

Vote 41

Water and Sanitation

Budget summary

R million	2022/23				2023/24	2024/25
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	1 895.4	30.4	86.7	2 012.5	2 006.7	2 098.0
Water Resources Management	845.6	2 859.4	78.0	3 782.9	4 355.0	4 902.9
Water Services Management	866.3	7 638.3	4 239.6	12 744.2	13 793.5	13 912.4
Total expenditure estimates	3 607.3	10 528.1	4 404.3	18 539.7	20 155.2	20 913.3

Executive authority: Minister of Water and Sanitation
 Accounting officer: Director-General of Water and Sanitation
 Website: www.dws.gov.za

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Ensure the availability of water resources to facilitate equitable and sustainable socioeconomic development, and ensure universal access to water and sanitation services.

Mandate

The mandate of the Department of Water and Sanitation is set out in the National Water Act (1998) and the Water Services Act (1997). The department's legislative mandate is to ensure that the country's water resources are protected, managed, used, developed, conserved and controlled by regulating and supporting the delivery of effective water supply and sanitation. This is done in accordance with the requirements of water-related policies and legislation that are critical in delivering on people's right to have enough food and water, growing the economy, and eradicating poverty.

Selected performance indicators

Table 41.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of river systems with water resource classes and determined resource quality objectives per year	Water Resources Management	Priority 2: Economic transformation and job creation	0	0	0	0	1	0	3
Number of wastewater systems assessed for compliance with green drop regulatory requirements per year	Water Resources Management		0	0	0	963	0	963	0
Number of wastewater systems monitored against green drop regulatory requirements per year	Water Resources Management		585	383	428	366	408	260	210
Percentage of water use authorisation applications per year finalised within 90 working days of application	Water Resources Management		81% (476/588)	90% (736/836)	63% (417/661)	80%	80%	80%	80%
Number of water use licences monitored for compliance per year	Water Resources Management		407	317	337	324	379	396	396
Number of river systems monitored for the implementation of resource-directed measures per year	Water Resources Management		-1	-1	-1	2	4	6	8
Number of rivers monitored in the river eco-status programme per year	Water Resources Management		71	76	77	81	70	81	78
Number of catchment plans implemented for mine water and wastewater management per year	Water Resources Management		-1	-1	-1	1	2	2	2
Number of reconciliation strategies completed for various water supply systems per year	Water Resources Management		-1	1	2	2	0	3	1

Table 41.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of dams evaluated in the dam safety programme per year	Water Resources Management	Priority 2: Economic transformation and job creation	–1	30	25	20	25	30	40
Number of dam safety rehabilitation projects completed per year	Water Resources Management		0	0	0	2	2	8	6
Number of water supply systems assessed for water losses per year	Water Services Management		–1	8	0	8	8	8	8
Number of water services authorities assessed for compliance with no drop regulatory standards per year	Water Services Management		–1	–1	–1	–1	144	0	144
Number of water supply systems assessed for compliance with blue drop regulatory requirements per year	Water Services Management		0	0	0	0	1 035	0	1 035
Number of water supply systems monitored against blue drop regulatory requirements per year	Water Services Management		0	389	366	326	370	371	350
Number of district municipalities supported with developing water and sanitation reliability plans per year	Water Services Management		–1	–1	–1	5	10	10	12
Number of mega regional bulk infrastructure project phases completed per year	Water Services Management		1	3	1	1	1	0	1
Number of large regional bulk infrastructure phases completed per year	Water Services Management		14	6	2	9	13	5	6
Number of small regional bulk infrastructure project phases completed per year	Water Services Management		9	7	8	8	8	10	10
Number of small projects completed through the water services infrastructure grant per year	Water Services Management	0	117	112	46	115	150	161	

1. No historical data available.

Expenditure overview

Over the medium term, the department will continue to focus on enhancing regulatory measures, ensuring that infrastructure is protected and restored, and ensuring that water and sanitation services are managed effectively.

The department's total budget over the medium term is R59.6 billion. Transfers and subsidies to departmental agencies, public corporations and municipalities comprise the largest share of the budget, amounting to R34.9 billion over the MTEF period. Total expenditure is expected to increase at an average annual rate of 5.6 per cent, from R17.7 billion in 2021/22 to R20.9 billion in 2024/25, mainly due to additional allocations of R5.3 billion over the medium term for capital projects involving water resource and regional bulk infrastructure. As a result of the expected decrease in the number of personnel from 3 787 in 2021/22 to 3 520 in 2024/25 due to natural attrition, expenditure on compensation of employees is expected to decrease at an average annual rate of 0.6 per cent, from R1.9 billion in 2021/22 to R1.8 billion in 2024/25.

Over the period ahead, the department will continue to ensure the delivery of safe water and the effective management of wastewater through enforcing various regulatory measures and strengthening its oversight functions. To this end, the blue drop, green drop and no drop regulatory standards are in place to improve asset management practices in municipalities. Over the MTEF period, the department expects to support 32 district municipalities with developing water and sanitation reliability plans and monitoring the compliance of all water services authorities with regulatory standards. Over the same period, the department aims to ensure that 80 per cent of applications to authorise water-use are finalised within 90 days and that 963 wastewater systems are assessed for compliance against green drop regulatory requirements. For activities related to water resources, R270.7 million over the MTEF period is allocated for regulatory compliance in the *Water Resources Regulation* subprogramme in the *Water Resources Management* programme; and R220.9 million is allocated for oversight in the *Water Resources Institutional Oversight* subprogramme in the *Water Resources Management* programme. For activities related to water services, R323.9 million over the MTEF period is allocated for regulatory compliance and R71 million is allocated for oversight in the *Water Services Regulation* subprogramme in the *Water Services Management* programme.

The department will continue to invest in water resources and implement projects such as the phase 2D of the Olifants River water resource development project, the Mokolo-Crocodile water augmentation project, the

raising of the Tzaneen and Hazelmere dams, and the Umdloti River development project. Accordingly, spending in the *Water Resources Management* programme is expected to increase at an average annual rate of 10.7 per cent, from R3.6 billion in 2021/22 to R4.9 billion in 2024/25. This includes spending of R2.1 billion over the medium term to raise the Clanwilliam Dam wall.

Over the period ahead, 2 mega, 24 large and 28 small regional bulk infrastructure projects are expected to be implemented and finalised. These projects and related activities are carried out in the *Water Services Management* programme, spending in which is expected to increase at an average annual rate of 4.6 per cent, from R12.2 billion in 2021/22 to R13.9 billion in 2024/25. Included in this spending is an additional allocation of R3.6 billion over the medium term for the Olifants-Ebenezer water supply scheme, the lower Umkhomazi bulk water scheme, and the bulk potable water and remedial works programme in George local municipality.

Expenditure trends and estimates

Table 41.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Water Resources Management											
3. Water Services Management											
Programme	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2018/19 - 2021/22	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2024/25
R million											
Programme 1	1 636.3	1 624.3	1 646.0	1 960.0	6.2%	10.7%	2 012.5	2 006.7	2 098.0	2.3%	10.4%
Programme 2	3 108.3	3 310.0	3 199.0	3 616.6	5.2%	20.7%	3 782.9	4 355.0	4 902.9	10.7%	21.5%
Programme 3	11 874.9	10 283.3	9 657.6	12 158.4	0.8%	68.6%	12 744.2	13 793.5	13 912.4	4.6%	68.0%
Total	16 619.4	15 217.6	14 502.6	17 735.1	2.2%	100.0%	18 539.7	20 155.2	20 913.3	5.6%	100.0%
Change to 2021 Budget estimate				825.0			1 100.1	2 119.8	–		
Economic classification											
Current payments	3 625.2	3 705.5	3 459.3	4 119.2	4.4%	23.3%	3 607.3	3 560.5	3 728.1	-3.3%	19.4%
Compensation of employees	1 604.0	1 683.4	1 638.3	1 854.7	5.0%	10.6%	1 836.4	1 741.7	1 819.9	-0.6%	9.4%
Goods and services ¹	2 021.2	2 022.1	1 820.9	2 264.4	3.9%	12.7%	1 770.9	1 818.8	1 908.2	-5.5%	10.0%
<i>of which:</i>											
Computer services	133.8	117.2	120.1	165.1	7.3%	0.8%	185.5	199.4	211.2	8.6%	1.0%
Consultants: Business and advisory services	57.8	265.5	281.4	703.4	130.0%	2.0%	162.8	168.3	175.6	-37.0%	1.6%
Infrastructure and planning services	109.9	184.4	29.6	157.0	12.6%	0.8%	242.7	236.7	247.4	16.4%	1.1%
Operating leases	414.5	402.8	457.9	444.1	2.3%	2.7%	490.1	501.1	523.6	5.6%	2.5%
Property payments	111.5	108.7	98.6	143.6	8.8%	0.7%	135.8	142.5	149.7	1.4%	0.7%
Travel and subsistence	121.8	124.1	91.0	178.2	13.5%	0.8%	194.9	189.4	197.5	3.5%	1.0%
Interest and rent on land	0.0	–	0.0	0.2	126.9%	0.0%	–	–	–	-100.0%	0.0%
Transfers and subsidies¹	9 933.9	9 116.7	8 850.3	9 409.8	-1.8%	58.2%	10 528.1	12 002.2	12 393.5	9.6%	57.3%
Provinces and municipalities	6 741.1	5 698.6	5 373.7	5 858.4	-4.6%	36.9%	6 223.4	6 757.1	6 801.4	5.1%	33.2%
Departmental agencies and accounts	2 269.8	2 370.0	2 382.0	2 375.9	1.5%	14.7%	2 612.1	3 226.1	3 722.5	16.1%	15.4%
Foreign governments and international organisations	209.3	227.1	237.5	243.3	5.2%	1.4%	251.0	257.0	268.5	3.3%	1.3%
Public corporations and private enterprises	694.7	782.9	809.3	903.0	9.1%	5.0%	1 413.7	1 733.0	1 571.3	20.3%	7.3%
Non-profit institutions	1.2	2.6	0.8	1.3	3.5%	0.0%	1.1	1.3	1.4	1.3%	0.0%
Households	17.9	35.4	47.0	27.9	15.9%	0.2%	26.8	27.7	28.3	0.5%	0.1%
Payments for capital assets	3 060.3	2 394.7	2 193.0	4 206.1	11.2%	18.5%	4 404.3	4 592.5	4 791.7	4.4%	23.3%
Buildings and other fixed structures	2 977.4	2 317.8	2 063.6	4 045.5	10.8%	17.8%	4 258.7	4 445.0	4 644.6	4.7%	22.5%
Machinery and equipment	51.6	47.6	91.7	117.3	31.5%	0.5%	99.2	101.0	99.6	-5.3%	0.5%
Software and other intangible assets	31.3	29.3	37.8	43.2	11.4%	0.2%	46.4	46.4	47.5	3.1%	0.2%
Total	16 619.4	15 217.6	14 502.6	17 735.1	2.2%	100.0%	18 539.7	20 155.2	20 913.3	5.6%	100.0%

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 41.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Households											
Social benefits											
Current	9 897	15 552	11 370	6 145	-14.7%	0.1%	4 663	5 059	4 652	-8.9%	-
Employee social benefits	9 858	15 187	10 925	6 145	-14.6%	0.1%	4 663	5 059	4 652	-8.9%	-
Other transfers to households	39	-	-	-	-100.0%	-	-	-	-	-	-
Social benefit	-	365	445	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	185 863	196 270	207 001	303 885	17.8%	2.4%	489 491	996 814	1 393 135	66.1%	7.2%
Energy and Water Sector	2 829	2 986	3 086	3 190	4.1%	-	3 350	3 429	3 583	3.9%	-
Education and Training Authority											
Water Trading Entity	183 034	193 284	203 915	300 695	18.0%	2.4%	291 141	286 385	236 552	-7.7%	2.5%
Olifants-Doorn river water resource project	-	-	-	-	-	-	195 000	707 000	1 153 000	-	4.6%
Capital	2 083 894	2 173 752	2 175 045	2 071 970	-0.2%	22.8%	2 122 638	2 229 276	2 329 392	4.0%	19.7%
Water Trading Entity	2 083 894	2 173 752	2 175 045	2 071 970	-0.2%	22.8%	2 122 638	2 229 276	2 329 392	4.0%	19.7%
Provinces and municipalities											
Municipal bank accounts											
Current	812	794	533	682	-5.6%	-	955	870	902	9.8%	-
Vehicle licences	812	794	533	682	-5.6%	-	955	870	902	9.8%	-
Capital	6 740 267	5 697 835	5 373 162	5 857 697	-4.6%	63.4%	6 222 439	6 756 269	6 800 536	5.1%	57.8%
Regional bulk infrastructure grant	1 963 000	2 028 516	2 005 605	2 237 370	4.5%	22.1%	2 521 420	2 892 132	2 762 863	7.3%	23.5%
Water services infrastructure grant	4 777 267	3 669 319	3 367 557	3 620 327	-8.8%	41.4%	3 701 019	3 864 137	4 037 673	3.7%	34.3%
Households											
Other transfers to households											
Current	8 021	19 867	35 631	21 757	39.5%	0.2%	22 122	22 652	23 679	2.9%	0.2%
Employee social benefits	896	401	5 035	632	-11.0%	-	224	231	241	-27.5%	-
Bursaries for non-employees	7 125	19 466	30 596	21 125	43.7%	0.2%	21 898	22 421	23 438	3.5%	0.2%
Public corporations and private enterprises											
Other transfers to public corporations											
Capital	694 715	782 891	809 312	902 969	9.1%	8.5%	1 413 686	1 732 960	1 571 278	20.3%	12.7%
Amatola water board: Regional bulk infrastructure	92 386	185 000	-	-	-100.0%	0.7%	-	-	-	-	-
Magalies water board: Regional bulk infrastructure	36 000	-	98 000	103 390	42.1%	0.6%	109 284	114 101	119 225	4.9%	1.0%
Umgeni water board: Regional bulk infrastructure	132 329	320 000	440 006	662 858	71.1%	4.2%	738 673	838 723	946 309	12.6%	7.2%
Sedibeng water board: Regional bulk infrastructure	434 000	277 891	271 306	136 721	-32.0%	3.0%	143 729	147 136	153 744	4.0%	1.3%
Lepelle water board: Regional bulk infrastructure	-	-	-	-	-	-	422 000	633 000	352 000	-	3.2%
Non-profit institutions											
Current	1 194	2 635	834	1 322	3.5%	-	1 142	1 316	1 376	1.3%	-
Strategic Water Partners Network	-	1 000	500	500	-	-	550	547	572	4.6%	-
South African Youth Water Prize	87	1 635	-	19	-39.8%	-	19	19	20	1.7%	-
Water Institute of Southern Africa	1 000	-	-	-	-100.0%	-	-	-	-	-	-
Various institutions: 2020 vision for water education programme	107	-	334	803	95.8%	-	573	750	784	-0.8%	-
Foreign governments and international organisations											
Current	209 269	227 051	237 458	243 324	5.2%	2.5%	250 978	256 985	268 525	3.3%	2.3%
Orange-Senqu River Commission	732	6 233	3 258	1 404	24.2%	-	1 550	1 550	1 550	3.4%	-
African Ministers Council on Water	112	118	200	220	25.2%	-	200	200	200	-3.1%	-
Limpopo Watercourse Commission	186	800	907	926	70.8%	-	950	1 070	1 196	8.9%	-
Komati Basin Water Authority	208 239	219 900	233 093	240 774	5.0%	2.4%	248 278	254 165	265 579	3.3%	2.3%
Total	9 933 932	9 116 647	8 850 346	9 409 751	-1.8%	100.0%	10 528 114	12 002 201	12 393 475	9.6%	100.0%

