

Cumulative 2022/23 fourth quarter performance and expenditure report for the Department of Water and Sanitation (Vote 41)

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WATER IS LIFE - SANITATION IS DIGNITY



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA



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Purpose

To brief the Portfolio Committee on the Department of Water and Sanitation's cumulative fourth quarter performance for the 2022/23 financial year

Introduction

- The DWS continues to implement measures to accelerate key service delivery programmes. By the end of the fourth quarter the Department's performance targets achievement was 74% with 95.4% of budget spent.
- Achievements of the Department by the end of the fourth quarter include the completion Hazelmere Dam Project, practical completion of the Giyani Bulk Water Project, filling of 848 engineers and scientists posts, finalisation and implementation of the departmental structure.
- The department has developed a number of initiatives aimed at acceleration of service delivery and interventions aimed at strengthening strategic support of municipalities including the National Water Services Improvement Programme and the National Sanitation Framework.
- A number of factors led to poor productivity on some construction projects including inadequate planning and work scheduling, lack of collaboration and communication between stakeholders on the project, as well as inadequate capacity of Water Boards and Municipalities.
- The DWS is also implementing various interventions in line with the financial turnaround and recovery plan including the:
 - Infrastructure Procurement Strategy
 - Improved project management processes

PART A: EXECUTIVE SUMMARY

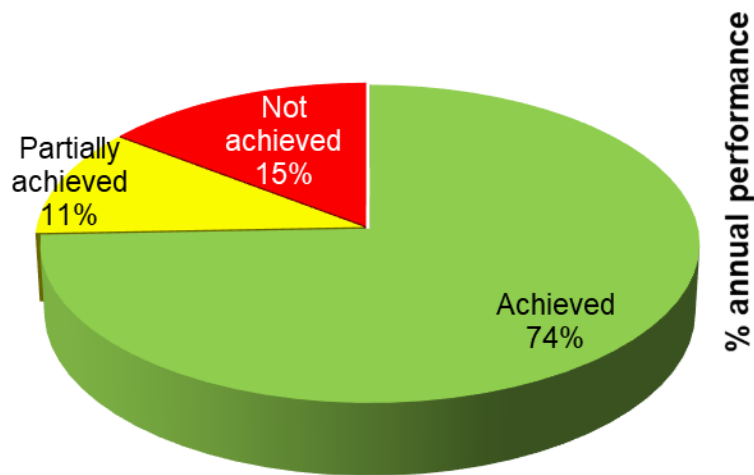
- Comparison of non-financial and financial performance
- Overview of the Department's budget programme performance
- Consolidated progress in implementing the 2017 preferential procurement regulations
- Consolidated procurement from designated groups

Comparison of non-financial and financial performance

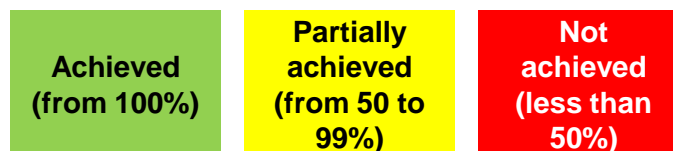
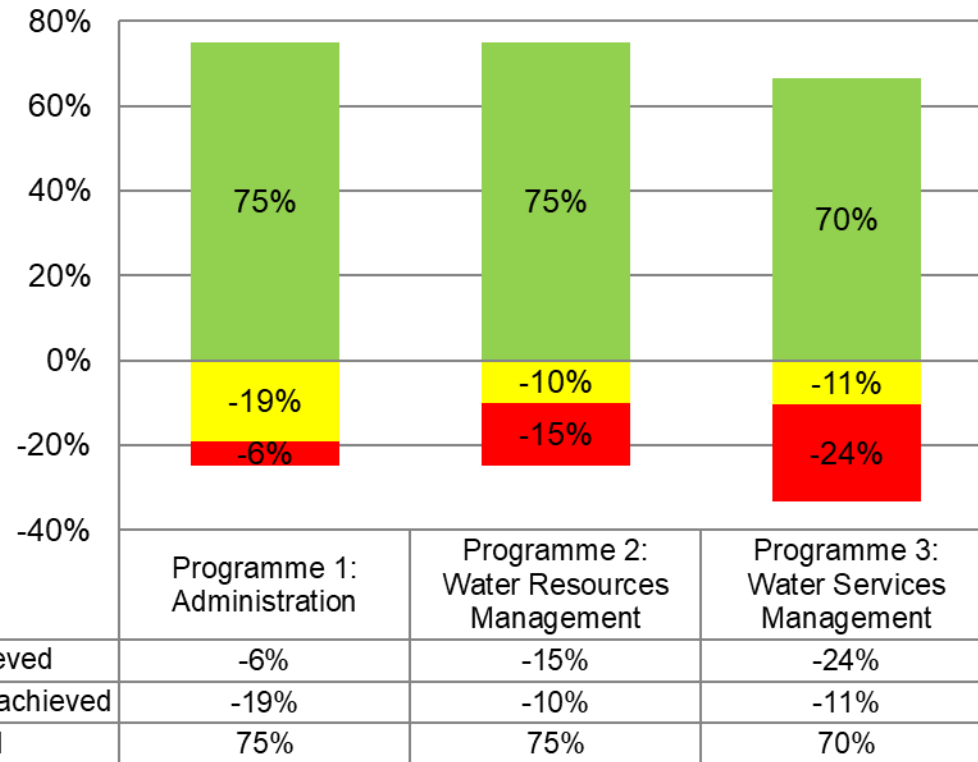
Programme		% actual achievement	% budget spent	Areas of under performance
1	Administration	75%	98%	<ul style="list-style-type: none"> • Implementation of the risk management plan • Expenditure on annual budget • Number of debtor days
2	Water Resources Management	75%	99%	<ul style="list-style-type: none"> • Cabinet approval of the National Water Amendment Bill • Cabinet approval of the NWRS-3 • Finalisation of the National Water Resources Agency Bill • Bulk raw water projects in preparation for implementation phase and under construction • Scheduled and unscheduled maintenance projects • Dam safety rehabilitation projects completed • Conveyance systems rehabilitation • Draft regulation for water allocation reform
3	Water Services Management	70%	93%	<ul style="list-style-type: none"> • Assessment of water service authorities for No Drop programme • District municipality five-year water and sanitation reliability plans • Large regional bulk infrastructure project phases under construction and completed • Water service infrastructure projects completed • Replacement of existing bucket sanitation in formal settlements • Cabinet approval of the Water Services Amendment Bill • Assessment of water supply systems for Blue Drop
Total		74%	95%	

Overview of the Department's budget programme performance

Consolidated performance

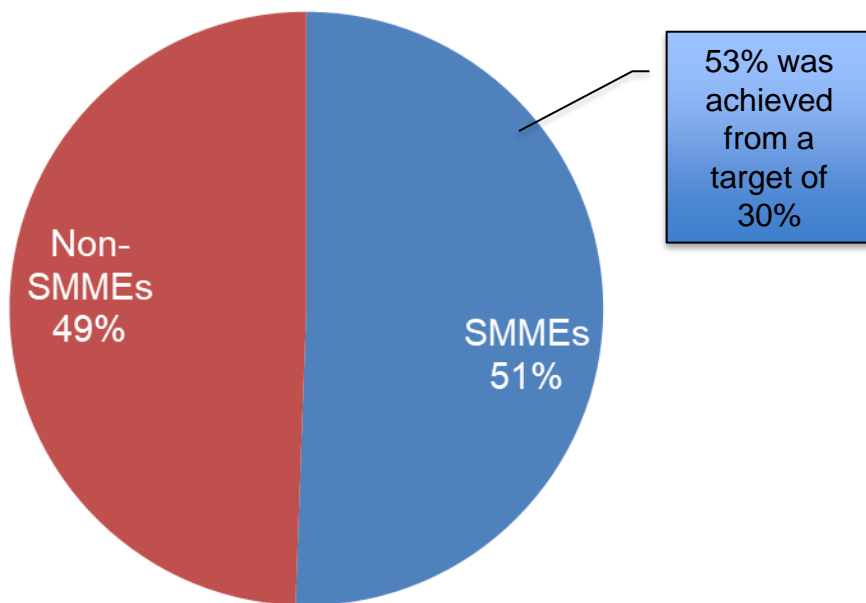


Consolidated performance per programme

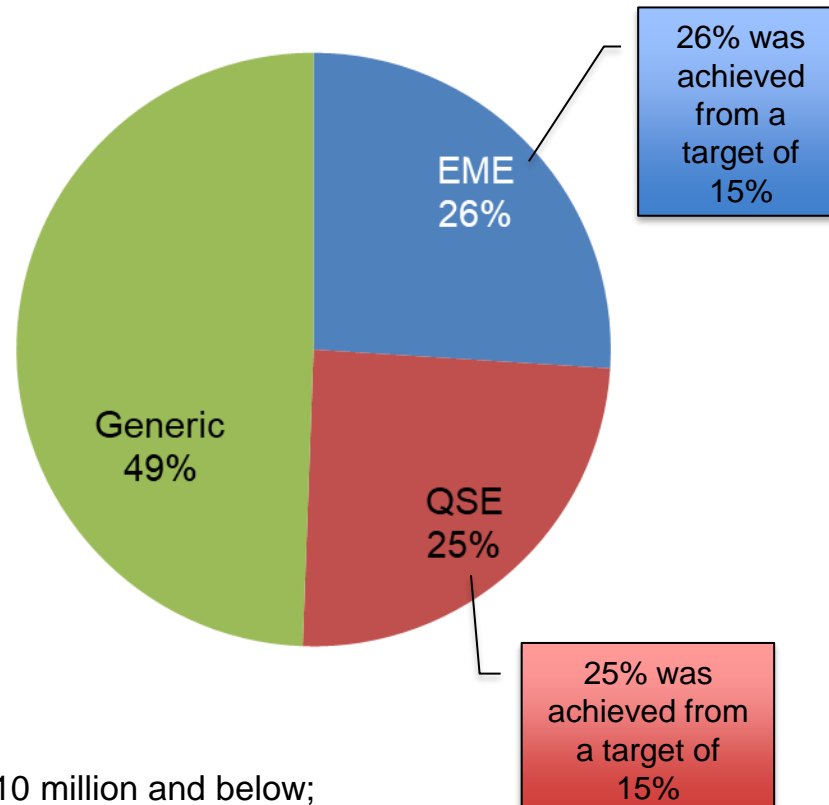


Consolidated progress in implementing the 2017 preferential procurement regulations

Consolidated annual procurement



Consolidated annual procurement per SMME category



Legend:

- **Exempted Micro Enterprise (EME):** annual turnover of R10 million and below;
- **Qualifying Small Enterprise (QSE):** annual turnover between R 10 million and R50 million;
- **Generic enterprise:** annual turnover above R50 million

