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CITY OF CAPE TOWN

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MEDIA RELEASE

City to move to no restriction, water-wise tariff from 1 November

Today, 20 October 2020, the City of Cape Town's Mayoral Committee (Mayco) unanimously supported the City's decision to lift water restrictions in Cape Town and to move to the lowest tariff, being the no restriction, water-wise tariff from 1 November 2020. The item was tabled at the meeting for noting and it will also serve before Council for noting next week. The City thanks all its water partners, residents, councillors and communities for the valuable partnerships that helped Cape Town get through the unprecedented drought and recovery period. Read more below:

Ongoing assessments were done over the past few months and the situation has been actively and proactively monitored by the City.

The decision to lift water restrictions and lower water tariffs is based on the following three key considerations:

- The National Department of Water and Sanitation's (DWS) lifting of its restrictions applicable to the Western Cape Water Supply System (WCWSS) of shared dams, of which Cape Town is one of the users. Overall, the WCWSS dam levels reached 100%.
- City projections indicating dams are unlikely to drop below 50% by next winter. The lifting of all restriction measures, except for existing water regulations permanently in place due to the proactive management of water resources, will allow for water-wise usage, in line with the lowest tariff, which is slightly lower than the current, second lowest tariff level.
- City projections also indicating the latest anticipated water usage patterns for the coming summer will be sufficient to allow the lowering of water and sanitation tariffs from the second lowest tariff to the lowest, no restriction water-wise tariff level. These tariffs are already part

of the Council-approved budget for the 2020/21 financial year, which followed due process including a public participation process.

'The Mayor has noted the expert advice from the City's Water and Sanitation Department and we support its decision to lift the water restrictions and to lower the water and sanitation tariff to the lowest approved level by Council. We have always had a proactive approach to the management of our resources, financial and natural, and we are happy to support the decision. We have come full circle in this vital partnership that saw Team Cape Town get through the drought. Apart from the dams filling up to capacity and beyond in recent weeks, this is another moment to be celebrated as, in a few short years: we have gone from the worst drought to face our city and a potential water 'Day Zero', to full dams and zero water restrictions besides the need to stay water-wise. We are situated in a water-scarce region so we will always need to ensure we are sustainable and future-fit.

'While we need to continue to be mindful of climate uncertainty, residents who feel comfortable enough can begin to relax water saving efforts in good conscience, while being water-wise, due to the significant increase in dam levels. These anticipated movements in the warmer summer months have been factored into the latest anticipated usage patterns for lowering the tariffs from the current second lowest tariff level, to the lowest, no restriction, water-wise tariff.

'The tariff has already been approved by Council as part of the set of tariffs for the City's 2020/21 budget. This lowest tariff will offer residents some financial relief while ensuring we can still provide reliable water services and invest in new water sources. Tariffs are set to cover the cost of providing water and sanitation. This includes the maintenance of infrastructure and making sure Cape Town is resilient by investing in and adding new sources to its water supply and becoming a water-sensitive city,' said the City's Executive Mayor, Alderman Dan Plato.

Earlier this year, the City's ambitious roadmap to resilience, the Water Strategy was launched, which seeks to ensure that there will be sufficient water for all in our future, and Cape Town will be more resilient to climate change and other shocks.

'In addition, Cape Town's recent drought crisis made it clear that it's necessary for the City to build water security by investing in future water sources as outlined in our Water Strategy. Building resilience against climate change comes at a cost, but it will be worth it in the long run, to ensure water is reliably available for generations to come. The City has already been actioning the Water Strategy as 15 million litres of groundwater per day have come online from the Table Mountain Group Aquifer while other projects, including permanent desalination and water reuse, are also being planned.

'Going forward, as a City, we will continue to implement cost-saving and water-wise plans and encourage Cape Town to continue to be water smart. What our residents may not know is that City water costs on average 4c per litre in comparison to approximately R10 per litre for shop-bought bottled water. Thank you Team Cape Town for using water responsibly and also for paying your water and sanitation accounts, which contributes to providing and maintaining a sustainable, reliable water service for all,' said the City's Mayoral Committee Member for Water and Waste, Alderman Xanthea Limberg.

What residents need to know about water tariffs:

- City water costs on average 4c per litre in comparison to R10 per litre for shop-bought bottled water.
- Based on the first 10 500 litres of water used + 15mm meter the average bill will be R411,99 on the no restriction, water-wise tariff. This is compared to R785,38 under the Level 6B tariff at the peak of the drought.
- The City's water tariff, like some other metros, has a usage and a fixed part and it forms the total water tariff that covers the cost of providing water. This includes the maintenance of infrastructure and making sure Cape Town is resilient by adding new sources to its water supply and becoming a water-sensitive city.
- The cost of providing the service remains largely the same regardless of how much or little water is used, or how full the dams are.
- Residents who are registered as indigent do not pay the fixed basic part of the water tariff and receive a free allocation of water monthly.
- The City does not budget for a profit/surplus from the sale of water, and seeks to keep costs of service delivery as low as possible.

What residents need to know about the no restriction, water-wise restriction level:

- The water restrictions are lifted under this level but permanent regulations as outlined in the Water By-law still apply, regardless of the restriction level as Cape Town is situated in a water-scarce region.
- For more information about the no restrictions 'water-wise' restriction level and the permanent regulations that still apply, please visit: <http://www.capetown.gov.za/thinkwater> or <http://resource.capetown.gov.za/documentcentre/Documents/Forms%2c%20notices%2c%20tariffs%20and%20lists/Water%20restrictions%20summary%20table%20-%20Comparison%20of%20all%20levels.pdf>

More information about the City's Water Strategy can be found here: <http://www.capetown.gov.za/general/cape-town-water-strategy>

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