



Media Release

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To: All Media

Magalies Water Continues with Stakeholder Engagements in Ngaka Modiri Molema District To Conclude Contract Negotiations and Improve Service Delivery

Since the beginning of August, when Magalies Water officially took over the previously serviced areas by the now defunct Sedibeng Water, the executive of the Rustenburg based water board has been traversing the North West province to engage its identified and potential bulk customers. This followed extensive due diligence investigations which shed light into the service delivery challenges which marred Sedibeng Water and had an adverse impact on the provision of bulk water services in the Dr. Ruth Segomotsi Mompati (Dr. RSMDM) and Ngaka Modiri Molema district municipalities (NMMDM).

To date Magalies Water has engaged the NMMDM on no less than 4 meetings, which were also attended by the representatives of the Department of Water and Sanitation in the North West. The water board has expressed its intention to live up to the prescripts of the Water Services Act (No. 108 of 1997) which gives effect the existence of water boards and as such, hopes that the current historical and current challenges can be addressed with the necessary speed in the interest of servicing communities, which have borne the brunt of inconsistent water supply in the recent past.

The recently held meeting in Mahikeng, between the NMMDM and Magalies Water sought to conclude the discussions on the bulk water contract which will formalize the relationship of the district municipality and the water board. Added to this, is to finalize the outstanding debt owed to Sedibeng Water which has been duly transferred to Magalies Water and the business plan which will give effect to the contract the two institutions aim to enter into. Present at the meeting also was the Department of and Human Settlements, Co-operative Governance and Traditional Affairs (COGTA) as well as the Mahikeng Local Municipality.

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The challenges which came with the former Sedibeng Water services, has caused discontentment among local municipalities to that extent that, there are proposals that local municipalities be serviced directly by Magalies Water and not the district municipality which is the registered water service authority. The issue remains unresolved, and Magalies Water has reminded stakeholders that it is not legally compliant to continue with provision of services for which no contracts have been signed, despite that a ministerial directive was issued.

The district gave a historical perspective on issue of non-payment which emanated from the Botshelo Water era, which was carried through to Sedibeng Water during the transition period. The municipality has agreed to the outstanding debt payable to Magalies Water. Reasons for the non-payment was cited as low collection rates as residents withhold payment for taxes and rates due to poor service delivery especially water provision.

The Department of Water and Sanitation, represented by its provincial head advised the district municipality to develop a payment plan in consultation with the water board to ensure that the issues around the outstanding debt are resolved. The district municipality has received the invoices but has advised that the amounts be divided according to the financial years, in order for the financial burden on their coffers to be manageable. The NMMDM has indicated its intention of servicing the debt from February 2023, upon approval of its adjustment budget.

End.

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