Consolidated procurement from designated groups

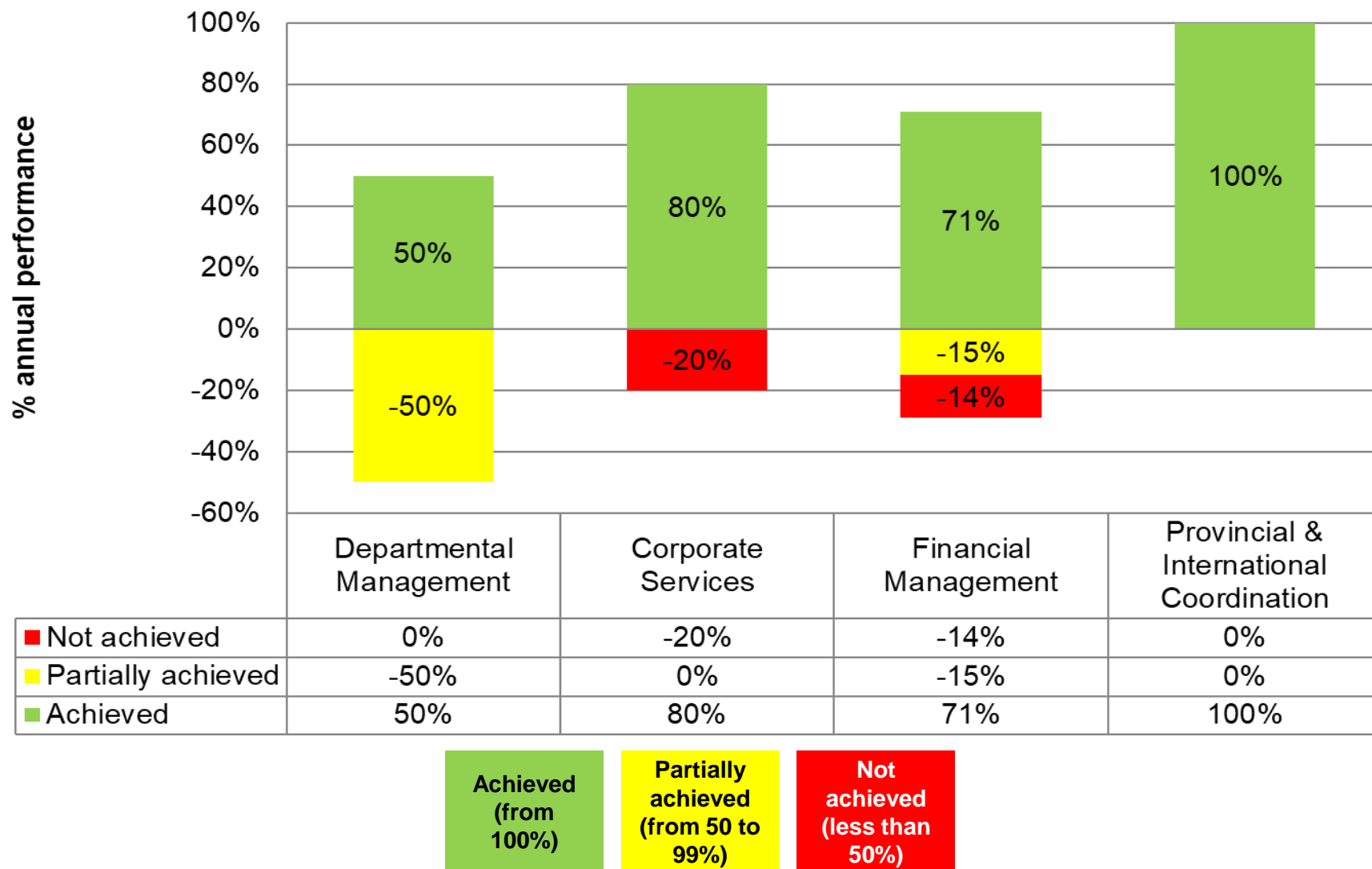
For the department consolidated procurement

- 23% of the department's procurement was awarded to companies with 50% or more women ownership
- 6% was awarded to companies with 50% or more youth ownership
- 2% was awarded to companies with 50% or more ownership by people with disabilities

PART B: OVERVIEW OF NON-FINANCIAL PERFORMANCE

- Performance analysis per budget programme
- Summary of cumulative achievement per budget programme
- Details on areas of partial and non-achievement

Programme 1 (Administration) performance overview per budget sub-programme



Programme 1 (Administration) summary of cumulative achievements

Departmental Management	Corporate Services
<ul style="list-style-type: none"> • 102% compliance with the approved audit action plan • 96% implementation of risk management plan 	<ul style="list-style-type: none"> • 848 engineers and scientist posts filled • 60% training interventions implemented • 67 safety and security assessments for facilities and installations conducted • Maintained 99% availability of information technology systems • Implementation of 1791 communication and stakeholder management activities
Financial Management	Provincial & International Coordination
<ul style="list-style-type: none"> • SMME procurement at 51% of which: <ul style="list-style-type: none"> ○ 25% targeted procurement spent on qualifying small enterprises (QSEs) ○ 26% targeted procurement spent of exempted micro enterprises (EMEs) • Targeted procurement spent on designated groups with ownership at 50% and above: <ul style="list-style-type: none"> ○ Women account for 23% ○ Youth account for 6% ○ People with disabilities account for 2% • 100% implementation of financial and recovery plan 	<ul style="list-style-type: none"> • Implementation of 2022/23 annual international relations programme as follows: <ul style="list-style-type: none"> ○ 8 initiatives ○ 34 agreements ○ 37 obligatory • Implementation of 2022/23 annual international relations programme as follows: <ul style="list-style-type: none"> ○ 37 project stakeholder engagements ○ 17 IGR ○ 2 national collaborative structures ○ 44 capacity building forum ○ 38 partnership sustained

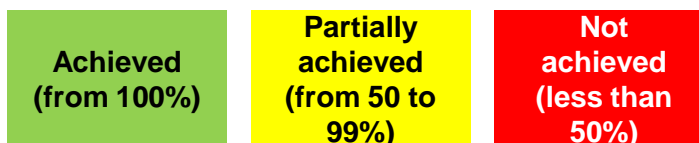
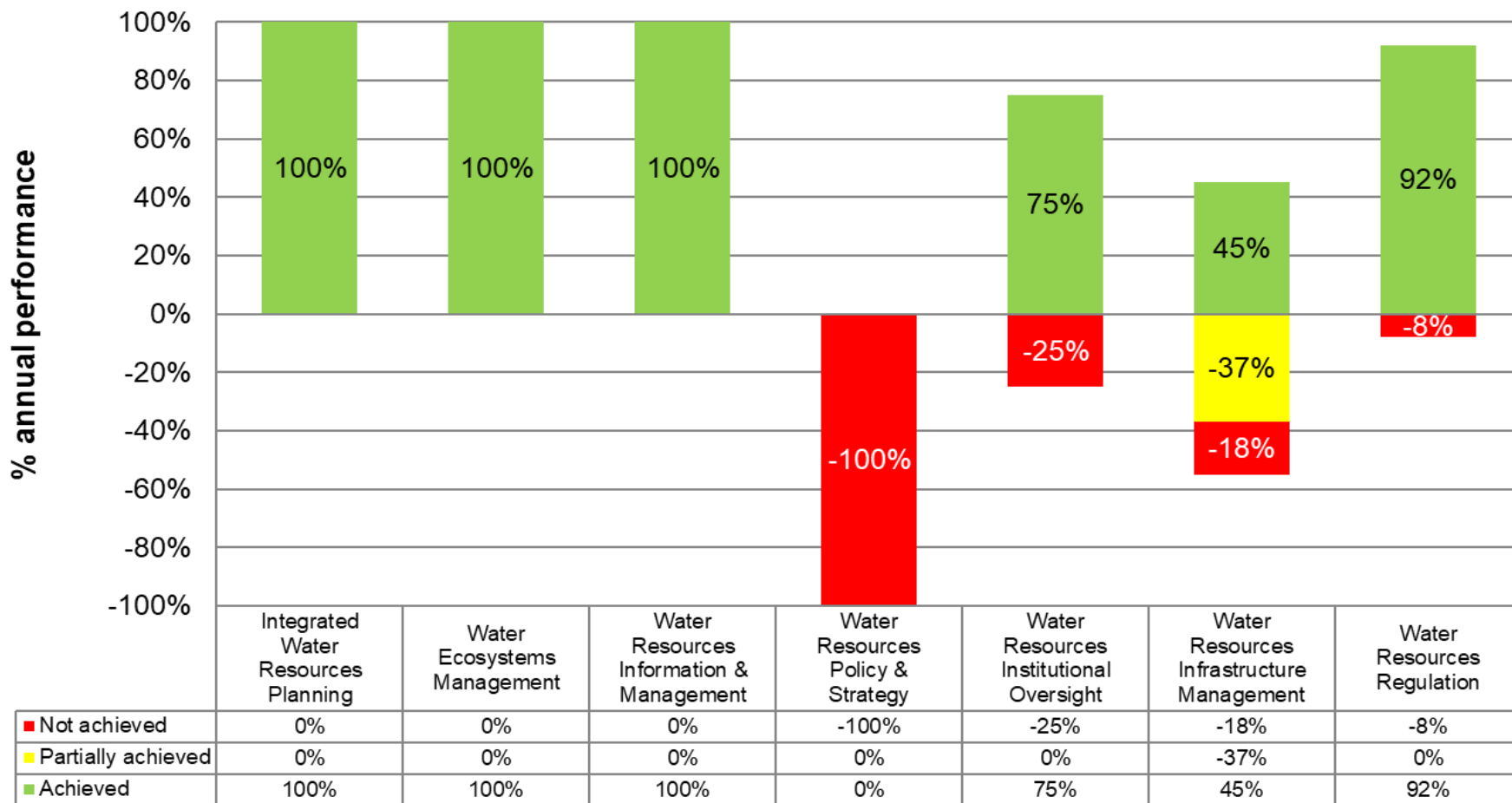
Programme 1 (Administration) details on areas of partial and non-achievement...(1)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Departmental Management					
1.1.2	Percentage compliance with the implementation of risk management plan	100%	96%	Under by 4%	Target partially met As the risk maturity was not conducted, the risk management committee resolved that it should be conducted by an independent person
Corporate Services					
1.1.3	Percentage of vacancy rate for engineers and scientists	≤10%	25% vacancy rate (i.e. 279 vacant of 1127 posts)	Over by 15%	Target not met The new organisational structure under implementation increased the scientist and engineering posts

Programme 1 (Administration) details on areas of partial and non-achievement...(2)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Financial Management					
1.4.2	Percentage expenditure on annual budget	100%	95%	Under by 5%	<p>Target partially met</p> <ul style="list-style-type: none"> • Compensation of employees • Capital payments • Transfers and subsidies <p><i>[N.B. details in the annual financial performance presentation]</i></p>
1.4.3	Number of debtor days	150 days	199 days	Increased by 49 days	<p>Target not met</p> <p>The deviation is due to the increased debtors' book because of non-payment by customers, customers not honouring the repayment plans.</p>

Programme 2 (Water Resource Management) performance overview per budget sub-programme



Programme 2 (Water Resource Management) summary of cumulative achievements... (1)

Integrated Water Resource Planning	Water Ecosystems Management
<ul style="list-style-type: none"> • Annual update of the National Water & Sanitation Master Plan • Status on reconciliation strategies for 4 water supply systems • Operating rules and specialist strategies completed for 9 water supply systems • Climate change scenarios for water sector • Annual monitoring and evaluation report for Xhariep Pipeline, Clanwilliam Bulk Conveyance Infrastructure and Lower Coerney Balancing Dam 	<ul style="list-style-type: none"> • Thukela water resource classes and resource quality objectives legal notice
Water Resources & Information Management	Water Resources Institutional Oversight
<ul style="list-style-type: none"> • 76 rivers implemented river eco-status monitoring • 5 water resource monitoring programmes reviewed and maintained (i.e. surface water, ground water, national chemical monitoring programme and national eutrophication monitoring programme) • 6 water and sanitation information systems maintained (i.e. National Integrated Water Information; Hydrological Information; National Geohydrological Information; Water Management; Geographical Information and Flood Monitoring and Forecasting systems) • 1 gauging station completed 	<ul style="list-style-type: none"> • Annual performance plans and quarterly reports for 2 CMAs, TCTA and WRC evaluated • 1 catchment management agency gazetted for establishment (Mzimvubu-Tsitsikamma) • Status on transforming 5 irrigation boards into water user associations

