> <li>- Training Coordination</li> <li>- DC Instit. Development</li> <li>- Area Planning Forums</li> </ul>	<p><b>Competencies Transfer</b></p> <ul style="list-style-type: none"> <li>- Coordinated Training</li> <li>- Sharing of Training Resources</li> <li>- Sharing of Training Material</li> </ul>
Requirement for ORDERING of Relationships	<p><b>Integration</b></p> <ul style="list-style-type: none"> <li>- Joint initiatives where possible</li> <li>- Programme to address area wide needs</li> </ul>	<p><b>Networks</b></p> <ul style="list-style-type: none"> <li>- Planning Networks</li> <li>- Best Practise Sharing</li> </ul>	<p><b>Practice Sharing</b></p> <ul style="list-style-type: none"> <li>- Innovation Projects</li> <li>- Processess / Systems</li> <li>- Technology</li> <li>- Policies and procedures</li> </ul>
2003 to 2015	<p><b>Coordination</b></p> <ul style="list-style-type: none"> <li>- Consult other parties</li> <li>- Communicate plans</li> </ul>	<p><b>Contacts</b></p> <ul style="list-style-type: none"> <li>- Bi-lateral</li> <li>- Individual</li> </ul>	<p><b>Information Sharing</b></p> <ul style="list-style-type: none"> <li>- Data</li> <li>- Ad hoc requests</li> </ul>
Requirement for SHARING Information			

**APPENDIX 1: POLICY AND STRATEGY  
RECOMMENDATIONS**

**Table 3-2 : Policy and Strategy Recommendations**

<b>Proposal 1: Overall Policy Review</b>	
Strategy Proposal	<p>It is clear that many laws and regulations inherited from the previous system of government and service provision are not supportive of new water supply policy. It is recommended that the JICA Study and Magalies make inputs to relevant policy review processes. An example of an area where policy review seems necessary is rural water supply. Current policy makes no clear distinction between rural and other forms of water supply. Many stakeholders believe that review is necessary. Issues are:</p> <ul style="list-style-type: none"> <li>- Almost complete lack of resources in some cases. Paying for water may be impossible for some.</li> <li>- The isolated nature of schemes (many of which are stand-alone facilities).</li> <li>- Dispersed communities with little or no organisation.</li> <li>- Limited potential for development of supply schemes beyond basic arrangements.</li> </ul>
Current Status	A water law review process is currently in progress.
Lead Actors	DWAF is leading the process. MW and JICA to present relevant material.
Policy Implications	Review of remaining outdated legislation and regulations.
<b>Proposal 2: Clarification and Interpretation of Specific Policy and Guidelines</b>	
Strategy Proposal	<p>Several aspects of existing policy require clarification and the development of a common understanding among affected water sector actors. Some of the areas where clarity is necessary are:</p> <ul style="list-style-type: none"> <li>- RDP standards and the implications of changing or enforcing these.</li> <li>- The role and impact of the Development Facilitation Act in the promotion of local planning and service delivery.</li> <li>- Updated views on transitional roles and functions originally outlined in the White Paper on Water Supply and Sanitation.</li> <li>- Clear definitions of "bulk" and "bulk customers".</li> </ul> <p>The forums in which the discussions on the above issues should take place will vary according to the topic (see Lead Actors below).</p>
Current Status	Feedback from communities is showing some dissatisfaction with the RDP service level benchmark of the RDP, and the likely stand of government on this issue is not clear. The DFA is being implemented at local level by some District Councils (eg Rustenburg), but not by all. Emerging views on roles and functions are being discussed in some forums, but conclusions are not necessarily widely shared. The question of the definition of bulk has yet to be resolved in the Study Area.
Lead Actors	<p>It is suggested that the following lead actors take responsibility for processes leading to the clarification of the issues listed above:</p> <ul style="list-style-type: none"> <li>- RDP. DWAF (national and regional), working in regional and area planning forums.</li> <li>- DFA. District Councils. MW and DC to consider jointly the implication of the DFA for the development of bulk services.</li> <li>- Transitional roles. DWAF and District Councils, through regional and area planning forums.</li> <li>- Definition of Bulk. MW and District Councils.</li> </ul>
Policy Implications	Greater clarity among water supply implementers.
<b>Proposal 3: Integration and Partnership</b>	
Strategy Proposal	It is proposed that a framework and an active plan for sharing information and the integration of activities are established. This plan will examine existing communication instruments and networks, and their effectiveness, and will implement actions to deal with shortcomings. The notion of training, service and support cooperatives should be included in the plan. A priority is an integrated communication strategy.