Personnel information

Table 41.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Water Resources Management																			
3. Water Services Management																			
Number of posts estimated for 31 March 2022	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment														Average growth rate (%)	Average: Salary level/ Total (%)		
		Actual			Revised estimate			Medium-term expenditure estimate											
		2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25							
Water and Sanitation	Number of funded posts	Number of posts	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Average growth rate (%)	Average: Salary level/ Total (%)	
																			2020/21
Salary level	3 426	175	3 498	1 638.3	0.5	3 787	1 854.7	0.5	3 631	1 836.4	0.5	3 523	1 741.7	0.5	3 520	1 819.9	0.5	-2.4%	100.0%
1 – 6	1 357	30	1 228	253.7	0.2	1 231	281.3	0.2	1 153	270.5	0.2	1 151	261.8	0.2	1 152	275.1	0.2	-2.2%	32.4%
7 – 10	1 326	68	1 366	613.9	0.4	1 678	799.3	0.5	1 610	782.0	0.5	1 546	736.4	0.5	1 543	769.4	0.5	-2.7%	44.1%
11 – 12	565	67	705	540.8	0.8	687	545.6	0.8	671	545.2	0.8	647	522.3	0.8	647	545.7	0.8	-2.0%	18.3%
13 – 16	176	10	197	225.6	1.1	190	224.0	1.2	195	234.2	1.2	177	216.6	1.2	176	225.0	1.3	-2.5%	5.1%
Other	2	–	2	4.4	2.2	2	4.4	2.2	2	4.5	2.3	2	4.6	2.3	2	4.8	2.4	–	0.1%
Programme	3 426	175	3 498	1 638.3	0.5	3 787	1 854.7	0.5	3 631	1 836.4	0.5	3 523	1 741.7	0.5	3 520	1 819.9	0.5	-2.4%	100.0%
Programme 1	1 921	134	1 712	765.1	0.4	1 742	830.8	0.5	1 694	832.3	0.5	1 678	795.6	0.5	1 680	832.5	0.5	-1.2%	47.0%
Programme 2	1 022	31	1 003	421.5	0.4	1 435	648.7	0.5	1 262	573.8	0.5	1 163	520.0	0.4	1 163	543.9	0.5	-6.8%	34.7%
Programme 3	483	10	783	451.7	0.6	610	375.1	0.6	675	430.4	0.6	682	426.1	0.6	677	443.5	0.7	3.5%	18.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 41.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2018/19	2019/20	2020/21					2021/22	2022/23	2023/24		
Departmental receipts	66 410	15 357	22 790	6 064	6 064	-55.0%	100.0%	6 370	6 829	7 264	6.2%	100.0%
Sales of goods and services produced by department	2 339	2 070	1 766	1 825	1 825	-7.9%	7.2%	1 967	2 107	2 273	7.6%	30.8%
Sales by market establishments of which:	851	784	731	603	603	-10.8%	2.7%	635	709	808	10.2%	10.4%
Market establishment: Rental dwelling	641	572	511	470	470	-9.8%	2.0%	450	500	550	5.4%	7.4%
Market establishment: Non-residential building	17	2	–	132	132	98.0%	0.1%	175	200	250	23.7%	2.9%
Market establishment: Rental parking	193	210	220	1	1	-82.7%	0.6%	10	9	8	100.0%	0.1%
Administrative fees of which:	63	67	65	55	55	-4.4%	0.2%	60	59	58	1.8%	0.9%
Services rendered: Transport fees	52	62	62	55	55	1.9%	0.2%	50	50	50	-3.1%	0.8%
Sales: Maps	7	3	2	–	–	-100.0%	–	5	4	3	–	–
Replacement of security cards	4	2	1	–	–	-100.0%	–	5	5	5	–	0.1%
Other sales of which:	1 425	1 219	970	1 167	1 167	-6.4%	4.3%	1 272	1 339	1 407	6.4%	19.5%
Rental capital assets	112	192	93	168	168	14.5%	0.5%	150	137	125	-9.4%	2.2%
Sales: Departmental publications and production	10	10	4	2	2	-41.5%	–	2	2	2	–	–
Services rendered: Commission on insurance and garnishee	782	937	805	798	798	0.7%	3.0%	900	950	1 000	7.8%	13.8%
Sales: Meals and refreshments	443	10	59	112	112	-36.8%	0.6%	115	120	125	3.7%	1.8%
Services rendered: Boarding service	78	70	–	86	86	3.3%	0.2%	100	125	150	20.4%	1.7%
Sales: Assets less than R5 000	–	–	9	1	1	–	–	5	5	5	71.0%	0.1%

Table 41.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)	
	2018/19	2019/20	2020/21					2021/22	2022/23	2023/24			2024/25
R thousand													
Sales of scrap, waste, arms and other used current goods	15	60	1	5	5	-30.7%	0.1%	3	2	1	-41.5%	-	
of which:													
Sales: Scrap	15	60	1	5	5	-30.7%	0.1%	3	2	1	-41.5%	-	
Fines, penalties and forfeits	400	1 580	-	-	-	-100.0%	1.8%	-	-	-	-	-	
Interest, dividends and rent on land	2 921	2 921	1 056	1 147	1 147	-26.8%	7.3%	1 150	1 170	1 190	1.2%	17.6%	
Interest	2 921	2 921	1 056	1 147	1 147	-26.8%	7.3%	1 150	1 170	1 190	1.2%	17.6%	
Sales of capital assets	-	247	35	416	416	-	0.6%	500	550	600	13.0%	7.8%	
Transactions in financial assets and liabilities	60 735	8 479	19 932	2 671	2 671	-64.7%	83.0%	2 750	3 000	3 200	6.2%	43.8%	
Total	66 410	15 357	22 790	6 064	6 064	-55.0%	100.0%	6 370	6 829	7 264	6.2%	100.0%	

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department. Develop and promote international relations on water resources with neighbouring countries.

Objective

- Facilitate cooperation by implementing and evaluating the approved African and global international relations plan annually, in support of the national water and sanitation agenda.

Subprogrammes

- Ministry* provides administrative and logistical support to the minister and deputy minister and their support staff and makes provision for their salaries.
- Departmental Management* provides policy and strategic direction for water and sanitation management. This includes enterprise-wide support services comprising administrative support to the director-general, corporate planning, monitoring and evaluation, and the provision of salaries and operational budgets for the department's regional office heads.
- Corporate Services* provides enterprise-wide support comprising human resources, legal services, communications, the learning and development academy, and transformation policy and coordination.
- Financial Management* ensures the efficient management of daily financial operations, processes and systems.
- Office Accommodation* makes payments for rental charges on all leased office space occupied by the department, and for municipal services such as electricity, water, sewage and waste removal.
- Provincial and International Coordination* is responsible for the coordination of international relations on water and sanitation with neighbouring countries, and the provision of salaries and operational budgets for the department's regional office heads.

Expenditure trends and estimates

Table 41.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	Average Expenditure/ Total (%)
R million											
Ministry	57.1	41.8	43.7	85.0	14.2%	3.3%	48.2	46.0	47.9	-17.4%	2.8%
Departmental Management	98.3	121.9	138.4	159.2	17.4%	7.5%	169.1	175.6	183.1	4.8%	8.5%
Corporate Services	673.7	670.2	634.3	832.6	7.3%	40.9%	839.5	825.7	864.4	1.3%	41.6%
Financial Management	254.1	243.1	245.5	263.5	1.2%	14.7%	279.3	271.1	283.0	2.4%	13.6%
Office Accommodation	475.0	457.1	503.2	514.4	2.7%	28.4%	561.1	574.4	600.2	5.3%	27.9%
Provincial and International Coordination	78.1	90.3	81.0	105.2	10.4%	5.2%	115.2	113.7	119.4	4.3%	5.6%
Total	1 636.3	1 624.3	1 646.0	1 960.0	6.2%	100.0%	2 012.5	2 006.7	2 098.0	2.3%	100.0%
Change to 2021 Budget estimate				9.1			39.2	25.5	28.3		
Economic classification											
Current payments	1 571.6	1 540.9	1 547.8	1 832.0	5.2%	94.5%	1 895.4	1 892.5	1 982.8	2.7%	94.1%
Compensation of employees	736.0	765.2	765.1	830.8	4.1%	45.1%	832.3	795.6	832.5	0.1%	40.7%
Goods and services	835.6	775.8	782.7	1 001.1	6.2%	49.4%	1 063.1	1 096.9	1 150.3	4.7%	53.4%
<i>of which:</i>											
<i>Audit costs: External</i>	40.7	35.2	24.1	39.5	-1.0%	2.0%	44.9	46.0	48.1	6.8%	2.2%
<i>Communication</i>	21.9	20.0	20.3	20.9	-1.6%	1.2%	26.7	28.6	30.2	13.0%	1.3%
<i>Computer services</i>	71.6	64.4	66.9	95.3	10.0%	4.3%	112.8	118.7	126.4	9.9%	5.6%
<i>Operating leases</i>	414.5	402.8	457.9	443.5	2.3%	25.0%	488.3	499.9	522.4	5.6%	24.2%
<i>Property payments</i>	95.4	88.8	78.7	124.7	9.3%	5.6%	120.6	126.5	132.7	2.1%	6.2%
<i>Travel and subsistence</i>	54.6	51.8	31.5	79.8	13.5%	3.2%	88.9	87.7	91.1	4.5%	4.3%
<i>Interest and rent on land</i>	0.0	-	0.0	0.0	61.1%	-	-	-	-	-100.0%	-
Transfers and subsidies	14.9	38.8	48.3	30.9	27.6%	1.9%	30.4	31.2	32.6	1.8%	1.5%
Provinces and municipalities	0.1	0.1	0.0	0.1	26.3%	-	0.2	0.2	0.2	14.2%	-
Departmental agencies and accounts	2.8	3.0	3.1	3.2	4.1%	0.2%	3.4	3.4	3.6	3.9%	0.2%
Foreign governments and international organisations	1.0	7.2	4.4	2.6	35.3%	0.2%	2.7	2.8	2.9	4.9%	0.1%
Non-profit institutions	-	1.0	0.5	0.5	-	-	0.6	0.5	0.6	4.6%	-
Households	10.9	27.5	40.4	24.5	30.9%	1.5%	23.6	24.2	25.3	1.0%	1.2%
Payments for capital assets	49.8	43.9	49.9	97.1	25.0%	3.5%	86.7	83.1	82.6	-5.3%	4.3%
Machinery and equipment	18.5	14.6	12.1	54.5	43.4%	1.5%	40.8	37.1	35.7	-13.2%	2.1%
Software and other intangible assets	31.3	29.2	37.8	42.6	10.9%	2.1%	45.9	45.9	46.9	3.2%	2.2%
Payments for financial assets	-	0.7	-	-	-	-	-	-	-	-	-
Total	1 636.3	1 624.3	1 646.0	1 960.0	6.2%	100.0%	2 012.5	2 006.7	2 098.0	2.3%	100.0%
Proportion of total programme expenditure to vote expenditure	9.8%	10.7%	11.3%	11.1%	-	-	10.9%	10.0%	10.0%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	3.3	7.7	4.3	3.4	1.1%	0.3%	1.7	1.8	1.8	-18.7%	0.1%
Employee social benefits	3.3	7.7	4.3	3.4	1.1%	0.3%	1.7	1.8	1.8	-18.7%	0.1%
Households											
Other transfers to households											
Current	7.7	19.5	35.6	21.1	40.3%	1.2%	21.9	22.4	23.4	3.5%	1.1%
Employee social benefits	-	-	5.0	-	-	0.1%	-	-	-	-	-
Bursaries for non-employees	7.7	19.5	30.6	21.1	40.3%	1.1%	21.9	22.4	23.4	3.5%	1.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2.8	3.0	3.1	3.2	4.1%	0.2%	3.4	3.4	3.6	3.9%	0.2%
Energy and Water Sector Education and Training Authority	2.8	3.0	3.1	3.2	4.1%	0.2%	3.4	3.4	3.6	3.9%	0.2%
Non-profit institutions											
Current	-	1.0	0.5	0.5	-	-	0.6	0.5	0.6	4.6%	-
Strategic Water Partners Network	-	1.0	0.5	0.5	-	-	0.6	0.5	0.6	4.6%	-
Foreign governments and international organisations											
Current	1.0	7.2	4.4	2.6	35.3%	0.2%	2.7	2.8	2.9	4.9%	0.1%
Orange-Senqu River Commission	0.7	6.2	3.3	1.4	24.2%	0.2%	1.6	1.6	1.6	3.4%	0.1%
African Ministers Council on Water	0.1	0.1	0.2	0.2	25.2%	-	0.2	0.2	0.2	-3.1%	-
Limpopo Watercourse Commission	0.2	0.8	0.9	0.9	70.8%	-	1.0	1.1	1.2	8.9%	0.1%

Personnel information

Table 41.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022			Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/ Total (%)						
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate													
			2020/21			2021/22			2022/23		2023/24		2024/25				2021/22 - 2024/25					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Administration			1 921	134		1 712	765.1	0.4	1 742	830.8	0.5	1 694	832.3	0.5	1 678	795.6	0.5	1 680	832.5	0.5		
Salary level																						
1 – 6	762	29	632	132.2	0.2	628	144.1	0.2	586	137.9	0.2	614	138.5	0.2	618	146.4	0.2	618	146.4	0.2	-0.5%	36.0%
7 – 10	833	53	756	331.1	0.4	780	363.8	0.5	778	369.4	0.5	754	349.8	0.5	751	365.0	0.5	751	365.0	0.5	-1.2%	45.1%
11 – 12	207	42	209	163.3	0.8	213	173.5	0.8	209	173.1	0.8	196	161.3	0.8	196	168.5	0.9	196	168.5	0.9	-2.7%	12.0%
13 – 16	117	10	113	134.1	1.2	119	145.0	1.2	119	147.4	1.2	112	141.4	1.3	112	147.7	1.3	112	147.7	1.3	-2.0%	6.8%
Other	2	–	2	4.4	2.2	2	4.4	2.2	2	4.5	2.3	2	4.6	2.3	2	4.8	2.4	2	4.8	2.4	–	0.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 2: Water Resources Management

Programme purpose

Ensure that South Africa's water resources are protected, used, developed, conserved, managed, controlled and planned in an integrated and sustainable manner.

Objectives

- Effectively manage water demand and supply by:
 - maintaining 6 water information systems on an ongoing basis
 - updating climate change risk and vulnerability assessments on an ongoing basis.
- Ensure the effective and sustainable management of water resources by distributing and monitoring funds transferred to the Water Trading Entity for the design, construction, commissioning and rehabilitation of bulk raw water infrastructure, including dam safety rehabilitation, on an ongoing basis.
- Improve the efficiency and effectiveness of the management of water resources by establishing 6 catchment management agencies by March 2024.
- Ensure the equitable allocation of water resources for social and economic development by processing 80 per cent of applications to authorise water use within 90 days on an ongoing basis.
- Protect and restore ecological infrastructure by:
 - implementing monitoring programmes for drinking water, wastewater and mine water quality on an ongoing basis
 - implementing the waste discharge charge system by March 2025.
- Ensure the protection of water resources by coordinating and monitoring compliance with standards, licence conditions and regulations across all sectors on an ongoing basis.
- Ensure the effective enforcement of compliance with water legislation by monitoring water use, conducting investigations and providing legal support in cases of unlawful water use on an ongoing basis.