Programme 2 (Water Resource Management) summary of cumulative achievements... (2)

Water Resources Infrastructure Management	Water Resources Regulation
<ul style="list-style-type: none"> • 2 bulk raw water projects under construction • 1 bulk raw water project completed (Hazelmere) • 473 maintenance projects completed as planned • 32 dam safety evaluations conducted • 3.155 kilometres of conveyance systems rehabilitated • Adherence to water supply agreements / authorisations and operating rules at 200% • 185 job opportunities created through implementing bulk raw water and operations of water resources infrastructure projects 	<ul style="list-style-type: none"> • 4 river system monitored for resource directed measures • Upper Olifants and Limpopo catchment mitigation strategies for mine water and wastewater treatment works completed • Catchment plan implemented for mine water and wastewater management for the Orange and Mzimvubu-Tsitsikamma • Draft waste Discharge Charge strategy • 710 water use license applications finalised • 2023/24 raw water charges developed • 2022/23 Water Research Levy approved • 422 water users monitored for compliance • 455 wastewater systems monitored against the Regulatory Requirements • 344 of reported non-compliant cases investigated • Final Business Case for Water Regulator Version III. developed

Programme 2 (Water Resource Management) details on areas of partial and non-achievement... (1)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Water Resources Policy & Strategy					
5.1.1	National Water Act Amendment Bill developed	Submit National Water Amendment Bill to cabinet for approval	National Water Amendment Bill has been endorsed by the cluster system to be submitted to Cabinet.	National Water Amendment Bill was not submitted to Cabinet	Target not met On 12 April 2023, the SPCHD cluster endorsed the submission of the National Water Amendment Bill to Cabinet. The submission to Cabinet will be done through the SPCHD cluster
5.1.2	National Water Resources Strategy Edition 3 (NWRS-3) developed	NWRS-3 submitted to cabinet for approval	The NWRS-3 has been endorsed by the cluster system to be submitted to Cabinet	NWRS-3 has not been submitted to cabinet for approval	Target not met Obtain the Executive Authority's approval to submit the draft Cabinet memorandum to Cabinet
Water Resources Institutional Oversight					
6.2.3	National Water Resources Infrastructure Agency gazetted for establishment	NWRIA Bill finalised	Independent investigation on financial assessment and legal opinion on the TCTA existing loan conditions & covenants is currently underway	NWRIA Bill not finalised	Target not met An independent investigation on financial assessment and legal opinion on the TCTA existing loan conditions & covenants is currently underway

Programme 2 (Water Resource Management) details on areas of partial and non-achievement...(2)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Water Resources Infrastructure Management					
3.4.1	Number of bulk raw water projects in preparation for implementation	4	1	Under by 3	<p>Target not met</p> <ul style="list-style-type: none"> • <u>Foxwood Dam</u>: procurement delays for PSP to undertake the design and construction supervision • <u>Coerney Dam</u>: procurement delays for design work PSP • <u>Nwamitwa Dam</u>: delays in sign-off of dam boundary line and completion of land scheduled
3.4.2	Number of bulk raw water projects under construction	4	2	Under by 2	<p>Target not met</p> <ul style="list-style-type: none"> • <u>Tzaneen Dam</u>: Delay in the submission of the application for the Construction Permit to the Department of Employment & Labour. • <u>Clanwillam Dam</u>: Delays with the procurement of goods and services has resulted in the delay in the recommencement of construction activities
3.5.5	Number of kilometres of conveyance systems rehabilitated per annum	6km	3.155km	Under by 2.845km	<p>Target partially met</p> <p>Scope of work was increased due to plant breakdown also the delays in procurement of material due to supply chain processes</p>

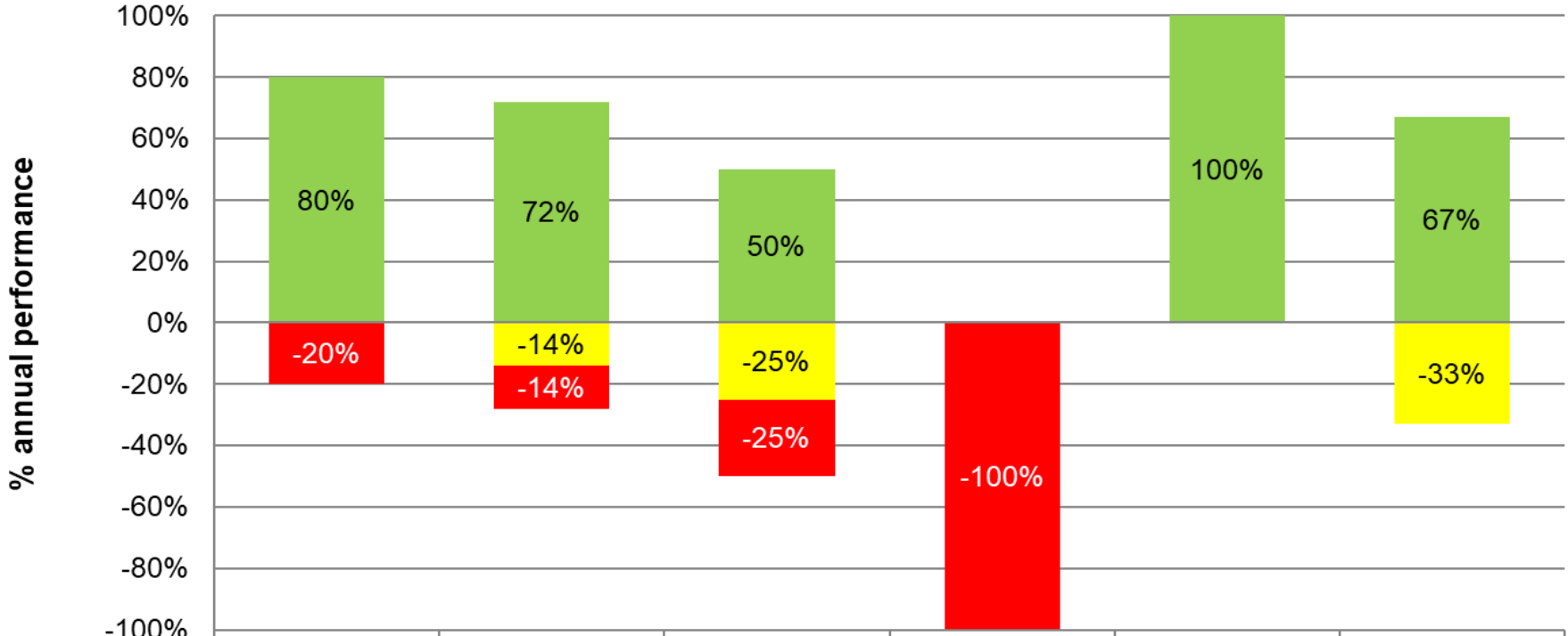
Programme 2 (Water Resource Management) details on areas of partial and non-achievement... (3)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Water Resources Infrastructure Management					
3.5.1	Percentage scheduled maintenance projects completed as a proportion of planned maintenance projects	50%	45% (473 of 1046)	Under by 5%	Target partially met New term contractors were appointed midway through the financial year and required some time to acclimatise with the departmental procedures
3.5.2	Percentage unscheduled maintenance projects completed as a proportion of planned maintenance projects	Less than 30%	35%	Increase to 35%	Target partially met The extended period without access to maintenance contractors, caused a deterioration which exacerbated the backlog
3.5.4	Number of dam safety rehabilitation projects completed	2	0	Under by 2	Target not met Nkadimeng Dam: Construction is currently at 79% completion. Additional scope of work to address dam safety. Marico Bosveld Dam: is currently at 84% completion. Additional scope of work to address dam safety

Programme 2 (Water Resource Management) details on areas of partial and non-achievement...(4)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Water Resources Regulation					
6.1.1	Regulation for advancement of water allocation reform finalised	Draft Regulation for water allocation reform	Draft Regulation published for public comments	Draft Regulation for water allocation reform not public comments	Target not met The process has been put on hold until the amendment of the NWA

Programme 3 (Water Services Management) performance overview per budget sub-programme



	Water Services & Local Management	Regional Bulk Infrastructure Grant	Water Services Infrastructure Grant	Water Services Policy & Strategy	Water Services Institutional Oversight	Water Services Regulation
■ Not achieved	-20%	-14%	-25%	-100%	0%	0%
■ Partially achieved	0%	-14%	-25%	0%	0%	-33%
■ Achieved	80%	72%	50%	0%	100%	67%

Achieved (from 100%)	Partially achieved (from 50 to 99%)	Not achieved (less than 50%)
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Programme 3 (Water Services Management) summary of cumulative achievements

Water Services & Local Management	Regional Bulk Infrastructure Grant
<ul style="list-style-type: none"> • 4 water conservation and demand management strategies updated • Collection of IWA water balances for 8 large water supply systems • 8 feasibility studies and 5 implementation readiness for water and wastewater • National Report on Municipal Strategic Self-Assessments (MuSSA) • National Municipal Priority Action Plan report developed • 9 provincial action plans for National Sanitation Integrated Plan • National Faecal Sludge Management Strategy for on-site sanitation developed. 	<ul style="list-style-type: none"> • A total of 100 regional bulk project phases under construction of which <ul style="list-style-type: none"> ○ 13 are mega project phases ○ 65 are large project phases ○ 22 are small project phases • A total of 11 project phases completed of which <ul style="list-style-type: none"> ○ 1 is a mega project phase ○ 5 are large project phases ○ 5 are small project phases • 872 job opportunities created through implementing RBIP infrastructure projects
Water Services Infrastructure Grant	Water Services Regulation
<ul style="list-style-type: none"> • 379 small WSIG projects under construction • 102 small WSIG projects completed • Implementation of the Vaal and Giyani intervention projects 	<ul style="list-style-type: none"> • 2023/24 bulk water tariffs developed • 446 non-compliant water supply systems monitored against the regulatory requirements
Water Services Institutional Oversight	
<ul style="list-style-type: none"> • Shareholder compacts / Business Plan for 8 water boards evaluated • 1 water board reconfigured 	

Overview of provincial projects funded through the Regional Bulk and Water Services Infrastructure Grants

Province	Regional bulk project phases		Water services infrastructure grant projects		Intervention project(s)
	Under construction	Completed	Under construction	Completed	
Eastern Cape	18	4	52	39	-
Free State	19	2	41	8	-
Gauteng	1	0	11	0	1
KwaZulu-Natal	7	1	56	8	-
Limpopo	13	0	90	3	1
Mpumalanga	26	2	32	17	-
Northern Cape	3	1	31	13	-
North West	9	0	43	7	-
Western Cape	4	1	23	7	-
Total	100	11	379	102	2



Programme 3 (Water Services Management) details on areas of partial and non-achievement...(1)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Water Services and Local Management					
3.8.2	Number of WSAs assessed for compliance with the requirements of the No Drop Regulatory Programme	144	Draft No Drop Watch Report	Assessment of 102 WSAs	Target not met Low submission rate from the WSAs as 42 of the 144 had submitted for assessment.
4.1.1	Number of district municipalities (DMs) with developed 5-year water and sanitation reliability plans	10	4	Under by 6	Target not met The procurement process for the 6-reliability plan has not been finalised