<b>Proposal 3: Integration and Partnership</b>	
<b>Current Status</b>	At present two broad frameworks for communication, integration and partnership are crystallising. The first is led by actors in the water sector (notably DWAF), and has an obvious water focus. The second framework centres on local government, and is presently less well developed. In some parts of the Study Area, District Councils are making progress with the institutional development necessary to empower local authorities to deliver a basket of services, in accordance with their constitutional brief. A priority action is to develop and rationalise the links between these frameworks.
<b>Lead Actors</b>	DWAF should continue to lead the development of water sector institutional arrangements, and the provinces and District Councils local government functions. A forum or forums for integrated planning should be developed. The emerging area forums may serve this purpose, but attention must be given to areas where institutional capacity is not present. MW should participate in such forums. MW might also resource and implement its own communication capability and strategy, in concert with the broader initiatives of DWAF, the provinces and the District Councils.
<b>Policy Implications</b>	Water sector development policy seems likely to become much more integrated with policy empowering local government.
<b>Proposal 4: Coordination of Training and Training Resources</b>	
<b>Strategy Proposal</b>	Design and implementation of an integrated approach to training and the sharing of training resources. This might include consideration of issues such as the formation of a training cooperative, the implementation of skills and training needs audits, forums to discuss the deployment of human resources, and the effective use of local support structures such as NGOs, LWCs and RDP committees.
<b>Current Status</b>	Training is presently loosely coordinated and often implemented in relative isolation.
<b>Lead Actors</b>	Training needs are so diverse that it is not possible to identify a single lead actor. The urgent need is to find frameworks and forums where training needs and actions can be discussed across Study Areas and among various actors. Area planning forums, with inputs from District Councils and DWAF, may serve an initial "brokerage" function. MW should participate in the training discussions, and identify areas where they can offer training. Internal MW training needs are discussed under (10) below. DWAF is well placed to consider programs and resources that might be relevant here, and should continue in this role.
<b>Policy Implications</b>	More integrated and efficient training policy among water sector organisations.
<b>Proposal 5: Water Supply and Local Economic and Resource Development.</b>	
<b>Strategy Proposal</b>	The development and implementation of a strategy to link water supply to both local economic development and community institutional capacity building. The key to such a strategy appears to be the entrenchment of planning capacity at local level. Such planning should address the delivery and management of all services, together with the mobilisation of the human resources required to perform and sustain these tasks.
<b>Current Status</b>	Large and well resourced local authorities engage in local development planning. Many of the new local authorities are uncertain of their responsibilities in this regard, and often have no experience or capacity. The Rustenburg District Council is one of the first in South Africa to empower local planning by linking small local authorities, and assigning technical expertise to these "zones". This model is a variant of several possible service cooperative approaches, and should be monitored closely by DWAF and MW.
<b>Lead Actors</b>	The primary responsibility for local development planning should rest with the provinces and the District Councils. DWAF and MW might play a catalytic role in the Study Area by assisting emerging District Councils to explore and evaluate the approaches of bodies like the Rustenburg DC.
<b>Policy Implications</b>	The promotion of integrated local planning has substantial implications for policy regarding Third Tier capacity building, and the manner in which the Third Tier tackles its service delivery roles. It seems likely that service cooperatives, with the possible involvement of the private sector (as planning facilitators and service providers) will become more common, especially outside of the resource-rich major urban areas. Among other things, government will have to become clearer on its policy position regarding the contribution of the private sector.

<b>Proposal 6: Sharing "Best Practice".</b>	
Strategy Proposal	The development of an approach and vehicle/ vehicles for the sharing of best practices (and information). As the transitional process unfolds, it is certain that innovative and effective approaches to issues like cost recovery, local incentives, payment systems, local financing, and locally managed operations and maintenance will be developed. The strategy is to ensure that these initiatives and experience are shared.
Current Status	Effective management and operational solutions are sometimes unrecognised by a wider group who might benefit from them.
Lead Actors	The most effective forums to discuss and explore best practice are those where both water delivery and local government administration are on the agenda (eg area planning forums). Lead actors might be District Councils and DWAF. MW should contribute actively to the forums wherever possible. DWAF should also consider ways to share best practice nationally. This is work that might be done by an appropriate NGO.
Policy Implications	Best practice will make a contribution to operationalising policy, and to the development of practical and tested guidelines.
<b>Proposal 7: Development of New Markets/Bulk Customers.</b>	
Strategy Proposal	<p>It is seen to be important that MW clarifies its own position on three forms of Third Tier support:</p> <ul style="list-style-type: none"> <li>- Project implementation and "emergency" Third Tier support where the relevant local government structures do not exist.</li> <li>- Forms of support to wider Third Tier capacity building.</li> <li>- The development of new bulk customers and markets.</li> </ul> <p>The first form of Third Tier support is essentially short-term, and will apply where capacity does not exist. Issues to be considered are the terms of MW engagement and the timing and nature of handover. The development of new bulk markets is a long-term activity that will include aspects of Third Tier capacity building. Issues requiring attention in the context of the development of bulk markets are: determining the nature of Third Tier support required to empower effective future bulk customers; the development of a classification of emerging bulk customers, with the type of support required for each category; the preparation of cost recovery forecasts and targets, and the development of appropriate capacity to interact with emerging bulk customers.</p>
Current Status	MW is already involved in short term project implementation, but has frequently articulated the need to clarify this involvement and other forms of Third Tier support.
Lead Actors	MW is the lead actor in this context, but the proposed strategy will require discussions with DWAF and elements of the Third Tier (especially District Councils, and possibly area development forums).
Policy Implications	The positions adopted by MW will assist in clarifying WB roles as broadly described in the White Paper on Water Supply and Sanitation.
<b>Proposal 8: Perceptions of Water Boards</b>	
Strategy Proposal	Develop a strategy to build a constructive perception of water boards (and especially MW) in the Study Area. This activity links to the development of bulk markets outlined above, and would seek to create a sense of "ownership" among local authorities and communities in the Study Area.
Current Status	It is evident from the work of DWAF (and agencies like BODA) in the various provinces that communities are unfamiliar with the role played by Water Boards. In some areas, local authorities are concerned with what they perceive to be a parallel bureaucracy.
Lead Actors	MW is the lead actor in this context, but will have to work within the framework of Third Tier institutions and protocols. BODA will be a useful source of technical advice.
Policy Implications	The strategy is entirely in line with the broader policy of promoting Water Boards as key actors in the water supply chain.
<b>Proposal 9: Systems and Key Processes</b>	
Strategy Proposal	Investigate and develop key processes and systems that will assist in the effective supply and management of water at local level. Issues that might be given attention include prepaid metering, basic water related accounting, community and private-sector based collection systems, and local financing systems for higher levels of service. This strategy might be carried out in conjunction with the "best practice" strategy discussed above.