Subprogrammes

- Water Resources Management Support* provides strategic leadership, management and support services to the programme and makes provisions for associated salaries.
- Integrated Water Resources Planning* develops comprehensive plans for the availability of adequate water resources to guide infrastructure development, systems and services management in the water sector.
- Water Ecosystems Management* develops and implements measures to protect water resources. This entails determining measures to manage water resources, and developing guidelines and protocols for pollution control and rehabilitation.
- Water Resources Information and Management* ensures the development and maintenance of data and information management systems to enable informed decisions in the water sector.

- *Water Resources Infrastructure Management* develops, rehabilitates and refurbishes bulk raw water resources infrastructure to meet South Africa's socioeconomic and environmental needs.
- *Water Resources Policy and Strategy* develops, monitors and reviews water resources management policies and procedures.
- *Water Resources Regulation* develops, implements, monitors and reviews regulations on water resources, particularly the regulation of raw water pricing, the authorisation of water use, compliance monitoring and enforcement, dam safety, resource protection and waste.
- *Water Resources Institutional Oversight* is responsible for the institutional governance and oversight of all water resources institutions, and facilitates their establishment and development.

Expenditure trends and estimates

Table 41.8 Water Resources Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Water Resources Management Support	6.1	7.1	6.1	6.9	4.5%	0.2%	7.0	6.7	7.0	0.2%	0.2%
Integrated Water Resources Planning	68.8	75.4	62.1	97.8	12.4%	2.3%	103.0	101.6	106.2	2.8%	2.5%
Water Ecosystems Management	47.9	35.5	38.9	51.3	2.3%	1.3%	59.4	56.1	59.3	4.9%	1.4%
Water Resources Information and Management	434.5	540.7	423.4	562.3	9.0%	14.8%	570.4	539.5	563.7	0.1%	13.4%
Water Resources Infrastructure Management	2 475.2	2 586.9	2 612.1	2 613.4	1.8%	77.7%	2 857.1	3 476.8	3 984.5	15.1%	77.6%
Water Resources Policy and Strategy	12.3	13.6	10.1	9.6	-8.0%	0.3%	17.1	16.5	17.2	21.4%	0.4%
Water Resources Regulation	–	–	–	202.1	–	1.5%	92.9	86.9	90.9	-23.4%	2.8%
Water Resources Institutional Oversight	63.5	50.8	46.2	73.2	4.9%	1.8%	76.0	70.8	74.1	0.4%	1.8%
Total	3 108.3	3 310.0	3 199.0	3 616.6	5.2%	100.0%	3 782.9	4 355.0	4 902.9	10.7%	100.0%
Change to 2021 Budget estimate				78.6			291.9	757.4	(19.7)		
Economic classification											
Current payments	587.5	688.5	535.8	919.4	16.1%	20.6%	845.6	792.3	832.1	-3.3%	20.3%
Compensation of employees	434.7	462.3	421.5	648.7	14.3%	14.9%	573.8	520.0	543.9	-5.7%	13.7%
Goods and services	152.8	226.2	114.3	270.7	21.0%	5.8%	271.8	272.3	288.2	2.1%	6.6%
of which:											
Computer services	36.8	30.1	31.9	44.0	6.2%	1.1%	40.7	42.8	45.1	0.8%	1.0%
Consultants: Business and advisory services	8.8	3.2	10.2	52.2	80.7%	0.6%	77.5	75.7	80.8	15.7%	1.7%
Infrastructure and planning services	37.6	117.5	13.9	38.2	0.6%	1.6%	41.4	42.3	44.2	5.0%	1.0%
Fleet services (including government motor transport)	15.1	11.7	3.2	8.6	-16.9%	0.3%	11.3	11.7	12.5	13.1%	0.3%
Consumable supplies	4.9	7.8	7.8	14.3	42.8%	0.3%	11.3	9.9	11.5	-7.1%	0.3%
Travel and subsistence	34.1	34.9	30.0	60.8	21.3%	1.2%	50.7	45.2	46.5	-8.5%	1.2%
Interest and rent on land	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies	2 479.0	2 591.3	2 615.6	2 615.9	1.8%	77.8%	2 859.4	3 479.5	3 986.7	15.1%	77.7%
Provinces and municipalities	0.7	0.7	0.5	0.6	-9.6%	–	0.8	0.7	0.7	8.7%	–
Departmental agencies and accounts	2 266.9	2 367.0	2 379.0	2 372.7	1.5%	70.9%	2 608.8	3 222.7	3 718.9	16.2%	71.6%
Foreign governments and international organisations	208.2	219.9	233.1	240.8	5.0%	6.8%	248.3	254.2	265.6	3.3%	6.1%
Households	3.0	3.6	3.0	1.9	-14.8%	0.1%	1.6	2.0	1.5	-7.8%	–
Payments for capital assets	41.8	30.3	47.6	81.3	24.9%	1.5%	78.0	83.2	84.1	1.1%	2.0%
Buildings and other fixed structures	18.4	8.3	34.8	30.9	18.9%	0.7%	32.3	32.4	33.8	3.1%	0.8%
Machinery and equipment	23.4	21.8	12.7	49.8	28.6%	0.8%	45.2	50.4	49.7	-0.1%	1.2%
Software and other intangible assets	–	0.1	–	0.6	–	–	0.5	0.5	0.5	-4.4%	–
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–
Total	3 108.3	3 310.0	3 199.0	3 616.6	5.2%	100.0%	3 782.9	4 355.0	4 902.9	10.7%	100.0%
Proportion of total programme expenditure to vote expenditure	18.7%	21.8%	22.1%	20.4%	–	–	20.4%	21.6%	23.4%	–	–

Table 41.8 Water Resources Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Details of transfers and subsidies											
Households											
Social benefits											
Current	3.0	3.6	3.0	1.9	-14.8%	0.1%	1.6	2.0	1.5	-7.8%	-
Employee social benefits	3.0	3.6	3.0	1.9	-14.8%	0.1%	1.6	2.0	1.5	-7.8%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	183.0	193.3	203.9	300.7	18.0%	6.7%	486.1	993.4	1 389.6	66.6%	19.0%
Water Trading Entity	183.0	193.3	203.9	300.7	18.0%	6.7%	291.1	286.4	236.6	-7.7%	6.7%
Water Trading Entity: Olifants-Doorn river water resource project: raising of the Clanwilliam Dam	-	-	-	-	-	-	195.0	707.0	1 153.0	-	12.3%
Capital	2 083.9	2 173.8	2 175.0	2 072.0	-0.2%	64.3%	2 122.6	2 229.3	2 329.4	4.0%	52.5%
Water Trading Entity	2 083.9	2 173.8	2 175.0	2 072.0	-0.2%	64.3%	2 122.6	2 229.3	2 329.4	4.0%	52.5%
Foreign governments and international organisations											
Current	208.2	219.9	233.1	240.8	5.0%	6.8%	248.3	254.2	265.6	3.3%	6.1%
Komati Basin Water Authority	208.2	219.9	233.1	240.8	5.0%	6.8%	248.3	254.2	265.6	3.3%	6.1%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	0.7	0.7	0.5	0.6	-7.5%	-	0.8	0.7	0.7	8.7%	-
Vehicle licences	0.7	0.7	0.5	0.6	-7.5%	-	0.8	0.7	0.7	8.7%	-

Personnel information

Table 41.9 Water Resources Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/Total (%)					
	Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate			Medium-term expenditure estimate											
			2020/21	Unit cost	2021/22	Unit cost	2022/23	Unit cost	2023/24	Unit cost	2024/25	Unit cost			2021/22 - 2024/25				
Water Resources Management			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	1 022	31	1 003	421.5	0.4	1 435	648.7	0.5	1 262	573.8	0.5	1 163	520.0	0.4	1 163	543.9	0.5	-6.8%	100.0%
1 – 6	435	1	436	89.3	0.2	490	112.2	0.2	442	103.5	0.2	404	92.4	0.2	404	97.0	0.2	-6.2%	34.6%
7 – 10	285	7	284	121.8	0.4	625	288.9	0.5	546	256.2	0.5	507	232.4	0.5	506	243.0	0.5	-6.8%	43.5%
11 – 12	270	23	259	183.5	0.7	288	211.7	0.7	250	186.4	0.7	233	172.5	0.7	233	180.3	0.8	-6.8%	20.0%
13 – 16	32	-	24	26.8	1.1	32	35.9	1.1	24	27.7	1.2	19	22.7	1.2	19	23.7	1.2	-16.0%	1.9%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 3: Water Services Management

Programme purpose

Develop, rehabilitate and refurbish water services infrastructure to meet the socioeconomic and environmental needs of South Africa.

Objectives

- Enhance the efficiency of water use and the management of water quality by assessing 8 large water systems for water losses annually.
- Ensure adequate water availability through the development and management of infrastructure for water resources, and enhance the provision of sustainable and reliable water supply and sanitation by:
 - implementing 24 large regional bulk infrastructure projects over the medium term
 - supporting 32 district municipalities with developing water and sanitation reliability plans over the medium term
 - assessing annual municipal strategic self-assessments across all water services authorities on an ongoing basis

- transferring funds and monitoring the performance of municipalities on the *regional bulk infrastructure grant* and *water services infrastructure grant* in terms of the annual Division of Revenue Act.

Subprogrammes

- *Water Services Management Support* provides strategic leadership, management and support services to the programme, and makes provision for associated salaries.
- *Water Services and Local Management* develops comprehensive plans that guide water and sanitation services and management across the value chain.
- *Regional Bulk Infrastructure Grant* provides for the development of new infrastructure; the refurbishment, upgrading and replacing of aging infrastructure; and the servicing of extensive areas across municipal boundaries.
- *Water Services Regulation* develops, implements, monitors and reviews water resources regulations, particularly the compliance of water services authorities with water supply regulations.
- *Water Services Policy and Strategy* develops and reviews water services policies, procedures, norms and standards; and monitors their implementation.
- *Water Services Infrastructure Grant* provides for the construction of new infrastructure and the rehabilitation of existing water and sanitation infrastructure through the grant transfer of water services schemes to water services institutions.
- *Water Services Institutional Oversight* is responsible for the institutional governance and oversight of all water services institutions, and facilitates their establishment and development.

Expenditure trends and estimates

Table 41.10 Water Services Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Water Services Management Support	28.2	36.2	28.6	40.6	13.0%	0.3%	36.1	37.0	38.6	-1.7%	0.3%
Water Services and Local Management	1 064.3	501.9	330.3	420.0	-26.7%	5.3%	402.2	435.0	454.5	2.7%	3.3%
Regional Bulk Infrastructure Grant	5 083.3	5 152.5	5 124.2	7 105.1	11.8%	51.1%	7 502.4	8 342.2	8 219.2	5.0%	59.2%
Water Services Regulation	191.0	203.1	200.3	30.3	-45.8%	1.4%	120.3	100.3	103.2	50.4%	0.7%
Water Services Policy and Strategy	–	–	–	10.0	–	–	11.5	11.8	12.3	7.0%	0.1%
Water Services Infrastructure Grant	5 508.2	4 389.5	3 973.1	4 533.9	-6.3%	41.9%	4 649.0	4 843.5	5 060.1	3.7%	36.3%
Water Services Institutional Oversight	–	–	1.0	18.4	–	–	22.8	23.5	24.6	10.1%	0.2%
Total	11 874.9	10 283.3	9 657.6	12 158.4	0.8%	100.0%	12 744.2	13 793.5	13 912.4	4.6%	100.0%
Change to 2021 Budget estimate				737.3			768.9	1 336.9	(8.5)		
Economic classification											
Current payments	1 466.1	1 476.0	1 375.7	1 367.9	-2.3%	12.9%	866.3	875.8	913.2	-12.6%	7.6%
Compensation of employees	433.3	456.0	451.7	375.1	-4.7%	3.9%	430.4	426.1	443.5	5.7%	3.2%
Goods and services	1 032.8	1 020.1	924.0	992.6	-1.3%	9.0%	435.9	449.7	469.7	-22.1%	4.5%
of which:											
Computer services	25.4	22.7	21.3	25.8	0.6%	0.2%	31.9	38.0	39.7	15.4%	0.3%
Consultants: Business and advisory services	25.8	251.4	224.5	603.0	185.8%	2.5%	62.9	68.6	69.4	-51.4%	1.5%
Infrastructure and planning services	72.3	62.1	15.7	118.7	18.0%	0.6%	201.3	194.4	203.2	19.6%	1.4%
Consumable supplies	1.4	42.9	2.6	7.2	72.0%	0.1%	9.6	9.8	10.5	13.3%	0.1%
Property payments	13.4	16.9	16.6	13.1	-0.7%	0.1%	11.9	11.7	12.3	-2.2%	0.1%
Travel and subsistence	33.1	37.5	29.5	37.6	4.4%	0.3%	55.3	56.5	59.8	16.7%	0.4%
Interest and rent on land	0.0	–	0.0	0.2	208.4%	–	–	–	–	-100.0%	–
Transfers and subsidies	7 440.1	6 486.6	6 186.4	6 763.0	-3.1%	61.1%	7 638.3	8 491.5	8 374.2	7.4%	59.4%
Provinces and municipalities	6 740.3	5 697.8	5 373.2	5 857.7	-4.6%	53.8%	6 222.4	6 756.3	6 800.5	5.1%	48.7%
Public corporations and private enterprises	694.7	782.9	809.3	903.0	9.1%	7.3%	1 413.7	1 733.0	1 571.3	20.3%	10.7%
Non-profit institutions	1.2	1.6	0.3	0.8	-11.7%	–	0.6	0.8	0.8	-0.7%	–
Households	3.9	4.3	3.6	1.5	-27.7%	–	1.6	1.5	1.6	2.2%	–
Payments for capital assets	2 968.7	2 320.6	2 095.5	4 027.6	10.7%	26.0%	4 239.6	4 426.2	4 625.0	4.7%	32.9%
Buildings and other fixed structures	2 959.0	2 309.4	2 028.7	4 014.6	10.7%	25.7%	4 226.4	4 412.7	4 610.8	4.7%	32.8%
Machinery and equipment	9.7	11.1	66.8	12.9	10.2%	0.2%	13.2	13.5	14.2	3.1%	0.1%
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–
Total	11 874.9	10 283.3	9 657.6	12 158.4	0.8%	100.0%	12 744.2	13 793.5	13 912.4	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	71.5%	67.6%	66.6%	68.6%	–	–	68.7%	68.4%	66.5%	–	–