Programme 3 (Water Services Management) details on areas of partial and non-achievement... (2)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Regional Bulk Infrastructure Grant					
3.9.3.2	Number of large regional bulk infrastructure project phases under construction	67	65	Under by 2	<p>Target partially met</p> <ul style="list-style-type: none"> • <u>Driefontein BWS Ph 2 of 3</u>: The project RBIG commitment ceiling has been reached. There is no allocation for the current financial year. The project is about 99% complete and the contractor moved off-site due to the municipality's failure to pay its invoices. • <u>Nebo Ph 3 of 3</u>: The contractor vacated site due to financial challenges. .
3.9.4.2	Number of large regional bulk infrastructure project phases completed	13	5	Under by 8	<p>Target not met</p> <ul style="list-style-type: none"> • <u>CHDM Cluster 4 Phase 4 and 5</u>: the poor contractor performance delayed the completion of these projects. • <u>Ngwathe BWS Phase 3 of 3</u>: community strikes, relating to 30% sub-contracting, the project has lost many days that have affected the completion time • <u>Driefontein BWS Ph 2 of 3</u>: the contractor moved off-site due to the municipality's failure to pay its invoices. • <u>Empuluzi phases 3B, 5, 6</u>: Delays by the contractor to finalise the works as affected by flooding

Programme 3 (Water Services Management) details on areas of partial and non-achievement... (3)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Water Services Infrastructure Grant					
3.10.2	Number of small WSIG projects completed	115	102	Under by 13	Target partially met The major challenge that delay completion of projects under has been the delay in appointment of contractors by the municipalities.
3.10.4	Number of existing bucket sanitation backlog systems in formal settlements replaced	10798	0	Under by 10798	Target not met There were several challenges linked to the project including: <ul style="list-style-type: none"> • Procurement for goods and services • Labour and SMME disputes • Inclement weather
Water Services Policy and Strategy					
5.2.1	National Water Act Amendment Bill developed	Submit Water Services Amendment Bill to cabinet for approval	OCSLA comments were addressed and the final version of the bill was produced	Water Services Amendment Bill not submitted to cabinet for approval	Target not met Proposals indicated that the Bill requires more attention on improving section 63 intervention.

Programme 3 (Water Services Management) details on areas of partial and non-achievement... (4)

Performance indicator		2022/23 annual target	2022/23 annual achievement	Deviation from annual target	Comments
Water Services Regulation					
5.3.1	Number of water supply systems assessed for compliance with Blue Drop regulatory requirements	1035	979	Under by 56	<i>Target partially met</i> When conducting the assessments, it was found that some water supply systems were decommissioned and thus could not be assessed

PART C: OVERVIEW OF FINANCIAL PERFORMANCE

- Cumulative expenditure against budget per budget programme
- Cumulative expenditure against budget for infrastructure grants

Cumulative expenditure against the final budget

Details	2022/23				2021/22	
	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget	Actual Expenditure	Expenditure as % of final budget
	R'000	R'000	R'000	%	R'000	%
Administration	1,990,699	1,957,252	33,447	98,3%	1,716,491	87,6%
Water Resources Management	3,814,317	3,781,243	33,074	99,1%	3,499,861	96,8%
Water Services Management	12,749,994	11,954,920	795,074	93,8%	9,987,154	82,1%
Total programme	18,555,010	17,693,415	861,595	95,4%	15,203,506	85,7%
Economic classification						
Current payments	3,727,919	3,643,523	84,396	97,7%	3,215,607	78,2%
Compensation of employees	1,836,433	1,812,886	23,547	98,7%	1,742,236	93,9%
Goods and services	1,891,483	1,830,634	60,849	96,8%	1,473,150	65,2%
Interest and rent on land	3	3	-	100,0%	221	99,5%
Transfers and subsidies	10,803,374	10,799,399	3,975	100,0%	9,414,311	100,0%
Province and municipalities	6,357,665	6,357,147	518	100,0%	5,858,274	100,0%
Departmental agencies and accounts	2,612,141	2,612,140	1	100,0%	2,375,855	100,0%
Foreign governments and international organisations	250,978	250,754	224	99,9%	243,116	99,9%
Public corporations and private enterprises	1,543,686	1,543,686	-	100,0%	902,969	100,0%
Non-profit institutions	1,592	1,485	107	93,3%	577	43,6%
Households	37,312	34,187	3,125	91,6%	33,520	100,0%
Payments for capital assets	4,022,693	3,249,469	773,224	80,8%	2,573,410	61,2%
Buildings and other fixed structures	3,824,215	3,135,658	688,557	82,0%	2,479,579	61,3%
Machinery and equipment	146,936	67,373	79,563		52,451	44,7%
Software and other intangible assets	51,542	46,438	5,104	90,1%	41,380	95,7%
Payments for financial assets	1,024	1,024	-	100,0%	178	100,0%
Total economic classification	18,555,010	17,693,415	861,595	95,4%	15,203,506	85,7%

Cumulative financial overview

- The expenditure for the period ended 31 March 2023 amounted to **R17.693** billion, representing ninety-five per cent (95%) of the total final budget of **R18.555** billion, leaving total unspent funds of **R861.595** million.
- The department reported an under expenditure of **R861.595** million. Cumulative variations between budget and expenditure within various economic classifications are as follows:
 - **Compensation of employees** reflects under expenditure of **R23.547** million, the under-spending is affected mainly by reduced rate of filling vacancies to comply with mandatory budget cuts over the Medium-Term Expenditure Framework period. Only critical prioritised posts are being filled.
 - **Goods and services** under expenditure is **R60.849** million. The under-spending is mainly due to unpaid invoices for the Eastern Cape and KwaZulu-Natal disaster interventions.
 - **Transfers and subsidies** underspent by **R3.975** million, the under-spending relates mainly to the Households (Employees social benefits / leave gratuities).
 - **Payments for capital assets** underspent by **R773.224** million, the significant contributor is the indirect grant allocation to municipalities which includes both the regional bulk and water services infrastructure grants due to, amongst others; slow moving projects, inadequate planning, delayed procurement processes and payment systems errors at financial year-end.
- All the unspent funds for the 2022/23 financial are committed and the Department has applied to National Treasury for approval of the unspent funds to be rolled over to the 2023/24 financial year.

Request for roll-overs

- Request for roll-over of funds has been submitted to National Treasury for the projects below, this includes funds for committed projects that are already in progress.

Details	Grant Type	Amount
		R'000
Giyani Water Reticulation to Villages	(WSIG)	282 333
Water Tankering (KZN Disaster Response)	(WSIG)	29 061
Water Tankering (NMB Disaster Response)	(WSIG)	10 000
Kouga, Ndlambe and Amatola Water Projects	(WSIG)	38 930
uMkhanyakude section 63 Intervention	(WSIG)	32 600
Bucket Eradication (Free State and Northern Cape)	(WSIG)	37 792
Bucket Eradication (Free State and Northern Cape)	(RBIG)	292 075
Total		722 791

- The conclusion of the Giyani Water Services Project, which is intended to supply water to 55 villages is currently underway. The first phase of the project is at an advanced stage with contractors appointed and on site, it is anticipated that the first phase will be completed by the end of the 2023/24 financial year.
- The Bucket Eradication Programme was delayed due to inadequate engineering planning and design for the required upgrading of wastewater treatment works to receive additional sewage from the new household waterborne sanitation connections. The projects will be completed during the 2023/24 financial year hence the request for roll over.
- Projects affected by payment processing errors in the Eastern Cape and Kwa-Zulu Natal are part of the roll-over request.
- The recovery plans to mitigate risks of underspending were implemented and monitored continuously, however interdepartmental dependencies and processes at Municipalities contributed to underspending.

Cumulative expenditure against the final budget

Earmarked, specifically and exclusively appropriated infrastructure items	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Regional Bulk Infrastructure Grant (RBIG): Conditional allocations to local government -(Transfers and subsidies)	2,655,668	2,655,668	-	100%
Regional Bulk Infrastructure Grant (RBIG): Indirect Grant - (Payment for capital assets)	2,692,005	2,411,308	280,697	90%
Regional Bulk Infrastructure Grant (RBIG): Bucket Eradication Programme - (Payment for capital assets)	414,278	119,220	295,058	29%
Regional Bulk Infrastructure Grant (RBIG): Vaal River System Remedial Intervention (Goods and services)	229,860	194,292	35,568	85%
Total Regional Bulk Infrastructure Grant	5,991,811	5,380,488	611,323	90%
Limpopo (RBIG): Lepelle Northern Water Board	422,000	422,000	-	100%
North West (RBIG): Magalies Water Board	109,284	109,284	-	100%
Head Office: Magalies Water Board (Disestablishment of Sedibeng)	21,165	21,165	-	100%
Head Office: Bloem Water Board (Disestablishment of Sedibeng)	108,835	108,835	-	100%
KwaZulu-Natal (RBIG): Umgeni Water Board	738,673	738,673	-	100%
Northern Cape (RBIG): Sedibeng Water Board	143,729	143,729	-	100%
Total Regional Bulk Infrastructure Grant - Water Boards (Public Corporations and Private Enterprises)	1,543,686	1,543,686	-	100%

Cumulative expenditure against the final budget

Earmarked, specifically and exclusively appropriated infrastructure items	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Water Services Infrastructure Grant (WSIG): Conditional allocations to local government (Transfers and Services)	3,701,019	3,701,019	-	100%
Water Services Infrastructure Grant (WSIG): Indirect Grant - (Payments for capital assets)	645,770	574,239	71,531	89%
Water Services Infrastructure Grant (WSIG): Bucket Eradication Programme - (Payment for capital assets)	50,566	9,297	41,269	18%
Disaster response allocation to provide water tankering services - (Goods and Services)	75,000	31,439	43,561	42%
Total Water Services Infrastructure Grant	4,472,355	4,315,994	156,361	97%
Water Trading Entity - Acid mine drainage and other capital projects	2,122,638	2,122,638	-	100%
Water Trading Entity - Contribution to operations and maintenance	221,141	221,141	-	100%
Water Trading Entity - Establishment of Catchment Management Agencies	70,000	70,000	-	100%
Water Trading Entity - Raising of clanwilliam dam olifants doorn river water resource project	195,000	195,000	-	100%
Total Water Trading Entity (WTE) Transfer payments	2,608,779	2,608,779	-	100%
KOBWA	248,278	248,278	-	100%
Total KOBWA Transfer payment	248,278	248,278	-	100%
Grand Total	14,864,909	14,097,225	767,684	95%

RBIG & WSIG 5B financial performance per province

Province	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Eastern Cape	413,907	413,907	100%
Free State	204,407	204,407	100%
KwaZulu-Natal	463,810	463,810	100%
Limpopo	134,584	134,584	100%
Mpumalanga	657,142	657,142	100%
Northern Cape	50,000	50,000	100%
North West	280,128	280,128	100%
Western Cape	451,690	451,690	100%
Total: RBIG	2,655,668	2,655,668	100%

Province	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Eastern Cape	471,362	471,362	100%
Free State	332,599	332,599	100%
Gauteng	177,338	177,338	100%
KwaZulu-Natal	1,058,400	1,058,400	100%
Limpopo	452,774	452,774	100%
Mpumalanga	479,745	479,745	100%
Northern Cape	252,055	252,055	100%
North West	336,286	336,286	100%
Western Cape	140,460	140,460	100%
Total: WSIG	3,701,019	3,701,019	100%

