



## AUDIT OUTCOME SHOWS MAJOR IMPROVEMENTS AT MHLATHUZE WATER

Media Statement

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An audit of the 2017/2018 financial year conducted by the Auditor-General (AG) on Mhlathuze Water shows that the water utility has made progress to inculcate a culture of good corporate governance, strengthen internal controls and mitigate its exposure to risk. Chief among the water utility's achievements is the finalisation of a register of nearly R1-billion in assets. This means that the utility remains in a strong position to undertake its business of delivering reliable *water* and *wastewater* services to the public and the private sector.

Noting the report by the Auditor-General, the Interim Chief Executive Officer of Mhlathuze Water Mr. Mthokozisi Duze said: "We have worked extremely hard to clear a number of issues that had been previously flagged as a cause for concern by the AG. Our turnaround efforts have included accurately updating our assets register which currently stands at R955-million and also attacking fruitless and wasteful expenditure." Duze added that the utility had taken a hard-line stance against corruption in all its guises.

"I can confirm that we have acted swiftly in dealing with those employees suspected of impropriety, with some either having been dismissed or placed on suspension. There are also cases that we have referred to law enforcement authorities for further investigation and prosecution."

While acknowledging that the AG had highlighted a need for the organisation to further improve on its financial management efficiencies and systems, Duze was nonetheless buoyant about the future of Mhlathuze Water.

"The dividends of our toil have been a vastly improved organisation which, by the Auditor-General's own submission, has made progress towards addressing issues emanating from previous financial years."

He said the imminent installation of a new Board at Mhlathuze Water which was expected to be finalised before the end of the year by the Minister of Water and Sanitation, Honourable Gugile Nkwinti, would no doubt bring about further stability to the utility.

Duze added that he had, over the past few months, held engagement sessions with Chief Executives of various large industrial stakeholders who had expressed satisfaction with the services provided by Mhlathuze Water.

“Mhlathuze Water, because of its ideal location in one of the key economic zones in the province of KwaZulu-Natal has the single-minded focus of using the bulk provision of water as an enabler for social and economic development as outlined in the provincial growth and development strategy,” he said.

Issued by the Office of the Chief Executive, Mhlathuze Water

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