Table 41.10 Water Services Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Details of transfers and subsidies											
Households											
Social benefits											
Current	3.0	3.9	3.6	0.9	-34.5%	–	1.4	1.3	1.3	16.4%	–
Employee social benefits	3.0	3.9	3.6	0.9	-34.5%	–	1.4	1.3	1.3	16.4%	–
Households											
Other transfers to households											
Current	0.9	0.4	0.0	0.6	-11.0%	–	0.2	0.2	0.2	-27.5%	–
Employee social benefits	0.9	0.4	0.0	0.6	-11.0%	–	0.2	0.2	0.2	-27.5%	–
Non-profit institutions											
Current	0.2	1.6	0.3	0.8	61.8%	–	0.6	0.8	0.8	-0.7%	–
South African Youth Water Prize	0.1	1.6	–	0.0	-39.8%	–	0.0	0.0	0.0	1.7%	–
Various institutions: 2020 vision for water education programme	0.1	–	0.3	0.8	95.8%	–	0.6	0.8	0.8	-0.8%	–
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	6 740.3	5 697.8	5 373.2	5 857.7	-4.6%	53.8%	6 222.4	6 756.3	6 800.5	5.1%	48.7%
Regional bulk infrastructure grant	1 963.0	2 028.5	2 005.6	2 237.4	4.5%	18.7%	2 521.4	2 892.1	2 762.9	7.3%	19.8%
Water services infrastructure grant	4 777.3	3 669.3	3 367.6	3 620.3	-8.8%	35.1%	3 701.0	3 864.1	4 037.7	3.7%	28.9%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Capital	694.7	782.9	809.3	903.0	9.1%	7.3%	1 413.7	1 733.0	1 571.3	20.3%	10.7%
Amatola water board: Regional bulk infrastructure	92.4	185.0	–	–	-100.0%	0.6%	–	–	–	–	–
Magalies water board: Regional bulk infrastructure	36.0	–	98.0	103.4	42.1%	0.5%	109.3	114.1	119.2	4.9%	0.8%
Umgeni water board: Regional bulk infrastructure	132.3	320.0	440.0	662.9	71.1%	3.5%	738.7	838.7	946.3	12.6%	6.1%
Sedibeng water board: Regional bulk infrastructure	434.0	277.9	271.3	136.7	-32.0%	2.5%	143.7	147.1	153.7	4.0%	1.1%
Lepelle water board: Regional bulk infrastructure	–	–	–	–	–	–	422.0	633.0	352.0	–	2.7%

Personnel information

Table 41.11 Water Services Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022	Number and cost ² of personnel posts filled/planned for on funded establishment														Average growth rate (%)	Average: Salary level/Total (%)			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2020/21	2021/22	2022/23	2023/24	2024/25	2021/22	2024/25										
Water Services Management	483	10	783	451.7	0.6	610	375.1	0.6	675	430.4	0.6	682	426.1	0.6	677	443.5	0.7	3.5%	100.0%
Salary level																			
1 – 6	160	–	160	32.1	0.2	113	25.0	0.2	125	29.2	0.2	133	30.9	0.2	129	31.6	0.2	4.6%	18.9%
7 – 10	208	8	326	161.0	0.5	272	146.6	0.5	285	156.4	0.5	285	154.2	0.5	285	161.3	0.6	1.6%	42.7%
11 – 12	88	2	237	194.0	0.8	186	160.4	0.9	212	185.7	0.9	218	188.5	0.9	218	196.9	0.9	5.4%	31.5%
13 – 16	27	–	60	64.6	1.1	39	43.1	1.1	52	59.1	1.1	46	52.6	1.1	45	53.6	1.2	4.9%	6.9%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Entities

Breede-Gouritz Catchment Management Agency

Selected performance indicators

Table 41.12 Breede-Gouritz Catchment Management Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Percentage of water registrations finalised per year	Water projects	Priority 2: Economic transformation and job creation	66% (528/800)	85% (351/419)	85% (351/419)	85%	85%	85%	85%

Entity overview

The Breede-Gouritz Catchment Management Agency was established in terms of the National Water Act (1998). The agency's main role is to protect, use, develop, conserve and manage water resources within the Breede-Gouritz catchment area. Over the medium term, the agency plans to continue engaging with users within its area of operation as part of its *Public Participation* programme, while monitoring and authorising their water usage. At a cost of R176 million over the MTEF period, the agency plans to finalise 85 per cent of user registrations as part of its authorisation project.

Expenditure is expected to increase at an average annual rate of 7.8 per cent, from R75.1 million in 2021/22 to R94.2 million in 2024/25. The agency's main cost driver is compensation of employees, which accounts for an estimated 64.1 per cent (R168.9 million) of its total expenditure over the period ahead. The agency derives all its revenue through transfers from the department. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 41.13 Breede-Gouritz Catchment Management Agency expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2018/19 - 2021/22	Average: Expenditure/ Total (%)	2022/23	2023/24	2024/25	2021/22 - 2024/25	Average: Expenditure/ Total (%)
Administration	27.3	35.7	35.9	36.7	10.4%	47.9%	41.6	44.0	46.1	7.8%	48.9%
Water projects	29.9	27.2	27.5	30.1	0.3%	40.8%	34.1	36.1	37.8	7.8%	40.1%
Public participation	7.1	8.9	7.5	8.2	4.9%	11.3%	9.3	9.9	10.3	7.9%	11.0%
Total	64.3	71.9	70.8	75.1	5.3%	100.0%	85.0	90.0	94.2	7.8%	100.0%

Statements of financial performance, cash flow and financial position

Table 41.14 Breede-Gouritz Catchment Management Agency statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2018/19	2019/20	2020/21		2018/19 - 2021/22	Average: Expenditure/ Total (%)	2022/23	2023/24	2024/25	2021/22 - 2024/25	Average: Expenditure/ Total (%)
Revenue											
Non-tax revenue	50.0	49.7	53.7	34.5	-11.7%	49.9%	35.2	36.1	36.6	2.0%	41.6%
Sale of goods and services other than capital assets	41.5	38.9	45.0	32.3	-8.1%	42.2%	33.0	33.9	34.3	2.1%	39.0%
Other sales	41.5	38.9	45.0	32.3	-8.1%	42.2%	33.0	33.9	34.3	2.1%	39.0%
Other non-tax revenue	8.6	10.8	8.6	2.2	-36.1%	7.8%	2.2	2.2	2.2	0.2%	2.6%
Transfers received	65.8	44.8	38.7	40.6	-14.8%	50.1%	49.8	53.9	57.6	12.4%	58.4%
Total revenue	115.8	94.5	92.4	75.1	-13.5%	100.0%	85.0	90.0	94.2	7.8%	100.0%
Expenses											
Current expenses	64.3	71.9	70.8	75.1	5.3%	100.0%	85.0	90.0	94.2	7.8%	100.0%
Compensation of employees	39.9	44.0	44.9	51.1	8.6%	63.7%	53.1	56.9	59.0	4.9%	64.1%
Goods and services	23.2	26.3	24.4	23.4	0.3%	34.6%	31.2	32.4	34.4	13.7%	35.1%
Depreciation	1.2	1.5	1.6	0.6	-23.4%	1.7%	0.7	0.8	0.8	12.5%	0.8%
Total expenses	64.3	71.9	70.8	75.1	5.3%	100.0%	85.0	90.0	94.2	7.8%	100.0%
Surplus/(Deficit)	51.5	22.7	21.5	-	-100.0%		-	-	-	-	
Cash flow statement											
Cash flow from operating activities	45.9	39.2	25.5	2.8	-60.8%	100.0%	7.4	4.5	4.0	13.3%	100.0%
Receipts											
Non-tax receipts	42.9	59.0	46.9	34.5	-7.1%	49.2%	35.4	36.5	37.1	2.5%	41.7%
Sales of goods and services other than capital assets	41.5	55.5	44.9	32.3	-8.1%	46.7%	33.0	33.9	34.3	2.1%	38.9%
Other sales	41.5	55.5	44.9	32.3	-8.1%	46.7%	33.0	33.9	34.3	2.1%	38.9%
Other tax receipts	1.4	3.5	2.0	2.2	15.4%	2.5%	2.4	2.6	2.8	7.8%	2.9%
Transfers received	65.8	44.8	38.7	40.6	-14.8%	50.8%	49.8	53.9	57.6	12.4%	58.3%
Total receipts	108.7	103.8	85.6	75.1	-11.6%	100.0%	85.1	90.4	94.7	8.1%	100.0%
Payment											
Current payments	62.9	64.7	60.1	72.3	4.8%	100.0%	77.7	85.9	90.7	7.8%	100.0%
Compensation of employees	39.9	44.0	43.7	49.4	7.4%	68.2%	53.1	58.7	62.0	7.8%	68.3%
Goods and services	22.9	20.6	16.4	22.9	-	31.8%	24.6	27.2	28.7	7.8%	31.7%
Total payments	62.9	64.7	60.1	72.3	4.8%	100.0%	77.7	85.9	90.7	7.8%	100.0%

Table 41.14 Breede-Gouritz Catchment Management Agency statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Net cash flow from investing activities	(0.5)	(2.0)	(0.6)	(1.2)	29.1%	100.0%	(1.1)	(1.2)	(1.2)	1.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.5)	(0.7)	(0.2)	(0.9)	16.8%	62.1%	(0.8)	(0.9)	(0.9)	1.9%	74.2%
Acquisition of software and other intangible assets	–	(1.2)	(0.4)	(0.3)	–	38.2%	(0.3)	(0.3)	(0.3)	–	25.8%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.0	0.0	–	–	-0.3%	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	45.3	37.2	24.9	1.6	-67.2%	39.9%	6.3	3.3	2.8	20.5%	4.1%
Statement of financial position											
Carrying value of assets	3.4	3.4	1.9	1.9	-17.9%	2.1%	1.9	1.9	1.9	–	1.3%
of which:											
Acquisition of assets	(0.5)	(0.7)	(0.2)	(0.9)	16.8%	100.0%	(0.8)	(0.9)	(0.9)	1.9%	100.0%
Receivables and prepayments	65.6	47.8	48.1	48.1	-9.8%	42.1%	48.1	48.1	48.1	–	32.9%
Cash and cash equivalents	34.2	71.4	96.3	96.3	41.2%	55.8%	96.3	96.3	96.3	–	65.8%
Total assets	103.1	122.6	146.2	146.2	12.3%	100.0%	146.2	146.2	146.2	–	100.0%
Accumulated surplus/(deficit)	92.9	115.1	136.6	121.2	9.2%	90.1%	121.2	121.2	121.2	–	82.9%
Trade and other payables	0.4	7.5	9.6	9.8	181.1%	4.9%	9.8	9.8	9.8	–	6.7%
Provisions	0.4	–	–	7.3	157.5%	1.4%	7.3	7.3	7.3	–	5.0%
Derivatives financial instruments	9.3	–	–	7.9	-5.5%	3.6%	7.9	7.9	7.9	–	5.4%
Total equity and liabilities	103.1	122.6	146.2	146.2	12.3%	100.0%	146.2	146.2	146.2	–	100.0%

Personnel information

Table 41.15 Breede-Gouritz Catchment Management Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2022		Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)				
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate			Medium-term expenditure estimate										
		2020/21		2021/22			2022/23		2023/24		2024/25		2021/22 - 2024/25				
Breede-Gouritz Catchment Management Agency		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number		Unit cost	4.9%	100.0%	
Salary level	68	68	65	44.9	0.7	68	51.1	0.8	69	53.1	0.8	69	56.9	0.8			69
1 – 6	5	5	5	0.9	0.2	5	1.1	0.2	5	1.1	0.2	5	1.2	0.2	5	1.2	0.2
7 – 10	38	38	36	21.1	0.6	38	24.1	0.6	38	25.0	0.7	38	26.8	0.7	38	27.8	0.7
11 – 12	21	21	20	17.2	0.9	21	19.6	0.9	22	20.3	0.9	22	21.7	1.0	22	22.6	1.0
13 – 16	4	4	4	5.7	1.4	4	6.4	1.6	4	6.7	1.7	4	7.2	1.8	4	7.4	1.9

1. Rand million.

Consolidated water boards

Selected performance indicators

Table 41.16 Consolidated Water Boards performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance 2021/22	MTEF targets		
			2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
Volume ¹ of bulk water sales by Amatola water board per year	Bulk activities	Priority 5: Spatial integration, human settlements and local government	32 208	31 432	31 835	32 991	34 021	38 917	40 531
Volume ¹ of bulk water sales by Bloem water board per year	Bulk activities		77 937	81 118	84 135	94 179	95 121	96 072	97 032
Volume ¹ of bulk water sales by Lepelle North water board per year	Bulk activities		93 813	89 440	97 490	98 490	98 490	98 490	98 490
Volume ¹ of bulk water sales by Magalies water board per year	Bulk activities		90 595	92 321	94 706	87 141	97 393	101 684	104 393
Volume ¹ of bulk water sales by Mhlathuze water board per year	Bulk activities		43 352	45 106	45 941	49 855	62 630	74 509	92 028
Volume ¹ of bulk water sales by Overberg water board per year	Bulk activities		3 445	3 265	3 625	3 622	3 687	3 663	3 720
Volume ¹ of bulk water sales by Rand Water per year	Bulk activities		1 714 308	1 655 373	1 674 640	1 598 629	1 626 605	1 655 071	1 684 034

Table 41.16 Consolidated Water Boards performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Volume ¹ of bulk water sales by Sedibeng water board per year	Bulk activities		118 299	122 551	119 731	125 782	128 082	129 561	131 060
Volume ¹ of bulk water sales by Umgeni Water per year	Bulk activities		471 801	509 217	548 547	563 154	578 376	595 852	604 790

1. Measured in megalitres.

Expenditure overview

The water boards are primarily mandated to provide bulk industrial and potable water services to municipalities and industries within their areas of operation, as mandated by the Water Services Act (1997). The water boards vary in size, activities, customer mix, revenue base and capacity. Rand Water and Umgeni Water are the two largest water boards, whose combined bulk sales accounted for an estimated 81.5 per cent of total sales in 2021/22.

Consolidated expenditure is expected to increase at an average annual rate of 8.8 per cent, from R24.6 billion in 2021/22 to R31.7 billion in 2024/25. The water boards' main cost drivers include the purchasing of raw water, pumping and chemicals, accounting for an estimated 76.4 per cent (R68.5 billion) of total expenditure over the period ahead. Their consolidated revenue is set to increase at an average annual rate of 11.1 per cent, from R29.1 billion in 2021/22 to R39.3 billion in 2024/25, as the sale of bulk water is expected to increase from R26.9 billion in 2021/22 to R37.1 billion 2024/25.