RBIG 6B financial performance per province

Province	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Eastern Cape	314,558	218,357	96,201	69%
Free State: RBIG projects	586,081	586,081	-	100%
Free State: RBIG - BEP	366,346	75,243	291,103	21%
Gauteng	405,588	233,921	171,667	58%
KwaZulu-Natal	-	-	-	0%
Limpopo	711,470	700,960	10,510	99%
Mpumalanga	385,674	384,327	1,347	100%
Northern Cape: RBIG projects	1,998	1,026	972	51%
Northern Cape: RBIG - BEP	47,932	43,977	3,955	92%
North West	285,796	285,796	-	100%
Western Cape	840	840	-	100%
Total	3,106,283	2,530,528	575,755	81%

WSIG 6B financial performance per province

Province	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Eastern Cape	95,314	56,385	38,929	59%
Free State: WSIG - Projects	7,773	7,772	1	100%
Free State: WSIG - BEP	43,368	7,486	35,882	17%
Gauteng	16,694	16,694	-	100%
KwaZulu-Natal	32,600	-	32,600	0%
Limpopo	179,132	179,131	1	100%
Mpumalanga	219,410	219,410	-	100%
Northern Cape: WSIG - Projects	24,687	24,687	-	100%
Northern Cape: WSIG - BEP	7,198	1,811	5,387	25%
North West	70,160	70,160	-	100%
Western Cape	-	-	-	0%
Total	696,336	583,536	112,800	84%

Cumulative expenditure against the final budget (WTE)

Programmes	Adjusted budget	Year to date cumulative actual expenditure	Available budget / variance	Expenditure as % of adjusted budget	Year to date cumulative actual expenditure	Expenditure as % of adjusted budget
	R'000	R'000	R'000	%	R'000	%
Administration	1 313 018	857 331	452 988	65%	702 402	63%
Implementation of water resources management activities	738 874	436 415	302 458	59%	496 519	72%
Operations, maintenance and refurbishment of national water resources schemes	2 331 768	1 156 575	1 175 193	50%	867 105	38%
Financing and investment in raw water infrastructure	9 540 135	8 589 628	950 507	90%	9 501 997	99%
Bulk water supply to strategic users	2 328 334	1 376 621	951 713	59%	1 357 517	54%
Implementation of dam safety	184 471	49 017	135 454	27%	28 035	29%
Total Programmes	16 436 600	12 465 586	3 968 313	76%	12 953 575	79%
Economic classification						
Compensation of Employees	1 482 380	1 208 073	274 407	81%	1 196 497	84%
Goods and Services	2 638 739	1 413 344	1 225 630	54%	1 345 626	55%
Trans Caledon Tunnel Authority (TCTA)	9 540 135	8 589 628	950 507	90%	9 501 997	99%
Payments for Capital Assets	2 775 346	1 254 542	1 517 769	45%	909 455	32%
Total economic classification	16 436 600	12 465 586	3 968 313	76%	12 953 575	79%

PART D: OVERVIEW OF THE FINANCIAL RECOVERY PLAN

- Financial recovery overview
- Summary of unauthorised, irregular, fruitless and wasteful expenditure
- Strengthening credit control in the water sector

Financial recovery plan overview

Broad strategies	Key outputs	Status
Funding and budget management	Implementation of audit action plans	Internal and External Audit Action Plans were developed and are being implemented.
	Zero balance on overdraft	Positive bank balance achieved for both Accounts.
	Implementation of debt collection and revenue enhancement strategy	Implementation of Revenue enhancement strategy, credit control and intergovernmental relations.
Expenditure control, financial governance and accountability	Implementation of the accruals and payables management plan	Prior years' accruals and payables have been reduced through payments made from reprioritised budgets.
	Fruitless and wasteful expenditure condonations and remedial measures.	Preventative measures have been implemented to ensure that no further incidents are reported.
	Irregular expenditure condonations and remedial measures report	Irregular expenditure was incurred on running contracts which were declared as irregular in the previous financial years. Dedicated capacity has been assigned to expedite investigations, disciplinary proceedings and condonations processes.
	Report on implementation of exit strategies on irregular contracts	Legal review of irregular contracts is in progress. This includes work by the SIU and Legal Services.
Alignment of strategic intent	Align strategy, annual performance plans (APP) and budgets	Strategy and APP have been aligned to Estimates of National Expenditure, Procurement Plans and Project Implementation Plans.
Capital budget and asset management	Comprehensive reconciliations of assets and liabilities to enable maintenance of proper accounting records for management and reporting purposes.	Status reports have been compiled for infrastructure assets with remedial actions. Annual engineer's reviews are also being compiled with remedial actions

Summary of unauthorised, irregular, fruitless and wasteful expenditure

Details	Main Account		Water Trading Entity	
	2022/23 R'000	2021/22 R'000	2022/23 R'000	2021/22 R'000
Unauthorised expenditure	641 109	641 109	-	-
Fruitless and wasteful expenditure	16 577	16 813	324 450	206 808
Irregular expenditure	9 460 129	9 459 106	6 750 342	7 082 046

- The unauthorised expenditure relates to overspending on Bucket Eradication and War on Leaks programmes in prior years.
- Fruitless and wasteful expenditure relates mainly to costs that could not be recovered from projects, (internal and external construction projects)
- Included in the irregular expenditure is an amount of R114.879 million submitted to NT for condonation, and R8.320 billion referred back to the Department to finalise compliance requirements and other legal processes.
- The reported incidents of unauthorised, irregular, fruitless and wasteful expenditure are at various processing stages, including investigations (by the Department, Special Investigating Unit and South African Police Service), disciplinary and court proceedings.
- The Department has appointed contract workers and a panel of Professional Service Providers (PSPs) to augment the current investigation capacity of the Internal Audit Unit (assisting with the investigations for irregular, fruitless and wasteful expenditure).
- The contractors have started with the first batch of investigations and are expected to conclude by 31 March 2024.

Summary of fruitless and wasteful expenditure

Details	2022/23		
	Main Account	Water Trading Entity	Total
	R'000	R'000	R'000
Opening balance	17 057	206 808	223 865
Additions (New cases)	59	117 642	117 701
Deductions (Amounts recoverable)	-	-	-
Deductions (Amounts written-off)	(539)	-	(539)
Closing balance	16 577	324 450	341 027

- Fruitless and wasteful expenditure relates mainly to costs that could not be recovered and capitalised to projects, these were incurred on internal and external construction projects.
- Investigations are being accelerated to enable finalisation before the end of 2023/24 financial year.
- Additions/New cases include:
 - Main Account: Official submitting falsified claims, internal and SAPS investigations have been concluded.
 - WTE: Losses incurred relating to external projects.
- Deductions/Written-off cases include:
 - Write-offs approved in line with recommendations of the investigations report and corrective action taken against responsible officials.

Summary of irregular expenditure

Details	2022/23		Total R'000
	Main Acc R'000	WTE R'000	
Opening balance	9 459 106	7 608 541	17 067 647
Additions	1 023	101 365	102 546
Condonations	-	959 722	959 722
Closing balance	9 460 129	6 750 184	16 210 313
Of which:			
Condonations currently under assessment by NT	114 879	-	114 879
Condonations referred to the Department by NT	6 047 316	2 272 275	8 319 591
Cases under Investigation	265 405	1 770 120	2 035 525
Cases under assessment	3 032 529	2 707 789	5 740 318
Total	9 460 129	6 750 184	16 210 313
Percentage breakdown			
Condonations currently assessment by NT	1%	0%	1%
Condonations referred back to the Department by NT	64%	34%	51%
Submitted for investigation	3%	26%	13%
Assessment	32%	40%	35%
Total	100%	100%	100%

- Of the irregular expenditure R16.210 billion: R114.879 million is in the process of condonation; R8.320 billion referred to the Department; R2.036 billion submitted for investigation; and R5.740 billion under assessment.
- Additions include:
 - Main Account: Proper process not followed when appointing the official to the post of the Deputy Director.
 - WTE: Emergency procurement not supported by National Treasury in the previous financial year.
- Condonations/Removal include:
 - Irregular Expenditure that has been condoned in line with the National Instruction Note.

Irregular expenditure referred back to the Department to finalise compliance requirements and other legal processes...(1)

Description	Main Account	WTE	Total	Status/ Comments
	R'000	R'000	R'000	
Giyani Water Services Project	3 381 034	-	3 381 034	Action was against the responsible employees of Lepelle Northern Water. Furthermore one DWS employee was charged, found not guilty. The matter is currently under judicial review before the Labour Court. There are ongoing investigations by the Hawks. The employee has since been dismissed on other procurement related charges on 4 November 2022.
Upgrading of the Thukela Goedertrouw Scheme	-	477 310	477 310	Two employees were implicated. One of the implicated employees was charged and found not guilty. This finding also forms part of the above-mentioned Labour Court review proceedings. Regarding the other employee, charges were initially served but will be reformulated arising from a recent Special Investigating Unit (SIU) report. Revised charges are being formulated and the disciplinary process will shortly ensue.
Support and maintenance of SAP ECC6	-	285 951	285 951	Disciplinary file is currently being processed by Labour Relations.
War on Leaks Project	823 130	1 499 330	2 322 460	After considering representations from the alleged offender, the Accounting Officer, decided not to pursue disciplinary action pending the outcome of an application by the SIU for a proclamation to investigate the matter. The employee was informed accordingly. Closeout Report is also awaited from EWSETA, but there are delays are due to the ongoing mediation hearing between EWSETA and the appointed Servicer Provider.

Irregular expenditure referred back to the Department, to finalise compliance requirements and other legal processes... (2)

Description	Main Account	WTE	Total	Status/ Comments
	R'000	R'000	R'000	
Bucket Eradication Project	1 503 707	-	1 503 707	Based on insufficient evidence, the Accounting Officer decided, not to pursue disciplinary action. The employee was informed accordingly. Closeout report is being compiled to assess value for money which is part of the condonation process.
Financial advisory services	17 901	-	17 901	The Employee has transferred to the Gauteng Provincial Treasury and the charges were subsequently transferred in terms of Section 16B of the Public Service Act to the new department. The hearing is in process and the Department is cooperating with the current employer to bring the matter to a conclusion. The hearing dates are 22 – 29 May 2023 and 7 – 9 June 2023.
Desalination Plant Richards Bay	301 168	9 684	310 852	Two employees implicated. Hearing in respect of one employee has been concluded and she was found guilty and dismissed on 4 November 2022. Hearing in respect of the other employee is pending. New allegations have been received and he was served with an audi-alteram partem letter on 11 May 2023.
Gift of the Givers (Bucket Eradication Programme)	20 376	-	20 376	There is an ongoing case that started on 14 December 2022, in the KZN High Court between the Department and Gift of the Givers Foundation.
Total	6 047 316	2 272 275	8 319 591	