<b>Proposal 9: Systems and Key Processes</b>	
Current Status	Many processes and systems are already in place, but have not been fully evaluated.
Lead Actors	The discussion of "best practice" might take place in the forums discussed above. MW (in discussion with the District Councils and DWAF) might then select initiatives worthy of support in terms of its Development of New Markets strategy.
Policy Implications	Tried and tested processes and systems might be more widely adopted in due course.
<b>Proposal 10: Appropriate Structuring of MW.</b>	
Strategy Proposal	<p>Develop a structure proposal for MW in the Extended Supply Area which addresses short, medium and long term needs, and MW's role vis-a-vis other players in the water and local government sectors. Issues that will shape the structure proposal include:</p> <ul style="list-style-type: none"> <li>- The priority and technical and financial feasibility of resource and infrastructure development (this will influence decisions about expanding technical, financial and operations and maintenance capacity in MW).</li> <li>- The present and anticipated future pace of development of the Third Tier (this will influence the view taken on capacity for "emergency" assistance).</li> <li>- The nature of the selected long term Third Tier support strategy (especially with reference to the strategy to develop new bulk markets). This will influence decisions about communication/ interaction capacity and capacity for targeted Third Tier capacity building. It may also have a bearing on decisions regarding the nature and representativeness of the Board.</li> <li>- The short and long term capacity of present management and organisational structures in the context of the extension challenges (extending supply and providing support).</li> <li>- The short and long term resolution of issues relating to the definition of the supply area boundary (eg the Water Board option selected by the KwaNdebele Water and Sanitation Task team, and the finalisation of long term options around present supply agreements with Rand Water).</li> <li>- Links between spatial units based on water management criteria and those formed by local government structures for area planning and local administration purposes. In this context, avoiding the duplication of capacity is an issue.</li> </ul> <p>With these issues in mind, MW may have to reconsider the present structure of the organisation, possibly extending operations and maintenance functions, placing these in modified spatial and management contexts. It might also wish to build a market development arm, with additional organisational implications.</p>
Current Status	MW is an effective and efficient organisation in the context in which it currently operates. In addressing the new challenges, MW and its Board will wish to retain these qualities.
Lead Actors	Decisions around organisational structure are the jurisdiction of MW and its Board. This is confirmed in the Scope of Work agreed between the governments of South Africa and Japan.
Policy Implications	MW decisions regarding the appropriate structure of the organisation might assist other Water Boards to structure their response to the challenges of transition and beyond.
<b>Proposal 11: Redeployment of Resources to Create Capacity</b>	
Strategy Proposal	<p>Magalies Water recently absorbed about 350 staff from NWWA as a result of the extension of MW's supply area. A preliminary assessment by MW indicates that through effective structuring and use of technology it is possible that current water supply function in former NWWA areas might be undertaken by 300 people. This creates the possibility of reallocating about 50 people. It is proposed that these people be trained and then used strategically to strengthen the Third Tier. Ultimately they may be transferred to relevant local authorities. Possible functions for relocated staff are:</p> <ul style="list-style-type: none"> <li>- Effecting connections.</li> <li>- Meter reading.</li> <li>- Collections.</li> <li>- Problem solving and liaison.</li> <li>- Minor repairs.</li> </ul>
Current Status	MW has recently taken these staff on and is assessing operational requirements in the extended supply area. The assessment will confirm the feasibility of this proposal. Areas of redeployment have not been identified, and training needs have not been assessed.

<b>Proposal 11: Redeployment of Resources to Create Capacity</b>	
<b>Lead Actors</b>	MW should lead the process in consultation with Third Tier actors in the areas selected.
<b>Policy Implications</b>	Policies and processes regarding the transfer of staff between institutions will be clarified.







JICA