Programmes/Objectives/Activities

Table 41.17 Consolidated Water Boards expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25	
Administration	5 617.7	5 286.7	5 690.2	5 613.1	–	25.1%	6 083.5	6 421.3	6 707.9	6.1%	22.2%
Bulk activities	13 717.3	16 948.2	17 286.6	19 014.6	11.5%	74.9%	20 704.5	22 775.1	25 026.2	9.6%	77.8%
Total	19 335.0	22 234.9	22 976.8	24 627.7	8.4%	100.0%	26 788.0	29 196.4	31 734.1	8.8%	100.0%

Statements of financial performance, cash flow and financial position

Table 41.18 Consolidated Water Boards statements of financial performance

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25	
Revenue	24 784.4	26 821.8	27 785.1	29 148.0	5.6%	98.6%	32 188.8	35 697.7	39 340.1	10.5%	98.2%
Non-tax revenue	24 784.4	26 821.8	27 785.1	29 148.0	5.6%	98.6%	32 188.8	35 697.7	39 340.1	10.5%	98.2%
Sale of goods and services other than capital assets	23 690.9	25 646.6	25 938.7	28 196.8	6.0%	94.0%	31 277.5	34 928.0	38 654.1	11.1%	95.7%
of which:											
Administrative fees	28.9	54.9	34.6	60.9	28.3%	0.2%	61.7	65.0	68.5	4.0%	0.2%
Sales by market establishments	23 654.5	25 585.1	25 899.3	28 128.2	5.9%	93.9%	31 207.6	34 854.5	38 576.6	11.1%	95.5%
Water sales	22 463.9	24 523.4	24 940.9	26 851.7	6.1%	89.8%	29 957.0	33 499.5	37 126.2	11.4%	91.7%
Wastewater	571.4	564.7	562.1	621.4	2.8%	2.1%	677.6	747.3	799.6	8.8%	2.1%
Other activities	619.2	497.1	396.4	655.1	1.9%	2.0%	573.0	607.6	650.9	-0.2%	1.8%
Other sales	7.6	6.5	4.7	7.7	0.4%	–	8.1	8.5	9.0	5.5%	–
Other non-tax revenue	1 093.4	1 175.3	1 846.5	951.3	-4.5%	4.6%	911.4	769.7	686.0	-10.3%	2.5%
Transfers received	514.6	490.0	446.2	–	-100.0%	1.4%	782.6	1 173.9	652.1	–	1.8%
Total revenue	25 299.0	27 311.8	28 231.3	29 148.0	4.8%	100.0%	32 971.4	36 871.6	39 992.3	11.1%	100.0%
Expenses	19 335.0	22 234.9	22 976.8	24 627.7	8.4%	100.0%	26 788.0	29 196.4	31 734.1	8.8%	100.0%
Current expenses	19 335.0	22 234.9	22 976.8	24 627.7	8.4%	100.0%	26 788.0	29 196.4	31 734.1	8.8%	100.0%
Compensation of employees	4 530.0	4 258.7	4 749.8	4 946.6	3.0%	20.8%	5 453.8	5 805.2	6 322.8	8.5%	20.1%
Goods and services	13 214.1	15 940.9	16 392.7	17 757.6	10.4%	70.9%	19 058.9	20 864.2	22 664.3	8.5%	71.5%
Depreciation	1 303.5	1 554.2	1 408.0	1 500.8	4.8%	6.5%	1 699.0	1 879.2	2 057.2	11.1%	6.3%
Interest, dividends and rent on land	287.5	481.1	426.3	422.7	13.7%	1.8%	576.3	647.9	689.8	17.7%	2.1%
Total expenses	19 335.0	22 234.9	22 976.8	24 627.7	8.4%	100.0%	26 788.0	29 196.4	31 734.1	8.8%	100.0%
Surplus/(Deficit)	5 963.9	5 076.9	5 254.5	4 520.3	-8.8%		6 183.4	7 675.2	8 258.2	22.2%	

Inkomati-Usuthu Catchment Management Agency

Selected performance indicators

Table 41.19 Inkomati-Usuthu Catchment Management Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of quarterly routine maintenance exercises performed on installed river flow data loggers per year	International developmental agenda	Entity mandate	112	140	37	140	114	114	114
Number of hydrology reports produced to update the water resources information management database per year	International developmental agenda		24	24	24	24	24	24	24
Number of river cleaning exercises conducted to support the Adopt a River campaign with duly submitted reports per year	Knowledge generation and distribution		32	32	32	32	32	32	32

Entity overview

The Inkomati-Usuthu Catchment Management Agency was established in 2004 in terms of the National Water Act (1998). The agency plays a major role in the use, protection and development of water resources in the Inkomati-Usuthu water management area. The agency's water resource management functions include resource allocation, protection, use, conservation, monitoring, planning, development and operation. Over the medium term, the agency will continue focusing on monitoring, planning and developing activities to manage water resources, and ensuring that all authorisations and recommendations related to water quality are forwarded to the department.

Expenditure is expected to increase at an average annual rate of 11.8 per cent, from R139.7 million in 2021/22 to R195.4 million in 2024/25. Transfers from the department account for an estimated 66.5 per cent (R373.4 million) of the agency's revenue over the period ahead, with the remainder generated through licence fees for water use. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 41.20 Inkomati-Usuthu Catchment Management Agency expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Administration	54.3	119.2	14.7	12.0	-39.5%	33.9%	15.4	15.7	16.7	11.7%	8.6%
Water availability and flow management	20.9	23.7	30.7	35.5	19.3%	19.4%	55.6	58.2	60.8	19.7%	30.0%
Managing water quality	11.5	22.5	60.7	18.9	18.1%	18.8%	22.8	23.8	27.0	12.5%	13.4%
Knowledge generation and distribution	10.6	10.1	52.4	73.3	90.5%	25.3%	81.1	85.2	91.0	7.5%	48.0%
International developmental agenda	11.3	-	-	-	-100.0%	2.6%	-	-	-	-	-
Total	108.6	175.5	158.4	139.7	8.8%	100.0%	174.9	182.9	195.4	11.8%	100.0%

Statements of financial performance, cash flow and financial position**Table 41.21 Inkomati-Usuthu Catchment Management Agency statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Revenue											
Non-tax revenue	38.9	45.6	50.8	50.8	9.4%	31.0%	58.5	59.6	61.7	6.7%	33.5%
Sale of goods and services other than capital assets	35.5	39.9	47.2	49.7	11.9%	28.9%	55.5	56.4	58.4	5.5%	32.0%
<i>of which:</i>											
Administrative fees	35.5	39.9	47.2	49.7	11.9%	28.9%	55.5	56.4	58.4	5.5%	32.0%
Water Trading Entity	35.5	39.9	47.2	49.7	11.9%	28.9%	55.5	56.4	58.4	5.5%	32.0%
Other non-tax revenue	3.4	5.7	3.6	1.1	-30.2%	2.2%	3.0	3.1	3.3	42.0%	1.5%
Transfers received	73.0	175.7	106.0	88.9	6.8%	69.0%	116.4	123.3	133.7	14.6%	66.5%
Total revenue	111.9	221.4	156.8	139.7	7.7%	100.0%	174.9	182.9	195.4	11.8%	100.0%
Expenses											
Current expenses	108.6	175.5	158.4	139.7	8.8%	100.0%	174.9	182.9	195.4	11.8%	100.0%
Compensation of employees	62.1	69.9	82.3	96.9	16.0%	54.6%	116.2	124.4	133.6	11.3%	68.0%
Goods and services	46.4	103.7	76.1	42.7	-2.7%	45.1%	58.7	58.5	61.8	13.1%	31.9%
Depreciation	-	1.9	0.0	0.0	-	0.3%	-	-	-	-100.0%	-
Interest, dividends and rent on land	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Total expenses	108.6	175.5	158.4	139.7	8.8%	100.0%	174.9	182.9	195.4	11.8%	100.0%
Surplus/(Deficit)	3.3	45.9	(1.7)	-	-100.0%	-	-	-	-	-	-
Cash flow statement											
Cash flow from operating activities	45.6	(20.2)	0.6	0.7	-75.6%	100.0%	0.7	0.7	0.7	1.8%	100.0%
Receipts											
Non-tax receipts	38.8	26.6	47.2	50.8	9.5%	29.1%	58.5	59.6	61.7	6.7%	33.5%
Sales of goods and services other than capital assets	35.5	20.9	47.2	49.7	11.9%	27.1%	55.5	56.4	58.4	5.5%	32.0%
<i>of which:</i>											
Administrative fees	35.5	20.9	47.2	49.7	11.9%	27.1%	55.5	56.4	58.4	5.5%	32.0%
Water Trading Entity	35.5	20.9	47.2	49.7	11.9%	27.1%	55.5	56.4	58.4	5.5%	32.0%
Other tax receipts	3.3	5.7	-	1.1	-29.5%	2.0%	3.0	3.1	3.3	42.0%	1.5%
Transfers received	140.4	80.4	93.5	88.9	-14.1%	70.9%	116.4	123.3	133.7	14.6%	66.5%
Total receipts	179.2	107.0	140.7	139.7	-8.0%	100.0%	174.9	182.9	195.4	11.8%	100.0%
Payment											
Current payments	133.6	127.2	140.1	139.0	1.3%	100.0%	174.2	182.2	194.7	11.9%	100.0%
Compensation of employees	68.7	78.1	90.6	96.9	12.2%	61.8%	116.2	124.4	133.6	11.3%	68.3%
Goods and services	64.9	49.0	49.3	42.0	-13.5%	38.1%	57.9	57.7	61.0	13.3%	31.6%
Interest and rent on land	0.0	0.1	0.1	0.1	35.1%	0.1%	0.1	0.1	0.1	2.3%	0.1%
Total payments	133.6	127.2	140.1	139.0	1.3%	100.0%	174.2	182.2	194.7	11.9%	100.0%
Net cash flow from investing activities	(0.6)	(1.7)	(0.6)	(0.7)	2.8%	100.0%	(0.7)	(0.7)	(0.7)	1.8%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.6)	(1.7)	(0.6)	(0.7)	1.7%	100.9%	(0.7)	(0.7)	(0.7)	1.8%	100.0%
Proceeds from the sale of property, plant, equipment and intangible assets	0.0	-	-	-	-100.0%	-0.9%	-	-	-	-	-
Net cash flow from financing activities	0.3	(0.2)	-	-	-100.0%	-	-	-	-	-	-
Repayment of finance leases	0.3	(0.2)	-	-	-100.0%	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	45.3	(22.1)	(0.0)	0.0	-100.0%	7.3%	(0.0)	(0.0)	0.0	39.2%	-
Statement of financial position											
Carrying value of assets	4.1	3.9	5.3	9.9	34.0%	8.6%	10.4	10.8	10.6	2.3%	22.6%
<i>of which:</i>											
Acquisition of assets	(0.6)	(1.7)	(0.6)	(0.7)	1.7%	100.0%	(0.7)	(0.7)	(0.7)	1.8%	100.0%
Investments	0.3	0.3	0.3	0.3	3.9%	0.3%	0.3	0.3	0.3	4.0%	0.7%
Receivables and prepayments	54.8	24.5	21.4	0.2	-84.3%	20.0%	0.2	0.2	0.2	4.2%	0.5%
Cash and cash equivalents	98.4	76.3	73.0	32.9	-30.6%	71.0%	34.5	36.1	37.0	4.0%	76.2%
Total assets	157.6	105.0	100.0	43.3	-35.0%	100.0%	45.4	47.5	48.1	3.6%	100.0%
Accumulated surplus/(deficit)	53.3	99.2	(1.7)	37.8	-10.9%	53.5%	39.6	41.4	42.0	3.6%	87.3%
Capital and reserves	-	-	-	0.1	-	0.1%	0.1	0.1	0.1	6.2%	0.3%
Finance lease	0.3	0.1	0.1	-	-100.0%	0.1%	-	-	-	-	-
Deferred income	95.4	-	-	-	-100.0%	15.1%	-	-	-	-	-
Trade and other payables	6.8	2.8	101.6	4.7	-11.3%	29.9%	5.0	5.2	5.3	3.5%	10.9%
Provisions	1.9	2.9	-	0.7	-29.4%	1.4%	0.7	0.7	0.7	3.7%	1.5%
Total equity and liabilities	157.6	105.0	100.0	43.3	-35.0%	100.0%	45.4	47.5	48.1	3.6%	100.0%

Personnel information**Table 41.22 Inkomati-Usuthu Catchment Management Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2022		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						2021/22 - 2024/25					
		2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost	2023/24		Unit cost			2024/25		Unit cost	
Inkomati-Usuthu Catchment Management Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	136	136	137	82.3	0.6	136	96.9	0.7	144	116.2	0.8	144	124.4	0.9	144	133.6	0.9	11.3%	100.0%
1 – 6	14	14	14	1.0	0.1	14	1.9	0.1	14	2.0	0.1	14	2.1	0.2	14	2.4	0.2	7.8%	1.8%
7 – 10	47	47	47	16.3	0.3	47	22.5	0.5	47	23.1	0.5	47	26.0	0.6	47	28.6	0.6	8.3%	21.4%
11 – 12	38	38	38	18.7	0.5	38	21.4	0.6	42	36.0	0.9	42	35.9	0.9	42	39.2	0.9	22.4%	27.8%
13 – 16	37	37	38	46.4	1.2	37	51.1	1.4	41	55.2	1.3	41	60.4	1.5	41	63.3	1.5	7.4%	49.0%

1. Rand million.

Rand Water**Selected performance indicators****Table 41.23 Rand Water performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Cost per kilolitre per year	Bulk water	Priority 5: Spatial integration, human settlements and local government	R9.35	R10.09	R10.09	R10.68	R11.64	R12.68	R13.83
Avoidable water loss as a percentage of total water produced (non-revenue water) per year	Administration		3%	4.2%	4.6%	4.6%	4.6%	4.6%	4.6%
Volume of water sold (megalitres)	Bulk water		1 714 308	1 655 373	1 674 640	1 598 629	1 626 605	1 655 071	1 684 034

Entity overview

Rand Water was established in terms of the Water Services Act (1997) and is mandated to supply quality bulk potable water within its area of supply. Its customers include 3 Gauteng metropolitan municipalities, 13 municipalities, 40 mines and 926 industries. Over the MTEF period, the board will continue to supply bulk water to customers from its primary purification plants through its distribution network, which includes 3 056 kilometres of bulk pipelines to feed 58 service reservoirs.

To meet projected demand and sell 1.7 million megalitres of water in 2024/25, the water board will invest in infrastructure refurbishment projects while maintaining an average loss of non-revenue water at 4.6 per cent over the medium term. Expenditure is expected to increase at an average annual rate of 9.8 per cent, from R14.4 billion in 2021/22 to R19 billion in 2024/25, driven mainly by water purification and pumping costs. Revenue is expected to increase at an average annual rate of 10.8 per cent, from R17.8 billion in 2021/22 to R24.2 billion in 2024/25, mainly driven by projected tariff increases and increased sales.

Programmes/Objectives/Activities**Table 41.24 Rand Water Board expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
Administration	3 212.9	2 107.2	2 786.9	2 440.3	-8.8%	19.9%	2 649.8	2 841.6	2 992.5	7.0%	16.5%
Bulk water activities	8 772.8	10 836.2	10 842.3	11 830.3	10.5%	79.1%	13 015.9	14 392.9	15 981.9	10.5%	83.1%
Secondary activities	235.4	113.3	82.4	94.7	-26.2%	1.0%	37.7	42.9	64.7	-11.9%	0.4%
Total	12 221.1	13 056.7	13 711.7	14 365.3	5.5%	100.0%	15 703.4	17 277.4	19 039.2	9.8%	100.0%

Statements of financial performance, cash flow and financial position**Table 41.25 Rand Water Board statements of financial performance, cash flow and financial position**