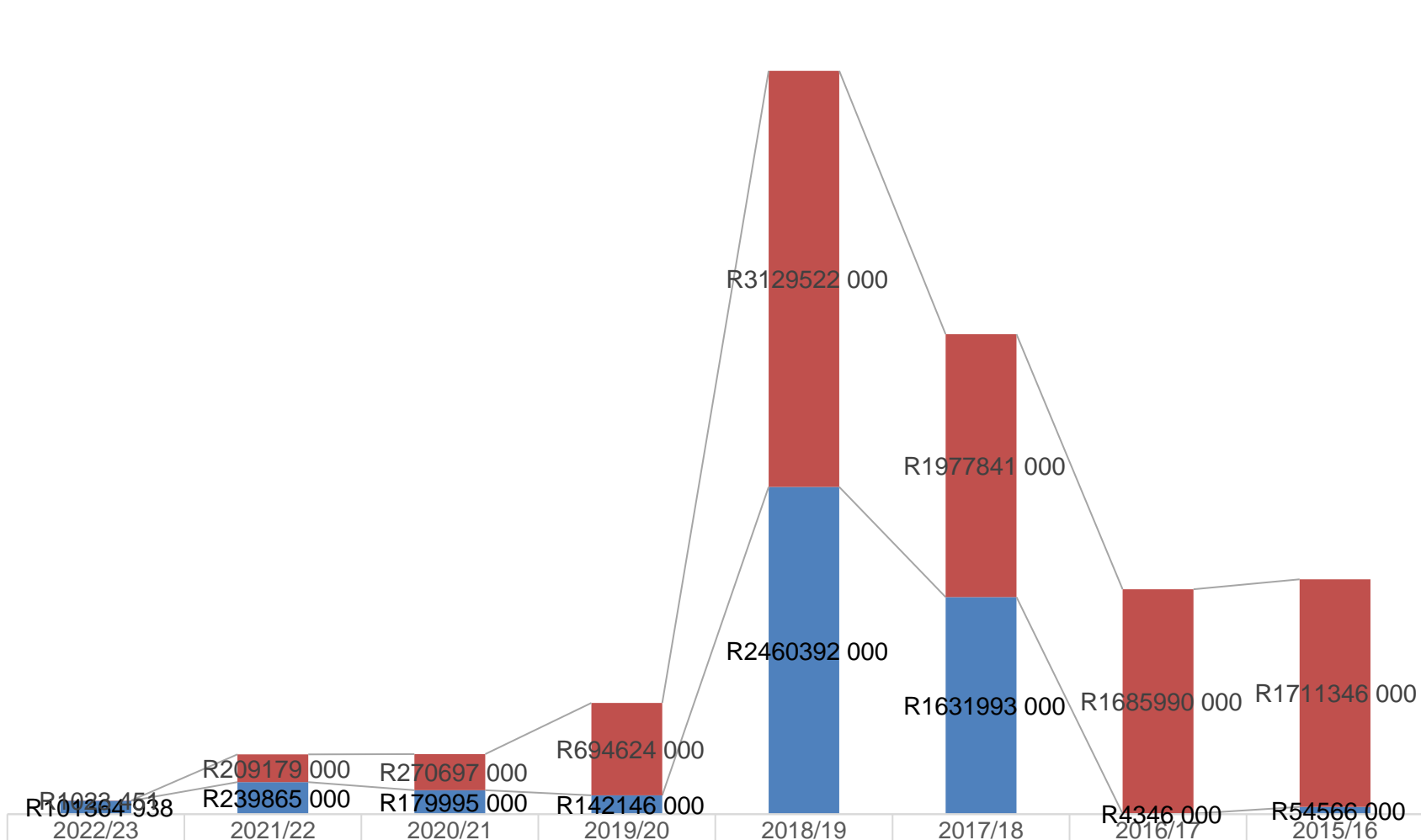
Unauthorised and irregular expenditure with National Treasury and in process of condonation

Description	Main Account	WTE	Total	Status/ Comments
	R'000	R'000	R'000	
UNAUTHORISED EXPENDITURE:				
Bucket Eradication Programme and War on Leaks	641 109	-	641 109	Submitted to National Treasury. The request is still being considered by Parliament.
Total	<u>641 109</u>	-	<u>641 109</u>	
IRREGULAR EXPENDITURE:				
Transfer payments	114 879	-	114 879	Submitted to National Treasury. The request is still being considered by Parliament.
Total	<u>114 879</u>	-	<u>114 879</u>	
Grand Total	<u>755 988</u>	-	<u>755 988</u>	

Irregular expenditure trend analysis (annual movement)

Trend Analysis of IE Per Financial Year

R6000000 000
R5000000 000
R4000000 000
R3000000 000
R2000000 000
R1000000 000
R-



■ Main Account	R1023 451	R209179 000	R270697 000	R694624 000	R3129522 000	R1977841 000	R1685990 000	R1711346 000
■ WTE	R101364 938	R239865 000	R179995 000	R142146 000	R2460392 000	R1631993 000	R4346 000	R54566 000

Irregular expenditure transgressions... (1)

- Analysis of all the irregular expenditure cases incurred in the prior years and the nature of transgressions revealed the following control deficiencies within the procurement processes:
 - Bid evaluation not done in accordance with the advertised evaluation criteria.
 - Change of scope of work after bid awarded without approval by the delegated official.
 - Competitive bidding process not followed: deviations for emergency procurement not supported or approved by National Treasury.
 - Competitive bidding process not followed: Service providers appointed as sole suppliers without supporting proof.
 - Contracts extended without prior approval by the delegated official(s).
 - Contract signed by an unauthorised official and without legal vetting.
 - Expenditure in excess of contract amount.
 - Declarations not made by company directors employed by the state.
 - Procurement above R500 000 not done through competitive bidding.
 - Appointment of services providers not on the panel of preferred suppliers.
 - Service providers appointed without signed valid contracts.
 - Services rendered after contract expired without approval by the delegated official(s).
 - SITA legislation requirement not complied with when advertising bids (for example, IT services not procured through SITA).

Irregular expenditure transgressions... (2)

- Tenders advertised for a shorter period without National Treasury approval and tenders not advertised publicly.
- Variation order exceeding the threshold and not approved by National Treasury.
- Supply Chain Management Policies and Standard Operating Procedures have been updated and communicated to staff with continuous monitoring and support of implementation processes.
- The Department has put in place various preventative measures to ensure that incidents of improper expenditure do not recur.
- All outstanding cases of unauthorised, irregular, fruitless and wasteful expenditure are being fast tracked for finalisation in the 2023/24 financial year as per the Department's commitment made to the Standing Committee on Public Accounts.

Irregular expenditure condoned

Description	Total R'000
BCX – Information Technology Services	347 229
Caps M – Cleaning services	53 587
Alteram Solutions – Call Centre	230 545
Private Security Services	1 111 314
EOH Mthombo – Information Technology Services	236 349
Sundry Payments	64 644
CSIR (V&V Project)	73 566
Umgeni Water (Adopt-A-River)	10 017
Unlimited SAP licences	285 000
Dube ZT (Water Board Investigation)	3 190
Total	2 415 441

The accounting officer or accounting authority or delegated official must consider the following information when requesting condonation of irregular expenditure (PFMA Compliance and Reporting Framework):

- (a) Confirmation that a determination test was conducted
- (b) Findings and recommendations of the loss control function or another relevant function that conducted the determination test
- (c) Confirmation that the matter is free of fraudulent, corrupt or other criminal conduct
- (d) If the matter has fraudulent, corrupt or other criminal conduct, confirmation of a case number showing that a case was opened with the South African Police Services
- (e) Confirmation that no loss was incurred and that value for money was achieved
- (f) Confirmation that disciplinary action was taken or in the process of being taken against the responsible official or officials
- (g) Confirmation of remedial actions taken by the accounting officer or accounting authority to prevent the recurrence of irregular expenditure in similar circumstances.

Strengthening credit control in the water sector

- DWS and the water boards are putting in place the following measures to strengthen billing and revenue collection:
 - DWS will collaborate with National Treasury to ensure that equitable share allocations are withheld from non-paying municipalities.
 - DWS will ensure that standardised credit control and debt recovery processes will be put in place across all the water boards. This will include consistent enforcement of water limitations/restrictions on non-paying municipalities and legal processes to attach municipal bank accounts where necessary.
 - Bulk prepaid meters will be installed by water boards in municipalities with a poor payment record.
 - The Minister is in the process of consulting with Mayors about the measures to be taken before implementation.
 - In addition to credit control measures, the Department continues to participate in Inter-Governmental Relations forums (including Department of Cooperative Governance and Traditional Affairs, South African Local Government Association and National Treasury)

THANK YOU

PART E: APPENDIX WITH ADDITIONAL SLIDES

Details of water services infrastructure development grants per project / water services authority / benefitting municipality

- Regional Bulk Infrastructure Grant (RBIG): Water Boards
- Regional Bulk Infrastructure Grant (RBIG): 5B per province and municipality
- Water Services Infrastructure Grant (WSIG): 5B per province and municipality
- Regional Bulk Infrastructure Grant (RBIG): 6B Per Project / Water Services Authority/ Benefiting Municipality
- Water Services Infrastructure Grant (WSIG): 6B Per Project / Water Services Authority/ Benefiting Municipality

REGIONAL BULK INFRASTRUCTURE GRANT (RBIG): WATER BOARDS

Regional Bulk Infrastructure Grant (RBIG): water boards per project cumulative expenditure against the final budget

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Budget Facility for Infrastructure: Upgrade of Olifants and Ebenezer water supply schemes	422,000	422,000	100%
Lepelle Water Board	422,000	422,000	100%
Bojanala Platinum District Municipality: Pilaanesberg Bulk Water Supply Scheme phase 3	109,284	109,284	100%
Magalies Water Board	109,284	109,284	100%
Disestablishment of Sedibeng	21,165	21,165	100%
Magalies Water Board	21,165	21,165	100%
Disestablishment of Sedibeng	108,835	108,835	100%
Bloem Water Board	108,835	108,835	100%
uMgungundlovu District Municipality: Umshwathi Regional Bulk Water Supply Scheme	445,673	445,673	100%
Msunduzi Local Municipality: (Budget Facility for Infrastructure) - uMkhomazi Bulk Water Supply Scheme	193,000	193,000	100%
Ugu District Municipality: Greater Mpofana Regional Bulk Water Supply Phase 1-3	50,000	50,000	100%
Ilembe District Municipality: Maphumulo Bulk Water Supply	50,000	50,000	100%
Umngeni Water Board	738,673	738,673	100%
Nama Khoi Local Municipality: Replacement of Namakwa Bulk Water Supply	143,729	143,729	100%
Sedibeng Water Board	143,729	143,729	100%
TOTAL: WATER BOARDS	1,543,686	1,543,686	100%

**REGIONAL BULK INFRASTRUCTURE GRANT (RBIG): 5B
PER PROVINCE & MUNICIPALITY**

Regional Bulk Infrastructure Grant (RBIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Eastern Cape Province			
DC13 Chris Hani District Municipality	311,907	311,907	100%
DC14 Joe Gqabi District Municipality	2,000	2,000	100%
DC15 O.R. Tambo District Municipality	100,000	100,000	100%
TOTAL: Eastern Cape	413,907	413,907	100%
Free State Province			
FS163 Mohokare Local Municipality	4,407	4,407	100%
FS191 Setsoto Local Municipality	150,000	150,000	100%
FS203 Ngwathe Local Municipality	50,000	50,000	100%
TOTAL: Free State	204,407	204,407	100%
KwaZulu-Natal Province			
DC26 Zululand District Municipality	250,247	250,247	100%
DC28 Uthungulu District Municipality	213,563	213,563	100%
TOTAL: KwaZulu-Natal	463,810	463,810	100%
Limpopo Province			
LIM354 Polokwane Local Municipality	134,584	134,584	100%
TOTAL: Limpopo Province	134,584	134,584	100%