Statement of financial performance												
R million	Audited outcome				Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
Revenue												
Non-tax revenue	15 765.3	16 887.5	17 005.9	17 827.5	4.2%	100.0%	19 772.5	21 914.9	24 248.8	10.8%	100.0%	
Sale of goods and services other than capital assets	15 269.2	16 388.9	16 515.0	17 426.1	4.5%	97.2%	19 385.5	21 496.7	23 837.8	11.0%	98.0%	
<i>of which:</i>												
<i>Sales by market establishments</i>	15 269.2	16 388.9	16 515.0	17 426.1	4.5%	97.2%	19 385.5	21 496.7	23 837.8	11.0%	98.0%	
<i>Water sales</i>	15 269.2	16 388.9	16 515.0	17 426.1	4.5%	97.2%	19 385.5	21 496.7	23 837.8	11.0%	98.0%	
Other non-tax revenue	496.2	498.6	490.9	401.5	-6.8%	2.8%	387.0	418.2	411.0	0.8%	2.0%	
Total revenue	15 765.3	16 887.5	17 005.9	17 827.5	4.2%	100.0%	19 772.5	21 914.9	24 248.8	10.8%	100.0%	
Expenses												
Current expenses	12 221.1	13 056.7	13 711.7	14 365.3	5.5%	100.0%	15 703.4	17 277.4	19 039.2	9.8%	100.0%	
Compensation of employees	2 443.3	1 975.6	2 419.2	2 254.7	-2.6%	17.1%	2 481.3	2 581.4	2 847.5	8.1%	15.3%	
Goods and services	9 088.7	10 446.4	10 821.4	11 624.1	8.5%	78.6%	12 570.1	13 907.6	15 262.9	9.5%	80.4%	
Depreciation	479.2	596.2	432.5	477.5	-0.1%	3.7%	600.9	738.8	894.9	23.3%	4.0%	
Interest, dividends and rent on land	209.9	38.5	38.5	9.1	-64.9%	0.6%	51.0	49.7	33.9	55.2%	0.2%	
Total expenses	12 221.1	13 056.7	13 711.7	14 365.3	5.5%	100.0%	15 703.4	17 277.4	19 039.2	9.8%	100.0%	
Surplus/(Deficit)	3 544.3	3 830.8	3 294.2	3 462.2	-0.8%		4 069.2	4 637.4	5 209.6	14.6%		
Cash flow statement												
Cash flow from operating activities	3 567.0	3 231.6	3 823.2	3 435.9	-1.2%	100.0%	4 713.6	4 612.2	6 049.3	20.8%	100.0%	
Receipts												
Non-tax receipts	15 765.3	15 889.1	16 637.6	17 804.2	4.1%	100.0%	19 748.2	21 889.4	24 222.2	10.8%	100.0%	
Sales of goods and services other than capital assets	15 414.4	15 534.1	16 179.1	17 480.3	4.3%	97.7%	19 442.3	21 591.4	24 019.0	11.2%	98.6%	
<i>of which:</i>												
<i>Sales by market establishment</i>	15 269.2	15 498.0	16 137.9	17 426.1	4.5%	97.3%	19 385.5	21 496.7	23 837.8	11.0%	98.2%	
<i>Water sales</i>	15 269.2	15 498.0	16 137.9	17 426.1	4.5%	97.3%	19 385.5	21 496.7	23 837.8	11.0%	98.2%	
Other sales	145.2	36.1	41.1	54.2	-28.0%	0.4%	56.7	94.7	181.1	49.5%	0.4%	
Other tax receipts	350.9	355.0	458.5	324.0	-2.6%	2.3%	305.9	298.0	203.2	-14.4%	1.4%	
Total receipts	15 765.3	15 889.1	16 637.6	17 804.2	4.1%	100.0%	19 748.2	21 889.4	24 222.2	10.8%	100.0%	
Payment												
Current payments	12 198.4	12 657.5	12 814.4	14 368.3	5.6%	100.0%	15 034.5	17 277.1	18 172.8	8.1%	100.0%	
Compensation of employees	2 443.3	1 975.6	2 419.2	2 254.7	-2.6%	17.6%	2 481.3	2 581.4	2 847.5	8.1%	15.7%	
Goods and services	9 545.2	10 244.3	9 945.5	12 104.6	8.2%	80.3%	12 502.2	14 646.1	15 291.5	8.1%	84.1%	
Interest and rent on land	209.9	437.6	449.6	9.1	-64.9%	2.2%	51.0	49.7	33.9	55.2%	0.2%	
Total payments	12 198.4	12 657.5	12 814.4	14 368.3	5.6%	100.0%	15 034.5	17 277.1	18 172.8	8.1%	100.0%	
Net cash flow from investing activities	(2 007.5)	(2 673.2)	(1 045.3)	188.5	-145.5%	100.0%	(5 951.0)	(5 882.6)	(6 809.3)	-430.5%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(1 111.3)	(1 687.3)	(2 479.6)	(2 730.7)	34.9%	-273.2%	(5 951.0)	(5 882.6)	(6 809.3)	35.6%	-287.1%	
Acquisition of software and other intangible assets	(1.6)	(0.5)	(0.1)	-	-100.0%	-	-	-	-	-	-	
Proceeds from the sale of property, plant, equipment and intangible assets	5.1	7.6	0.5	-	-100.0%	-0.1%	-	-	-	-	-	
Other flows from investing activities	(899.8)	(993.0)	1 433.9	2 919.2	-248.0%	373.3%	0.0	0.0	-	-100.0%	387.1%	
Net cash flow from financing activities	(691.9)	(430.5)	67.8	(8.6)	-76.8%	100.0%	-	(453.4)	-	-100.0%	-	
Borrowing activities	(691.9)	(429.2)	69.3	(8.6)	-76.8%	100.5%	-	(453.4)	-	-100.0%	-	
Repayment of finance leases	-	(1.3)	(1.5)	-	-	-0.5%	-	-	-	-	-	
Net increase/(decrease) in cash and cash equivalents	867.6	128.0	2 845.8	3 615.9	60.9%	13.5%	(1 237.4)	(1 723.7)	(760.0)	-159.5%	0.8%	

Table 41.25 Rand Water Board statements of financial performance, cash flow and financial position

Statement of financial position				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2021/22				2018/19 - 2021/22	2022/23	2023/24		
R million	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25	
Carrying value of assets of which:	22 069.0	23 943.0	26 865.8	29 428.9	10.1%	72.5%	35 235.2	40 787.3	47 040.9	16.9%	79.8%
Acquisition of assets	(1 111.3)	(1 687.3)	(2 479.6)	(2 730.7)	34.9%	100.0%	(5 951.0)	(5 882.6)	(6 809.3)	35.6%	100.0%
Investments	1 163.9	473.8	600.7	450.0	-27.2%	2.0%	450.0	450.0	450.0	-	1.0%
Inventory	493.7	462.2	167.3	504.8	0.7%	1.2%	528.0	552.3	577.7	4.6%	1.1%
Loans	3.8	2.8	1.8	2.7	-10.9%	-	2.7	2.7	2.7	-0.8%	-
Receivables and prepayments	2 222.7	2 868.0	2 652.5	4 280.3	24.4%	8.4%	4 589.3	4 338.9	4 455.7	1.3%	9.4%
Cash and cash equivalents	3 535.8	5 696.7	7 001.9	5 829.6	18.1%	15.5%	4 593.2	2 870.5	2 111.7	-28.7%	8.5%
Non-current assets held for sale	328.7	2.3	12.2	-	-100.0%	0.3%	-	-	-	-	-
Defined benefit plan assets	2.2	54.6	-	54.6	190.0%	0.1%	54.6	54.6	54.6	-	0.1%
Total assets	29 819.9	33 503.4	37 302.3	40 550.9	10.8%	100.0%	45 452.8	49 056.2	54 693.2	10.5%	100.0%
Accumulated surplus/(deficit)	21 685.8	25 576.3	28 814.8	32 502.0	14.4%	76.6%	36 534.6	41 173.1	46 383.9	12.6%	82.3%
Borrowings	4 389.4	4 317.3	4 383.7	4 415.0	0.2%	12.6%	4 414.6	3 183.4	3 183.2	-10.3%	8.2%
Deferred income	134.8	138.7	136.3	113.7	-5.5%	0.4%	119.0	124.5	130.2	4.6%	0.3%
Trade and other payables	3 531.1	3 386.3	3 861.0	3 520.1	-0.1%	10.2%	4 384.6	4 575.2	4 995.9	12.4%	9.2%
Provisions	78.9	83.2	106.5	-	-100.0%	0.2%	-	-	-	-	-
Derivatives financial instruments	-	1.6	-	-	-	-	-	-	-	-	-
Total equity and liabilities	29 819.9	33 503.4	37 302.3	40 550.9	10.8%	100.0%	45 452.8	49 056.2	54 693.2	10.5%	100.0%

Personnel information**Table 41.26 Rand Water Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2022		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25							
Salary level	3 575	3 575	3 563	2 419.2	0.7	3 575	2 254.7	0.6	3 585	2 481.3	0.7	3 605	2 581.4	0.7	3 657	2 847.5	0.8	8.1%	100.0%
1 – 6	9	9	9	7.2	0.8	9	6.7	0.7	9	7.3	0.8	9	7.5	0.8	9	8.4	0.9	7.6%	0.3%
7 – 10	2 796	2 796	2 784	1 351.6	0.5	2 796	1 259.6	0.5	2 806	1 387.0	0.5	2 826	1 443.2	0.5	2 878	1 592.0	0.6	8.1%	55.9%
11 – 12	181	181	181	186.9	1.0	181	174.2	1.0	181	191.6	1.1	181	199.3	1.1	181	219.9	1.2	8.1%	7.7%
13 – 16	575	575	575	829.2	1.4	575	772.8	1.3	575	850.0	1.5	575	884.0	1.5	575	975.2	1.7	8.1%	34.3%
17 – 22	14	14	14	44.4	3.2	14	41.4	3.0	14	45.4	3.2	14	47.3	3.4	14	52.1	3.7	8.0%	1.8%

1. Rand million.

Trans-Caledon Tunnel Authority**Selected performance indicators****Table 41.27 Trans-Caledon Tunnel Authority performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Percentage completion of 160km pipeline per year	Mokolo-Crocodile water augmentation project	Priority 2: Economic transformation and job creation	-1	-1	-1	-1	10%	40%	80%
Average volume of acid mine water pumped from the western basin (megalitres per day)	Acid mine drainage		33	19	30	-2	24-27	24-27	24-27
Environmental critical level of acid mine water within mine voids in the central basin (metres)	Acid mine drainage		-1	≥8	6-10	6-10	-2	-2	-2
Average volume of acid mine water pumped from the central basin (megalitres per day)	Acid mine drainage		-1	-1	-1	-1	48-56	48-56	48-56

Table 41.27 Trans-Caledon Tunnel Authority performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Environmental critical level of acid mine water within mine voids in the eastern basin (metres)	Acid mine drainage	Priority 2: Economic transformation and job creation	-1	10-15	10-15	10-15	-2	-2	-2
Average volume of acid mine water pumped from the eastern basin (megalitres per day)	Acid mine drainage		-1	-1	-1	-1	80-90	80-90	80-90
Percentage of water discharged from acid mine drainage treatment plants that meets Department of Water and Sanitation specifications per year	Acid mine drainage		-1	-1	100%	100%	100%	100%	100%

1. No historical data available.

2. No projections available.

Entity overview

The Trans-Caledon Tunnel Authority is a specialised liability management entity that derives its mandate from the National Water Act (1998). It is responsible for financing and implementing the development of bulk raw water infrastructure and providing treasury management services to the Department of Water and Sanitation. By 2024/25, the authority will merge with the Water Trading Entity to form the National Water Resources Infrastructure Agency.

Over the medium term, the authority will continue with the implementation of the Berg River-Voëlvele augmentation scheme, the Mzimvubu water project and phase 2 of Mokolo-Crocodile water augmentation project. In support of water demand management in the Mgeni system, the authority plans to build an 81m² dam and conveyance infrastructure.

Expenditure is expected to increase at an average annual rate of 24.2 per cent, from R7.9 billion in 2021/22 to R15.1 billion in 2024/25. The authority projects a surplus of R5.6 billion over the period ahead mainly due to delays in the delivery tunnel for the Lesotho Highlands water project, while revenue is expected to increase at an average annual rate of 27.3 per cent, from R8.4 billion in 2021/22 to R17.4 billion in 2024/25, mainly due to funding for construction received from the Water Trading Entity.

Programmes/Objectives/Activities

Table 41.28 Trans-Caledon Tunnel Authority expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
Administration	3 814.5	9 273.8	1 835.9	6 172.5	17.4%	71.6%	6 535.3	6 188.0	6 905.2	3.8%	65.8%
Berg water project	57.0	61.7	51.3	39.7	-11.4%	0.9%	40.0	31.0	23.9	-15.5%	0.4%
Vaal River eastern subsystem augmentation project	377.0	364.8	338.0	261.3	-11.5%	5.8%	263.2	248.8	229.0	-4.3%	2.6%
Mooi-Mgeni transfer scheme	190.0	187.3	203.0	121.8	-13.8%	3.1%	73.2	48.7	48.7	-26.3%	0.8%
Olifants River water resource development project	60.0	37.5	155.7	84.3	12.0%	1.7%	18.1	5.9	6.4	-57.6%	0.3%
Komati water scheme augmentation project	128.0	131.8	122.7	103.2	-6.9%	2.1%	97.2	109.3	112.5	2.9%	1.1%
Mokolo-Crocodile water augmentation project	157.0	396.3	459.1	526.6	49.7%	6.4%	1 199.8	1 702.0	3 428.1	86.7%	15.2%
Acid mine drainage	276.5	521.5	511.7	529.2	24.1%	7.6%	498.9	521.5	547.6	1.2%	5.4%
Kriel off-take pipeline	1.0	25.0	0.0	0.0	-67.3%	0.1%	-	-	-	-100.0%	-
Berg River-Voëlvele augmentation project	7.1	69.3	49.1	22.8	47.7%	0.6%	84.5	311.2	583.8	194.7%	2.1%
Umkhomazi Water Project	-	-	25.5	20.2	-	0.2%	16.9	347.0	3 220.9	442.5%	6.4%
Total	5 068.1	11 069.1	3 752.0	7 881.6	15.9%	100.0%	8 827.2	9 513.4	15 106.2	24.2%	100.0%

Statements of financial performance, cash flow and financial position**Table 41.29 Trans-Caledon Tunnel Authority statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2018/19	2019/20	2020/21		2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25
Revenue											
Non-tax revenue	5 266.1	8 789.5	3 621.0	8 417.8	16.9%	100.0%	10 389.3	11 310.4	17 351.5	27.3%	100.0%
Sale of goods and services other than capital assets	2 163.1	4 922.6	1 363.0	6 056.8	40.9%	51.7%	8 004.8	8 526.7	14 128.8	32.6%	76.5%
<i>of which:</i>											
<i>Sales by market establishments</i>	2 163.1	4 922.6	1 363.0	6 056.8	40.9%	51.7%	8 004.8	8 526.7	14 128.8	32.6%	76.5%
<i>Construction revenue</i>	688.0	3 050.1	603.0	3 375.1	69.9%	26.1%	5 502.5	5 924.8	11 367.3	49.9%	52.7%
<i>Other income</i>	1 475.1	1 872.5	760.0	2 681.7	22.0%	25.5%	2 502.3	2 602.0	2 761.5	1.0%	23.7%
Other non-tax revenue	3 103.0	3 866.8	2 258.0	2 361.0	-8.7%	48.3%	2 384.5	2 783.7	3 222.7	10.9%	23.5%
Total revenue	5 266.1	8 789.5	3 621.0	8 417.8	16.9%	100.0%	10 389.3	11 310.4	17 351.5	27.3%	100.0%
Expenses											
Current expenses	5 068.1	11 069.1	3 752.0	7 881.6	15.9%	100.0%	8 827.2	9 513.4	15 106.2	24.2%	100.0%
Compensation of employees	178.5	277.2	260.9	288.9	17.4%	4.2%	303.3	318.5	334.4	5.0%	3.2%
Goods and services	1 973.0	4 639.5	1 114.7	6 299.7	47.3%	47.6%	7 615.2	7 548.2	13 088.6	27.6%	83.0%
Depreciation	10.8	5.9	13.0	13.4	7.4%	0.2%	28.9	54.0	56.7	61.5%	0.4%
Interest, dividends and rent on land	2 905.8	6 146.5	2 363.5	1 279.6	-23.9%	48.0%	879.7	1 592.7	1 626.6	8.3%	13.4%
Total expenses	5 068.1	11 069.1	3 752.0	7 881.6	15.9%	100.0%	8 827.2	9 513.4	15 106.2	24.2%	100.0%
Surplus/(Deficit)	198.0	(2 279.7)	(131.0)	536.1	39.4%		1 562.1	1 797.0	2 245.2	61.2%	
Cash flow statement											
Cash flow from operating activities	4 337.0	2 568.2	(327.6)	2 197.0	-20.3%	100.0%	(290.9)	427.6	(4 466.0)	-226.7%	100.0%
Receipts											
Non-tax receipts	9 877.0	9 250.0	9 112.1	9 416.0	-1.6%	100.0%	9 342.0	10 047.0	10 840.0	4.8%	100.0%
Sale of goods and services other than capital assets	9 877.0	9 250.0	9 112.1	9 416.0	-1.6%	100.0%	9 342.0	10 047.0	10 840.0	4.8%	100.0%
<i>of which:</i>											
<i>Sales by market establishment</i>	9 877.0	9 250.0	9 112.1	9 416.0	-1.6%	100.0%	9 342.0	10 047.0	10 840.0	4.8%	100.0%
<i>Construction revenue</i>	9 877.0	9 250.0	9 112.1	9 416.0	-1.6%	100.0%	9 342.0	10 047.0	10 840.0	4.8%	100.0%
<i>Other income</i>	-	-	-	2 681.7	-	7.1%	-	-	-	-100.0%	7.1%
Total receipts	9 877.0	9 250.0	9 112.1	9 416.0	-1.6%	100.0%	9 342.0	10 047.0	10 840.0	4.8%	100.0%
Payment											
Current payments	5 540.0	6 681.8	9 439.7	7 219.0	9.2%	100.0%	9 632.9	9 619.4	15 306.0	28.5%	100.0%
Compensation of employees	178.5	277.2	299.9	288.9	17.4%	3.6%	295.7	310.5	326.0	4.1%	3.1%
Goods and services	3 156.5	4 406.6	6 833.1	4 986.1	16.5%	66.1%	7 615.2	7 559.0	13 081.0	37.9%	78.0%
Interest and rent on land	2 205.0	1 998.0	2 306.8	1 944.0	-4.1%	30.3%	1 722.0	1 750.0	1 899.0	-0.8%	18.9%
Total payments	5 540.0	6 681.8	9 439.7	7 219.0	9.2%	100.0%	9 632.9	9 619.4	15 306.0	28.5%	100.0%
Net cash flow from investing activities	139.0	39.0	442.3	95.0	-11.9%	100.0%	(164.0)	(62.0)	(21.0)	-160.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1.0)	(5.0)	(3.2)	(5.0)	71.0%	-4.9%	(11.0)	(18.0)	-	-100.0%	7.6%
Acquisition of software and other intangible assets	-	-	(13.5)	-	-	-0.8%	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	-	-	-	-	-	-	26.0	-	-31.0%
Other flows from investing activities	140.0	44.0	459.0	100.0	-10.6%	105.6%	(153.0)	(44.0)	(47.0)	-177.7%	123.3%
Net cash flow from financing activities	(5 276.0)	(1 710.0)	9 545.0	(1 886.0)	-29.0%	100.0%	8 677.0	742.0	7 309.0	-257.1%	100.0%
Borrowing activities	(5 276.0)	(1 710.0)	9 545.0	(1 886.0)	-29.0%	100.0%	8 677.0	742.0	7 309.0	-257.1%	100.0%
Net increase/(decrease) in cash and cash equivalents	(800.0)	897.2	9 659.8	406.0	-179.8%	63.7%	8 222.1	1 107.6	2 822.0	90.8%	32.2%

Table 41.29 Trans-Caledon Tunnel Authority statements of financial performance, cash flow and financial position

Statement of financial position				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2021/22				2022/23	2023/24	2024/25		
R million	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25	
Carrying value of assets	10.0	21.0	16.7	57.3	79.0%	0.1%	33.0	56.5	35.4	-14.8%	0.2%
<i>of which:</i>											
Acquisition of assets	(1.0)	(5.0)	(3.2)	(5.0)	71.0%	100.0%	(11.0)	(18.0)	-	-100.0%	-
Investments	482.0	-	-	-	-100.0%	0.5%	1 947.9	2 560.5	3 595.4	-	6.5%
Receivables and prepayments	21 591.0	22 365.4	21 488.6	17 503.1	-6.8%	78.4%	14 373.5	15 934.8	20 828.7	6.0%	63.1%
Cash and cash equivalents	3 048.0	6 200.9	12 875.6	2 578.7	-5.4%	21.0%	11 258.8	10 205.9	11 508.0	64.6%	30.3%
Total assets	25 131.0	28 587.3	34 381.0	20 139.1	-7.1%	100.0%	27 613.2	28 757.8	35 967.5	21.3%	100.0%
Accumulated surplus/(deficit)	836.0	(15.8)	972.9	1 306.7	16.1%	3.1%	2 666.1	4 408.5	6 621.0	71.8%	12.5%
Borrowings	22 554.0	28 077.3	32 145.5	17 057.0	-8.9%	91.5%	23 598.4	21 951.7	25 566.2	14.4%	79.4%
Trade and other payables	1 142.0	525.8	887.5	1 372.4	6.3%	3.9%	680.0	1 728.9	3 111.7	31.4%	6.0%
Taxation	187.0	-	-	-	-100.0%	0.2%	-	-	-	-	-
Provisions	412.0	-	375.1	403.1	-0.7%	1.2%	668.6	668.6	668.6	18.4%	2.2%
Total equity and liabilities	25 131.0	28 587.3	34 381.0	20 139.1	-7.1%	100.0%	27 613.2	28 757.8	35 967.5	21.3%	100.0%

Personnel information**Table 41.30 Trans-Caledon Tunnel Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2022			Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)					
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25						
Trans-Caledon Tunnel Authority	225	225	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2021/22 - 2024/25				
Salary level	225	225	195	260.9	1.3	225	288.9	1.3	225	303.3	1.3	225	318.5	1.4	225	334.4	1.5	5.0%	100.0%
1 – 6	-	-	3	0.8	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 – 10	58	58	57	31.5	0.6	58	29.6	0.5	58	31.1	0.5	58	32.7	0.6	58	34.3	0.6	5.0%	10.3%
11 – 12	46	46	33	31.1	0.9	46	40.1	0.9	46	42.1	0.9	46	44.2	1.0	46	46.4	1.0	5.0%	13.9%
13 – 16	102	102	82	134.0	1.6	102	157.3	1.5	102	165.2	1.6	102	173.4	1.7	102	182.1	1.8	5.0%	54.5%
17 – 22	19	19	20	63.4	3.2	19	61.8	3.3	19	64.9	3.4	19	68.2	3.6	19	71.6	3.8	5.0%	21.4%

1. Rand million.

Umgeni Water**Selected performance indicators****Table 41.31 Umgeni Water performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Costs per kilolitre (R/kl) per year	Bulk activities	Entity mandate	R4.24	R5.02	R5.47	R6.59	R6.91	R7.27	R7.39
Weighted average cost of capital per year	Bulk activities		10.64%	10.75%	10.55%	10.75%	11.30%	11.52%	11.57%
Volume of water sold (megalitres) per year	Bulk activities		471 801	509 217	548 547	563 154	578 376	595 852	604 790

Entity overview

Umgeni Water was established in terms of the Water Services Act (1997) to provide water and sanitation services in mostly rural areas in KwaZulu-Natal and the eThekweni metropolitan area. It supplies water to an estimated 6 million consumers. Its ongoing objective is to support socioeconomic development through investing in water infrastructure in its area of operation. Over the medium term, Umgeni Water plans to finalise the construction of phase 1 of the Greater Mpofana regional water scheme, the Impendle bulk water supply scheme, and phase 3 of the Maphumulo bulk water supply scheme, targeting largely indigent municipal areas. It also plans to implement the Umkhomazi-Mgeni transfer scheme to provide bulk potable water in the area.

Expenditure is expected to increase at an average annual rate of 5.1 per cent, from R4.3 billion in 2021/22 to R5 billion in 2024/25. Revenue is expected to increase at an average annual rate of 10.5 per cent, from R5.2 billion in 2021/22 to R7 billion in 2024/25, mainly due to an expected increase in bulk water sales.

Programmes/Objectives/Activities**Table 41.32 Umgeni Water Board expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2018/19 - 2021/22	Average: Expenditure/ Total (%)	2022/23	2023/24	2024/25		
Administration	1 059.8	1 701.5	1 799.9	2 019.1	24.0%	48.6%	2 130.5	2 213.9	2 138.1	1.9%	45.4%
Bulk activities	1 198.2	1 327.4	1 613.7	1 986.8	18.4%	45.7%	2 197.3	2 401.6	2 601.6	9.4%	48.9%
Wastewater	103.8	139.0	148.1	181.3	20.4%	4.3%	194.6	209.5	225.3	7.5%	4.3%
Other activities	26.7	25.8	26.7	130.1	69.6%	1.4%	39.5	41.8	44.3	-30.1%	1.4%
Total	2 388.4	3 193.8	3 588.4	4 317.3	21.8%	100.0%	4 561.8	4 866.9	5 009.3	5.1%	100.0%

Statements of financial performance, cash flow and financial position**Table 41.33 Umgeni Water Board statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2018/19 - 2021/22	Average: Expenditure/ Total (%)	2022/23	2023/24	2024/25		
Revenue											
Non-tax revenue	3 800.8	4 458.8	4 864.2	5 150.3	10.7%	100.0%	5 624.2	6 281.6	6 958.3	10.5%	100.0%
Sale of goods and services other than capital assets	3 538.5	4 154.4	4 528.2	5 027.7	12.4%	94.2%	5 516.8	6 191.0	6 879.4	11.0%	98.3%
<i>of which:</i>											
<i>Sales by market establishments</i>	3 538.5	4 154.4	4 528.2	5 027.7	12.4%	94.2%	5 516.8	6 191.0	6 879.4	11.0%	98.3%
<i>Water sales</i>	3 291.5	3 893.8	4 235.5	4 584.9	11.7%	87.5%	5 135.4	5 770.5	6 413.7	11.8%	91.1%
<i>Wastewater</i>	199.8	216.4	246.1	286.7	12.8%	5.2%	316.9	350.4	389.3	10.7%	5.6%
<i>Other activities</i>	47.2	44.2	46.6	156.2	49.0%	1.6%	64.5	70.1	76.4	-21.2%	1.6%
Other non-tax revenue	262.4	304.4	335.9	122.6	-22.4%	5.8%	107.4	90.6	78.9	-13.7%	1.7%
Total revenue	3 800.8	4 458.8	4 864.2	5 150.3	10.7%	100.0%	5 624.2	6 281.6	6 958.3	10.5%	100.0%
Expenses											
Current expenses	2 388.4	3 193.8	3 588.4	4 317.3	21.8%	100.0%	4 561.8	4 866.9	5 009.3	5.1%	100.0%
Compensation of employees	674.3	748.3	794.2	961.1	12.5%	24.0%	1 074.2	1 165.6	1 245.9	9.0%	23.7%
Goods and services	1 364.3	1 936.3	2 322.1	2 809.0	27.2%	61.9%	2 871.0	3 052.8	3 089.5	3.2%	63.1%
Depreciation	335.8	404.6	422.1	522.5	15.9%	12.6%	569.5	569.3	565.2	2.7%	11.9%
Interest, dividends and rent on land	14.0	104.6	50.0	24.7	20.9%	1.5%	47.0	79.2	108.7	63.9%	1.3%
Total expenses	2 388.4	3 193.8	3 588.4	4 317.3	21.8%	100.0%	4 561.8	4 866.9	5 009.3	5.1%	100.0%
Surplus/(Deficit)	1 412.4	1 265.0	1 275.8	833.0	-16.1%		1 062.4	1 414.7	1 949.0	32.8%	
Cash flow statement											
Cash flow from operating activities	1 568.7	1 881.0	1 437.7	1 367.1	-4.5%	100.0%	1 670.1	2 000.2	2 583.3	23.6%	100.0%
Receipts											
Non-tax receipts	3 769.0	4 440.3	4 777.6	5 144.9	10.9%	99.2%	5 618.7	6 276.1	6 952.7	10.6%	99.9%
Sales of goods and services other than capital assets	3 538.5	4 154.4	4 528.2	5 027.7	12.4%	94.2%	5 516.8	6 191.0	6 879.4	11.0%	98.3%
<i>of which:</i>											
<i>Sales by market establishment</i>	3 538.5	4 154.4	4 528.2	5 027.7	12.4%	94.2%	5 516.8	6 191.0	6 879.4	11.0%	98.3%
<i>Water sales</i>	3 291.5	3 893.8	4 235.5	4 584.9	11.7%	87.5%	5 135.4	5 770.5	6 413.7	11.8%	91.1%
<i>Wastewater</i>	199.8	216.4	246.1	286.7	12.8%	5.2%	316.9	350.4	389.3	10.7%	5.6%
<i>Other activities</i>	47.2	44.2	46.6	156.2	49.0%	1.6%	64.5	70.1	76.4	-21.2%	1.6%
Other tax receipts	230.5	285.9	249.4	117.2	-20.2%	5.0%	101.9	85.0	73.3	-14.5%	1.6%
Financial transactions in assets and liabilities	31.8	18.5	86.5	5.4	-44.6%	0.8%	5.5	5.5	5.6	1.2%	0.1%
Total receipts	3 800.8	4 458.8	4 864.2	5 150.3	10.7%	100.0%	5 624.2	6 281.6	6 958.3	10.5%	100.0%
Payment											
Current payments	2 232.2	2 577.8	3 426.5	3 783.2	19.2%	100.0%	3 954.1	4 281.4	4 374.9	5.0%	100.0%
Compensation of employees	674.3	725.5	794.2	961.1	12.5%	26.7%	1 074.2	1 165.6	1 245.9	9.0%	27.1%
Goods and services	1 543.9	1 747.6	2 582.2	2 797.5	21.9%	71.6%	2 832.9	3 036.6	3 020.4	2.6%	71.4%
Interest and rent on land	14.0	104.6	50.0	24.7	20.9%	1.7%	47.0	79.2	108.7	63.9%	1.5%
Total payments	2 232.2	2 577.8	3 426.5	3 783.2	19.2%	100.0%	3 954.1	4 281.4	4 374.9	5.0%	100.0%
Net cash flow from investing activities	(1 530.8)	(2 163.2)	(1 199.5)	(1 332.4)	-4.5%	100.0%	(2 442.5)	(2 986.8)	(3 295.3)	35.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1 161.7)	(788.0)	(818.5)	(1 940.1)	18.6%	81.5%	(3 056.8)	(3 343.6)	(3 620.5)	23.1%	123.1%
Acquisition of software and other intangible assets	(42.2)	(68.6)	(9.7)	(0.3)	-80.8%	1.7%	(0.3)	(0.3)	(0.4)	5.3%	-
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.1	1.8	-	-	-	-	-	-	-	-
Other flows from investing activities	(326.9)	(1 306.7)	(373.2)	608.0	-223.0%	16.8%	614.6	357.2	325.6	-18.8%	-23.2%