Regional Bulk Infrastructure Grant (RBIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Mpumalanga Province			
MP301 Chief Albert Luthuli Local Municipality	165,142	165,142	100%
MP302 Msukaligwa Local Municipality	175,000	175,000	100%
MP313 Steve Tshwete Local Municipality	145,000	145,000	100%
MP324 Nkomazi Local Municipality	156,900	156,900	100%
MP326 City of Mbombela	10,000	10,000	100%
MP321 Thaba Chweu Local Municipality	5,100	5,100	100%
TOTAL: Mpumalanga	657,142	657,142	100%
Northern Cape Province			
NC065 Hantam Local Municipality	50,000	50,000	100%
NC085 Tsantsabane Local Municipality	-	-	0%
TOTAL: Northern Cape	50,000	50,000	100%
North West Province			
DC39 Dr Ruth Segomtsi Mompti District Municipality	280,128	280,128	100%
TOTAL: North West	280,128	280,128	100%
Western Cape Province			
WC011 Matzikama Local Municipality	30,000	30,000	100%
WC022 Witzenberg Local Municipality	46,794	46,794	100%
WC044 George Local Municipality	374,896	374,896	100%
TOTAL: Western Cape	451,690	451,690	100%

**WATER SERVICES INFRASTRUCTURE GRANT (WSIG): 5B
PER PROVINCE & MUNICIPALITY**

Water Services Infrastructure Grant (WSIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Eastern Cape Province			
EC101 Dr Beyers Naude Local Municipality	8,939	8,939	100%
EC102 Blue Crane Route Local Municipality	10,000	10,000	100%
EC104 Makana Local Municipality	3,000	3,000	100%
EC105 Ndlambe Local Municipality	85,000	85,000	100%
EC106 Sundays River Valley Local Municipality	25,000	25,000	100%
DC12 Amathole District Municipality	38,000	38,000	100%
DC13 Chris Hani District Municipality	65,200	65,200	100%
DC14 Joe Gqabi District Municipality	60,000	60,000	100%
DC15 O.R. Tambo District Municipality	76,223	76,223	100%
DC44 Alfred Nzo District Municipality	100,000	100,000	100%
TOTAL: Eastern Cape	471,362	471,362	100%

Water Services Infrastructure Grant (WSIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Free State Province			
FS161 Letsemeng Local Municipality	25,000	25,000	100%
FS162 Kopanong Local Municipality	10,400	10,400	100%
FS163 Mohokare Local Municipality	17,008	17,008	100%
FS181 Masilonyana Local Municipality	18,334	18,334	100%
FS182 Tokologo Local Municipality	20,533	20,533	100%
FS183 Tswelopele Local Municipality	12,276	12,276	100%
FS184 Matjhabeng Local Municipality	25,800	25,800	100%
FS185 Nala Local Municipality	11,528	11,528	100%
FS191 Setsoto Local Municipality	15,301	15,301	100%
FS192 Dihlabeng Local Municipality	25,000	25,000	100%
FS193 Nketoana Local Municipality	3,000	3,000	100%
FS194 Maluti- a-Phofung Local Municipality	58,896	58,896	100%
FS195 Phumelela Local Municipality	15,328	15,328	100%
FS196 Mantsopa Local Municipality	11,720	11,720	100%
FS201 Moqhaka Local Municipality	10,292	10,292	100%
FS203 Ngwathe Local Municipality	15,000	15,000	100%
FS204 Metsimaholo Local Municipality	17,183	17,183	100%
FS205 Mafube Local Municipality	20,000	20,000	100%
TOTAL: Free State	332,599	332,599	100%

Water Services Infrastructure Grant (WSIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Gauteng Province			
GT422 Midvaal Local Municipality	18,864	18,864	100%
GT423 Lesedi Local Municipality	13,874	13,874	100%
GT481 Mogale City Local Municipality	45,160	45,160	100%
GT484 Merafong City Local Municipality	35,420	35,420	100%
GT485 Rand West City Local Municipality	64,020	64,020	100%
TOTAL: Gauteng	177,338	177,338	100%
KwaZulu-Natal Province			
DC21 Ugu District Municipality	220,000	220,000	100%
KZN225 Msunduzi Local Municipality	60,000	60,000	100%
DC22 uMgungundlovu District Municipality	122,600	122,600	100%
DC23 uThukela District Municipality	80,800	80,800	100%
DC24 uMzinyathi District Municipality	80,000	80,000	100%
KZN252 Newcastle Local Municipality	48,000	48,000	100%
DC25 Amajuba District Municipality	60,000	60,000	100%
DC26 Zululand District Municipality	95,000	95,000	100%
DC27 uMkhanyakude District Municipality	-	-	0%
KZN282 Umhlathuze Local Municipality	37,000	37,000	100%
DC28 King Cetshwayo District Municipality	70,000	70,000	100%
DC29 ILembe District Municipality	100,000	100,000	100%
DC43 Harry Gwala District Municipality	85,000	85,000	100%
TOTAL: Kwa-Zulu Natal	1,058,400	1,058,400	100%

Water Services Infrastructure Grant (WSIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Limpopo Province			
DC33 Mopani District Municipality	35,000	35,000	100%
DC34 Vhembe District Municipality	60,000	60,000	100%
LIM354 Polokwane Local Municipality	63,124	63,124	100%
DC35 Capricorn District Municipality	165,000	165,000	100%
LIM366 Bela Bela Local Municipality	62,010	62,010	100%
LIM367 Mogalakwena Local Municipality	47,640	47,640	100%
DC47 Greater Sekhukhune District Municipality	20,000	20,000	100%
TOTAL: Limpopo	452,774	452,774	100%

Water Services Infrastructure Grant (WSIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Mpumalanga Province			
MP301 Chief Albert Luthuli Local Municipality	72,745	72,745	100%
MP302 Msukaligwa Local Municipality	60,000	60,000	100%
MP303 Mkhondo Local Municipality	20,000	20,000	100%
MP304 Pixley Ka Seme Local Municipality	6,000	6,000	100%
MP307 Govan Mbeki	18,000	18,000	100%
MP311 Victor Khanye Local Municipality	20,000	20,000	100%
MP312 Emalahleni Local Municipality	15,000	15,000	100%
MP313 Steve Tshwete Local Municipality	55,000	55,000	100%
MP314 Emakhazeni Local Municipality	20,000	20,000	100%
MP315 Thembisile Local Municipality	38,000	38,000	100%
MP321 Thaba Chweu Local Municipality	20,000	20,000	100%
MP324 Nkomazi Local Municipality	50,000	50,000	100%
MP325 Bushbuckridge Local Municipality	55,000	55,000	100%
MP326 City of Mbombela	30,000	30,000	100%
TOTAL: Mpumalanga	479,745	479,745	100%

Water Services Infrastructure Grant (WSIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
Northern Cape Province			
NC451 Joe Morolong Local Municipality	40,000	40,000	100%
NC452 Gasegonyana Local Municipality	36,958	36,958	100%
NC453 Gamagara Local Municipality	4,000	4,000	100%
NC061 Richtersveld Local Municipality	10,000	10,000	100%
NC062 Nama Khoi Local Municipality	10,000	10,000	100%
NC064 Kamiesberg Local Municipality	2,500	2,500	100%
NC065 Hantam Local Municipality	21,000	21,000	100%
NC066 Karoo Hoogland Local Municipality	11,000	11,000	100%
NC071 Ubuntu Local Municipality	9,000	9,000	100%
NC072 Umsobomvu Local Municipality	12,000	12,000	100%
NC073 Emthanjeni Local Municipality	2,000	2,000	100%
NC075 Renosterberg Local Municipality	7,000	7,000	100%
NC076 Thembelihle Local Municipality	10,000	10,000	100%
NC078 Siyancuma Local Municipality	3,000	3,000	100%
NC082 !Kai !Garib Local Municipality	7,200	7,200	100%
NC084 Kheis Local Municipality	5,000	5,000	100%
NC085 Tsantsabane Local Municipality	6,000	6,000	100%
NC086 Kgatelopele Local Municipality	12,000	12,000	100%
NC087 //Khara Hais/Mier Local Municipality	5,000	5,000	100%
NC091 Sol Plaatjie Local Municipality	14,948	14,948	100%
NC093 Magareng Local Municipality	9,000	9,000	100%
NC094 Phokwane Local Municipality	14,449	14,449	100%
TOTAL: Northern Cape	252,055	252,055	100%

Water Services Infrastructure Grant (WSIG): 5B per province / municipality

Name of Province and Municipality	Final Budget	Actual Transfer	Expenditure as % of final budget
	R'000	R'000	%
North West Province			
NW371 Moretele Local Municipality	65,000	65,000	100%
NW373 Rustenburg Local Municipality	49,000	49,000	100%
NW375 Moses Kotane Local Municipality	59,125	59,125	100%
DC39 Dr Ruth Segomtsi Mompti District Municipality	90,000	90,000	100%
NW403 City of Matlosana Local Municipality	11,161	11,161	100%
NW404 Maquassi Hills Local Municipality	30,000	30,000	100%
NW405 JB Marks Local Municipality /	32,000	32,000	100%
TOTAL: North West	336,286	336,286	100%
Western Cape Province			
WC011 Matzikama Local Municipality	9,196	9,196	100%
WC013 Bergrivier Local Municipality	3,150	3,150	100%
WC022 Witzenberg Local Municipality	11,701	11,701	100%
WC025 Breede Valley Local Municipality	5,107	5,107	100%
WC032 Overstrand Local Municipality	27,439	27,439	100%
WC033 Cape Agulhas Local Municipality	12,500	12,500	100%
WC034 Swellendam Local Municipality	12,437	12,437	100%
WC047 Bitou Local Municipality	6,579	6,579	100%
WC051 Laingsburg Local Municipality	17,360	17,360	100%
WC052 Prince Albert Local Municipality	6,552	6,552	100%
WC053 Beaufort West Local Municipality	28,439	28,439	100%
TOTAL: Western Cape	140,460	140,460	100%

**REGIONAL BULK INFRASTRUCTURE GRANT (RBIG): 6B
PER PROJECT / WATER SERVICES AUTHORITY/ BENEFITING
MUNICIPALITY**

Eastern Cape

Regional Bulk Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Eastern Cape Province				
RL01 Ndlambe Bulk Water Supply	11,600	1,226	10,374	11%
RL16 Xhora East Water Supply	30,000	8,170	21,830	27%
RS01 Graaf-Reinet Emergency Water Supply Scheme (WSS)	7,615	715	6,900	9%
RS02 Sundays River - Paterson Bulk Water Supply	4,500	1,074	3,426	24%
RS05 Ikwezi Bulk Water Supply	38,049	38,049	-	100%
RS06 Kirkwood Water Treatment Works	5,000	222	4,778	4%
RS07 Misgund Bulk Water Supply	5,000	3,496	1,504	70%
RS42 James Kleynhans Bulk Water Supply (BWS)	15,300	7,802	7,498	51%
RS49 Mount Ayliff Bulk Peri Urban Water Supply	50,000	44,612	5,388	89%
RS67 Ngqamakhwe Bulk Water Supply (Butterworth Water Transfer Scheme)	86,021	56,765	29,256	66%
RS117 Nooitgedagt Coega	61,473	56,226	5,247	91%
TOTAL: Eastern Cape	314,558	218,357	96,201	69%

Free State

Regional Bulk Infrastructure Grant: 6B per project

Name of Province and Municipality	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Free State Province				
RL12 Nketoana Regional Water Supply	23,062	23,062	-	100%
RL24 Tokologo Regional Water Supply 2	48,465	48,465	-	100%
RL25 Dihlabeng Bulk Water Supply Phase 3	74,734	74,734	-	100%
RL34 Mathjabeng Bulk Sewer (Welkom)	189,690	189,690	-	100%
RS12 Jagersfontein/Fauresmith Bulk Water Supply	-	-	-	0%
RS148 Brandford bulk sewer	7,631	7,631	-	100%
RS149 Lindley Sewer	589	589	-	100%
RS150 Refurbishment of Fika-patso WTWs	25,273	25,273	-	100%
RS151 Mantsopa water and sanitation intervention	3,742	3,742	-	100%
RS 152 Mafube water and sanitation intervention	761	761	-	100%
RS18 Tswelopele Bulk Water Supply	33,517	33,517	-	100%
RS19 Maluti-a-Phofung BWS Phase 2	11,775	11,775	-	100%
Maluti-a-Phofung Intervention	22,317	22,317	-	100%
RS26 Frankfort Bulk Sewer (Mafube)	16,836	16,836	-	100%
RS51 Upgrading of Deneysville WWTW	43,043	43,043	-	100%
RL61 Welbedacht Pipeline	69,967	69,967	-	100%
RS52 Masilonyana Bulk Water Supply	6,156	6,156	-	100%
Refurbishment of Kroonstad WWTW and Pumpstations	5,637	5,637	-	100%
Construction of Reversal Gravity Pipeline in Qwaqwa	2,886	2,886	-	100%
RBIG: Payments for capital assets	586,081	586,081	-	100%

Free State

Regional Bulk Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Arglington Bulk Sewer Services (Nketoana Local Municipality)	95,029	8,593	86,436	9%
Clocolan Bulk Sewer Services (Setsoto Local Municipality)	36,166	16,166	20,000	45%
Dealesville Bulk Sewer Services (Tokologo Local Municipality)	13,630	6,830	6,800	50%
Ficksburg Bulk Sewer Services (Setsoto Local Municipality)	49,434	23,468	25,966	47%
Petrus Sten Bulk Sewer Services(Nketoana Local Municipality)	71,565	6,488	65,077	9%
Reitz Bulk Sewer Services (Nketoana Local Municipality)	71,649	4,825	66,824	7%
Senekal Bulk Sewer Services (Setsoto Local Municipality)	28,873	8,873	20,000	31%
Bucket Eradication Programme	366,346	75,243	291,103	21%
TOTAL: Free State	952,427	661,324	291,103	69%

Gauteng and Limpopo

Regional Bulk Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Gauteng Province				
RL04 Meyerton Waste Water Treatment Works	30,000	1,526	28,474	5%
RL62 Vaal River System Intervention	253,995	158,176	95,819	62%
RM02 Sedibeng Regional Waste Water Treatment Works	41,593	-	41,593	0%
RM05 Sebokeng Waste Water Treatment Works	45,000	41,903	3,097	93%
RM06 Westonaria Regional Bulk Sanitation (Zuurbekom)	-	-	-	0%
RS55 Rothdene pump station and rising main	35,000	32,316	2,684	92%
RS56 Mohlakeng pump station and sewer outfall	-	-	-	0%
TOTAL: Gauteng Province	405,588	233,921	171,667	58%
Limpopo Province				
RM08 Giyani Water Services	105,000	104,656	344	100%
RL29 Mametja Sekororo Bulk Water Supply	38,993	38,091	902	98%
RL28 Giyani Bulk Water Supply Drought Relief	208,000	207,113	887	100%
RS135 Bambanana Pipeline	120,949	120,823	126	100%
RL13 Sinthumule Kutama Bulk Water Supply	60,000	59,077	923	98%
RM04 Mogalakwena Bulk Water Supply	59,000	58,347	653	99%
RL14 Moutse Bulk Water Supply	66,603	64,733	1,870	97%
RM12 Nebo Bulk Water Supply	29,634	29,322	312	99%
RM07 Mooihoek/Tubatse Bulk Water Supply	23,291	18,798	4,493	81%
TOTAL: Limpopo	711,470	700,960	10,510	99%

Mpumalanga and Northern Cape Regional Bulk Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Mpumalanga Province				
RL35 Thembisile Water Scheme (Loskop)	167,175	167,175	-	100%
RL36 Western Highveld (Rust de Winter) Bulk Water Scheme	8,935	8,935	-	100%
RL53 Balf/Siyat/Greyl/Willem/Nthor Bulk Water Supply	145,002	145,002	-	100%
RS153 Lekwa Waster Services	4,010	4,010	-	100%
RS159 Amsterdam and Sheepmore Bulk Water Scheme	2,531	2,531	-	100%
RS160 Embalenhle Bulk Sewer and WWTW's refurbishment & upgrading	-	-	-	0%
RS30 Sibange Bulk Water Supply	28,873	27,526	1,347	95%
RS37 Driekoppies Upgrading	29,148	29,148	-	100%
TOTAL: Mpumalanga Province	385,674	384,327	1,347	100%
Northern Cape Province				
RS28 Upington Wasterwater treatment works	43,267	43,187	80	100%
RS29 Warrington Wasterwater treatment works	4,665	790	3,875	17%
Payments for capital assets	47,932	43,977	3,955	92%
BEP: Griekwastad Campbell	1,998	1,026	972	51%
Bucket Eradication Programme	1,998	1,026	972	51%
Total Northern Cape Province	49,930	45,003	4,927	90%

Northern Cape

Regional Bulk Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
North West Province				
RL09 Madibeng Bulk Water Supply (Brits)	193,951	193,951	-	100%
RL15 Moretele South Bulk Water Supply (Klipdrift)	57,216	57,216	-	100%
RL33 Mafikeng South Bulk Water Supply	4,765	4,765	-	100%
RS32 Ratlou Bulk Water Supply	3,322	3,322	-	100%
RS35 Potchefstroom Waste Water Treatment Works upgrade (Tlokwe) Phase 1 to 5	26,542	26,542	-	100%
Total North West Province	285,796	285,796	-	100%
Western Cape Province				
RS134 Clanwilliam /Lambertsbaai Regional Water Supply and Desalination	840	840	-	100%
TOTAL: Western Cape	840	840	-	100%

**WATER SERVICES INFRASTRUCTURE GRANT (WSIG): 6B
PER PROJECT / WATER SERVICES AUTHORITY/ BENEFITTING
MUNICIPALITY**

Eastern Cape

Water Services Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Eastern Cape Region				
Ndlambe Drought Project	25,764	18,233	7,531	71%
Dr Kouga LM Jeffreys Bay Bholes	-	-	-	0%
Jeffreys Bay Bholes	7,400	6,116	1,284	83%
CVD-Didi Vilage	533	533	-	100%
CVD-Gorha Village	440	440	-	100%
CVD-Kwanyokana	251	251	-	100%
CVD Msukeni Village	84	84	-	100%
CVD Ngqokoqweni Village	-	-	-	0%
No Project	-	-	-	0%
Amatola Water Drought Project	2,632	2,632	-	100%
ST Francis bay grnd water	8,755	1,905	6,850	22%
Kruisfontein grnd water	14,433	14,433	-	100%
Loerie grnd water	5,123	2,222	2,901	43%
Thornhill grnd water	4,417	1,429	2,988	32%
Humansdorp grnd water	4,706	4,706	-	100%
Hankey grnd water	20,776	3,401	17,375	16%
TOTAL: Eastern Cape	95,314	56,385	38,929	59%

Free State

Water Services Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Free State Region				
DR-Smithfield 2 Pump & Inst Sen	722	722	-	100%
DR Cornelia Boreholes	1 497	1 496	1	100%
DR Viljoenskroon Boreholes	222	222	-	100%
DR-Ngwathe Refurb WTW	389	389	-	100%
DR-Qwaqwa Dev & Eqp Boreholes	3 367	3 367	-	100%
DR-Qwaqwa Rep Valve, Pipeline & Leaks	27	27	-	100%
DR-Qwaqwa : Comet to HaRankopane	1 549	1 549	-	100%
DR-Windburg/ Brandford EQP Boreholes	-	-	-	0%
Water Services Infrastructure Grant	7 773	7 772	1	100%
Senekal WWTW	43 368	7 486	35 882	17%
Bucket Eradication Programme (BEP)	43 368	7 486	35 882	17%
TOTAL: Free State	51 141	15 258	35 883	30%

Gauteng Province and Kwazulu-Natal Water Services Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Gauteng Region				
COVID-19(Coronavirus)	-	-	-	0%
COVID-19(Coronavirus)	10,191	10,191	-	100%
COVID-19(Coronavirus)	224	224	-	100%
COVID-19(Coronavirus)	6,279	6,279	-	100%
TOTAL: Guateng	16,694	16,694	-	100%
KwaZulu-Natal Province				
DR-Umkhanyakude DM:Equi Bholes	32,600	-	32,600	0%
Total Kwa-Zulu Natal Province	32,600	-	32,600	0%

Limpopo and Mpumalanga Water Services Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Limpopo Province				
CVD-Mopani DM	507	507	-	100%
Thabazimbi Development of BWSS	21,999	21,999	-	100%
Lephalale Dev of W&S Sup Serv	17,782	17,782	-	100%
Modimolle WTWSS	6,703	6,703	-	100%
Sekhukhune WTSS	2,624	2,623	1	100%
CVD Modimole LM	1,959	1,959	-	100%
CVD Sekhukhune DM	-	-	-	0%
DR Sekhukhune DR Project	10,525	10,525	-	100%
CVD Polokwane	2,864	2,864	-	100%
CVD Bela-Bela	3,121	3,121	-	100%
CVD-Lepelle-Nkumpi LM	2,630	2,630	-	100%
Giyani wat Ser retic interven	103,368	103,368	-	100%
No project		-	-	0%
CVD Capricon DM	5,050	5,050	-	100%
Total Limpopo Province	179,132	179,131	1	100%
Mpumalanga Province				
Rooikoppen Sewer Upgrade	136,564	136,564	-	100%
Delmas WWTW Upgrade	82,846	82,846	-	100%
Total Mpumalanga Province	219,410	219,410	-	100%

Northern Cape and North-west Water Services Infrastructure Grant: 6B per project

Name of Province Per Project	Final Budget	Actual Expenditure	Available Budget / Variance	Expenditure as % of final budget
	R'000	R'000	R'000	%
Northern Cape Province				
No project	-	-	-	0%
Windsorton/Holpan	-	-	-	0%
CVD- Sol Plaatje LM Sust Wat Supp	2,771	2,771	-	100%
CVD-Siyancuma LM Sust Wat Supp	5,662	5,662	-	100%
DR Joe Moro LM:Conti of Var Prj	16,254	16,254	-	100%
Water Services Infrastructure Grant (WSIG)	24,687	24,687	-	100%
Campbell	7,198	1,811	5,387	25%
Motswedimosa	-	-	-	0%
Postdene/ Maranteng	-	-	-	0%
Bucket Eradication Programme (BEP)	7,198	1,811	5,387	25%
Total Northern Cape Province	31,885	26,498	5,387	83%
North West Province				
Madibeng Refub & Augm of Wtr Inf	27,219	27,219	-	100%
Bulk Water Distribution & Refurbishment	33,986	33,986	-	100%
Mafikeng & Ramtsh Mla RWS	8,955	8,955	-	100%
Total North West Region	70,160	70,160	-	100%