Table 41.33 Umgeni Water Board statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2018/19	2021/22	2022/23	2023/24	2024/25		
Net cash flow from financing activities	22.8	216.2	(217.6)	631.3	202.4%	100.0%	1 514.0	1 830.0	1 662.4	38.1%	100.0%
Deferred income	151.6	241.7	382.6	662.9	63.5%	176.3%	738.7	838.7	946.3	12.6%	64.1%
Borrowing activities	(79.0)	(30.5)	(630.0)	(24.8)	-32.0%	-18.7%	908.5	1 308.5	1 208.5	-465.1%	50.1%
Other flows from financing activities	(49.8)	4.9	29.8	(6.7)	-48.7%	-57.6%	(133.2)	(317.2)	(492.4)	318.2%	-14.2%
Net increase/(decrease) in cash and cash equivalents	60.7	(66.0)	20.7	665.9	122.2%	4.1%	741.6	843.5	950.4	12.6%	17.0%
Statement of financial position											
Carrying value of assets	9 403.9	9 102.7	9 064.4	11 519.5	7.0%	67.3%	14 018.5	16 999.5	20 367.1	20.9%	81.1%
<i>of which:</i>											
Acquisition of assets	(1 161.7)	(788.0)	(818.5)	(1 940.1)	18.6%	100.0%	(3 056.8)	(3 343.6)	(3 620.5)	23.1%	100.0%
Investments	2 865.4	4 316.0	4 759.0	3 061.4	2.2%	25.8%	2 439.1	1 769.8	1 142.9	-28.0%	11.8%
Inventory	19.0	22.1	22.2	28.7	14.8%	0.2%	32.2	35.9	39.7	11.5%	0.2%
Accrued investment interest	79.4	81.4	-	-	-100.0%	0.3%	-	-	-	-	-
Receivables and prepayments	739.9	772.3	1 082.5	934.4	8.1%	6.1%	1 038.4	1 459.1	1 887.4	26.4%	6.8%
Cash and cash equivalents	86.8	20.8	41.4	18.2	-40.6%	0.3%	21.1	25.9	30.0	18.0%	0.1%
Non-current assets held for sale	-	10.8	1.9	0.7	-	-	0.7	0.7	0.7	-	-
Total assets	13 194.5	14 326.2	14 971.4	15 562.9	5.7%	100.0%	17 550.0	20 290.8	23 467.8	14.7%	100.0%
Accumulated surplus/(deficit)	9 080.3	10 235.8	11 497.8	12 097.3	10.0%	73.7%	13 159.8	14 574.6	16 523.7	11.0%	73.7%
Capital and reserves	442.8	442.8	442.8	442.8	-	3.1%	442.8	442.8	442.8	-	2.4%
Capital reserve fund	-	684.0	58.1	14.7	-	1.3%	81.4	181.4	1 216.4	335.5%	1.7%
Borrowings	1 792.9	1 133.2	1 108.4	1 083.5	-15.5%	9.0%	1 925.4	3 133.9	3 307.4	45.1%	11.9%
Accrued interest	53.7	-	-	-	-100.0%	0.1%	-	-	-	-	-
Deferred income	-	10.7	11.4	10.7	-	0.1%	10.7	10.7	10.7	-	0.1%
Trade and other payables	966.8	1 141.5	1 040.3	1 134.1	5.5%	7.4%	1 114.4	1 094.8	1 074.3	-1.8%	5.9%
Provisions	698.7	421.3	473.2	486.6	-11.4%	3.6%	523.1	561.0	600.6	7.3%	2.9%
Derivatives financial instruments	159.1	256.9	339.4	293.1	22.6%	1.8%	292.4	291.6	291.9	-0.1%	1.6%
Total equity and liabilities	13 194.5	14 326.2	14 971.4	15 562.9	5.7%	100.0%	17 550.0	20 290.8	23 467.8	14.7%	100.0%

Personnel information

Table 41.34 Umgeni Water Board personnel numbers and cost by salary level

Number of posts estimated for 31 March 2022		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						2021/22 - 2024/25					
		2020/21		2021/22		2022/23		2023/24		2024/25									
Salary level	548	1 548	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
1-6	420	420	297	69.1	0.2	420	115.5	0.3	448	136.8	0.3	463	151.7	0.3	463	161.4	0.3	11.8%	12.7%
7-10	852	852	700	389.9	0.6	852	489.9	0.6	892	550.0	0.6	897	589.0	0.7	900	630.0	0.7	8.7%	50.8%
11-12	174	174	174	181.1	1.0	174	191.7	1.1	180	211.8	1.2	192	237.7	1.2	194	255.3	1.3	10.0%	20.1%
13-16	101	101	102	151.3	1.5	101	160.4	1.6	101	171.7	1.7	101	183.0	1.8	101	194.7	1.9	6.7%	16.0%
17-22	1	1	1	2.8	2.8	1	3.7	3.7	1	3.9	3.9	1	4.2	4.2	1	4.4	4.4	6.6%	0.4%

1. Rand million.

Water Research Commission

Selected performance indicators

Table 41.35 Water Research Commission performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of research projects completed per year	Research and development	Entity mandate	104	80	84	80	80	80	80
Number of students financially and technically supported (including historically disadvantaged students) per year	Research and development		411	250	326	250	300	350	350

Entity overview

The Water Research Commission was established in terms of the Water Research Act (1971). It is mandated to conduct research in the water sector by determining needs and priorities for research; promoting coordination, cooperation and communication for the development of water research; stimulating and funding water research; promoting the effective transfer of information and technology; and enhancing knowledge and building capacity in the water sector.

Over the medium term, the commission plans to bridge knowledge gaps in the sector by prioritising research informed by government policies, needs and international trends. Accordingly, the commission's research will focus on the desalination of seawater, climate change modelling and water availability.

Expenditure is expected to increase at an average annual rate of 5 per cent, from R337 million in 2021/22 to R390.7 million in 2024/25. Spending on *Research and Development*, and *Innovation and Impact* programmes account for an estimated 51 per cent (R557.9 million) of the commission's total expenditure over the period ahead. Compensation of employees is the commission's main cost driver, increasing at an average annual rate of 8.6 per cent, from R113.6 million in 2021/22 to R145.5 million in 2024/25.

The commission expects to derive 80.6 per cent (R889 million) of its revenue over the MTEF period through the water research levy. Revenue is expected to increase in line with expenditure.

Table 41.36 Water Research Commission expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Administration	113.4	124.7	126.1	156.6	11.4%	43.3%	176.2	184.0	196.4	7.8%	49.0%
Research and development	138.4	123.1	90.6	104.9	-8.8%	38.3%	102.0	118.6	87.4	-5.9%	28.6%
Innovation and impact	31.6	53.1	61.5	76.2	34.0%	18.4%	74.6	68.5	106.9	12.0%	22.4%
Total	283.4	301.0	278.2	337.7	6.0%	100.0%	352.8	371.0	390.7	5.0%	100.0%

Statements of financial performance, cash flow and financial position

Table 41.37 Water Research Commission statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Revenue	284.3	341.0	344.7	337.7	5.9%	100.0%	352.8	371.0	390.7	5.0%	100.0%
Non-tax revenue											
Sale of goods and services other than capital assets	279.3	324.2	339.4	332.1	5.9%	97.5%	347.7	366.5	386.7	5.2%	98.7%
<i>of which:</i>											
<i>Sales by market establishments</i>	279.3	324.2	339.4	332.1	5.9%	97.5%	347.7	366.5	386.7	5.2%	98.7%
<i>Water research levies</i>	236.6	259.0	265.6	275.8	5.2%	79.5%	285.8	298.4	311.8	4.2%	80.7%
<i>Leverage income</i>	42.3	65.2	73.7	56.1	9.9%	18.0%	61.7	67.9	74.7	10.0%	17.9%
<i>Miscellaneous income</i>	0.4	-	0.1	0.2	-25.5%	0.1%	0.2	0.2	0.2	4.4%	-
<i>Other non-tax revenue</i>	5.0	16.8	5.3	5.6	3.5%	2.5%	5.0	4.5	4.1	-10.0%	1.3%
Total revenue	284.3	341.0	344.7	337.7	5.9%	100.0%	352.8	371.0	390.7	5.0%	100.0%
Expenses											
Current expenses	283.4	301.0	278.2	337.7	6.0%	100.0%	352.8	371.0	390.7	5.0%	100.0%
Compensation of employees	80.8	91.6	96.7	113.6	12.0%	31.8%	125.5	134.9	145.5	8.6%	35.7%
Goods and services	197.3	204.2	176.6	224.0	4.3%	66.8%	227.3	236.1	245.3	3.1%	64.3%
Depreciation	4.7	4.6	4.4	-	-100.0%	1.2%	-	-	-	-	-
Interest, dividends and rent on land	0.5	0.5	0.5	-	-100.0%	0.1%	-	-	-	-	-
Total expenses	283.4	301.0	278.2	337.7	6.0%	100.0%	352.8	371.0	390.7	5.0%	100.0%
Surplus/(Deficit)	-	40.0	66.5	-	-	-	-	-	-	-	-

Table 41.37 Water Research Commission statements of financial performance, cash flow and financial position

Statement of financial performance				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2021/22				2018/19	2021/22	2022/23		
R million	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22	2022/23	2023/24	2024/25	2021/22	2024/25
Cash flow statement											
Cash flow from operating activities	30.9	63.7	71.5	1.4	-64.2%	100.0%	2.9	2.2	1.3	-2.6%	100.0%
Receipts											
Non-tax receipts	307.9	344.2	352.8	335.6	2.9%	100.0%	350.6	368.6	388.2	5.0%	100.0%
Sales of goods and services other than capital assets	302.6	336.7	347.0	330.0	2.9%	98.2%	345.6	364.1	384.1	5.2%	98.7%
<i>of which:</i>											
<i>Sales by market establishment</i>	302.6	336.7	347.0	330.0	2.9%	98.2%	345.6	364.1	384.1	5.2%	98.7%
<i>Water research levies</i>	236.6	259.0	255.6	273.7	5.0%	76.5%	283.7	296.0	309.3	4.2%	80.6%
<i>Leverage income</i>	65.6	77.8	91.5	56.1	-5.1%	21.6%	61.7	67.9	74.7	10.0%	18.0%
<i>Miscellaneous income</i>	0.4	-	-	0.2	-25.5%	-	0.2	0.2	0.2	4.4%	-
Other tax receipts	5.4	7.5	5.8	5.6	1.4%	1.8%	5.0	4.5	4.1	-10.0%	1.3%
Total receipts	307.9	344.2	352.8	335.6	2.9%	100.0%	350.6	368.6	388.2	5.0%	100.0%
Payment											
Current payments	277.0	280.5	281.3	334.2	6.5%	100.0%	347.7	366.5	386.9	5.0%	100.0%
Compensation of employees	76.5	91.6	98.2	120.2	16.3%	32.8%	130.6	140.3	151.3	8.0%	37.7%
Goods and services	200.5	188.9	183.1	213.9	2.2%	67.2%	217.1	226.1	235.6	3.3%	62.3%
Interest and rent on land	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Total payments	277.0	280.5	281.3	334.2	6.5%	100.0%	347.7	366.5	386.9	5.0%	100.0%
Net cash flow from investing activities	(3.4)	6.9	(0.1)	(5.3)	15.5%	100.0%	(12.4)	(8.2)	(8.5)	17.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1.0)	(2.6)	(0.1)	(2.5)	34.5%	26.6%	(4.6)	(2.1)	(3.3)	9.3%	37.5%
Acquisition of software and other intangible assets	(2.4)	(0.4)	(0.0)	(2.8)	4.8%	37.7%	(7.7)	(6.1)	(5.2)	23.3%	62.5%
Proceeds from the sale of property, plant, equipment and intangible assets	-	9.8	-	-	-	35.7%	-	-	-	-	-
Net cash flow from financing activities	(4.9)	(3.5)	(0.6)	-	-100.0%	-	-	-	-	-	-
Repayment of finance leases	(1.2)	(1.1)	(0.6)	-	-100.0%	-	-	-	-	-	-
Other flows from financing activities	(3.7)	(2.5)	-	-	-100.0%	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	22.6	67.1	70.8	(3.9)	-155.5%	13.6%	(9.4)	(6.0)	(7.2)	22.7%	-1.8%
Statement of financial position											
Carrying value of assets	16.1	15.9	11.6	12.9	-7.2%	4.8%	21.2	25.4	29.8	32.3%	6.1%
<i>of which:</i>											
<i>Acquisition of assets</i>	(1.0)	(2.6)	(0.1)	(2.5)	34.5%	100.0%	(4.6)	(2.1)	(3.3)	9.3%	100.0%
Investments	-	-	-	2.5	-	0.2%	2.6	2.7	2.8	4.4%	0.7%
Receivables and prepayments	46.4	40.9	54.5	54.4	5.4%	16.1%	56.7	59.2	61.9	4.4%	15.8%
Cash and cash equivalents	161.3	241.0	300.3	296.5	22.5%	79.0%	287.0	281.1	273.9	-2.6%	77.4%
Taxation	0.0	0.0	0.0	0.0	-	-	0.0	0.0	0.0	-	-
Total assets	223.8	297.8	366.5	366.2	17.8%	100.0%	367.5	368.3	368.4	0.2%	100.0%
Accumulated surplus/(deficit)	82.4	112.0	178.4	178.4	29.4%	43.0%	178.4	178.4	178.4	-	48.5%
Borrowings	0.4	0.1	0.2	0.2	-24.0%	0.1%	0.2	0.2	0.2	-	-
Finance lease	0.5	1.1	0.6	0.1	-50.0%	0.2%	-	-	-	-100.0%	-
Trade and other payables	121.3	155.7	154.7	155.9	8.7%	47.8%	157.1	158.5	159.9	0.9%	42.9%
Provisions	12.0	20.5	23.7	22.9	24.1%	6.2%	24.0	25.2	26.4	4.8%	6.7%
Derivatives financial instruments	7.2	8.4	8.9	8.7	6.7%	2.7%	7.8	6.1	3.5	-26.2%	1.8%
Total equity and liabilities	223.8	297.8	366.5	366.2	17.8%	100.0%	367.5	368.3	368.4	0.2%	100.0%

Personnel information**Table 41.38 Water Research Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2022		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									2021/22 - 2024/25			
		2020/21		2021/22		2022/23			2023/24			2024/25								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Water Research Commission		110	110	97	96.7	1.0	110	113.6	1.0	113	125.5	1.1	113	134.9	1.2	113	145.5	1.3	8.6%	100.0%
Salary level																				
1 – 6	28	28	20	3.1	0.2	28	8.1	0.3	29	10.1	0.3	29	11.2	0.4	29	11.3	0.4	11.8%	7.8%	
7 – 10	34	34	30	20.5	0.7	34	22.0	0.6	35	24.2	0.7	35	25.8	0.7	35	27.9	0.8	8.2%	19.2%	
11 – 12	15	15	15	14.1	0.9	15	15.5	1.0	15	16.7	1.1	15	17.8	1.2	15	19.1	1.3	7.3%	13.3%	
13 – 16	27	27	26	40.7	1.6	27	47.7	1.8	28	52.6	1.9	28	56.8	2.0	28	62.1	2.2	9.2%	42.2%	
17 – 22	6	6	6	18.2	3.0	6	20.4	3.4	6	21.8	3.6	6	23.3	3.9	6	25.1	4.2	7.2%	17.5%	

1. Rand million.

Water Trading Entity**Selected performance indicators****Table 41.39 Water Trading Entity performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of raw water projects completed per year	Operations, maintenance and refurbishment of national water resources schemes		0	0	0	0	1	0	0
Number of dam safety rehabilitation projects completed per year	Implementation of dam safety projects		0	0	0	2	2	8	6
Percentage of water users validated within catchment area per year	Implementation of water resources management activities		–1	–1	0%	100%	100%	100%	100%
Number of rivers where the monitoring programme has been implemented per year	Implementation of water resources management activities	Priority 2: Economic transformation and job creation	71	76	77	81	78	81	78
Percentage of planned maintenance projects completed per year as per the approved asset management plan	Operations, maintenance and refurbishment of national water resources schemes		46.1% (267/ 579)	39% (428/ 1 105)	39.4% (474/ 1 203)	50%	50%	80%	80%
Percentage of unscheduled maintenance projects completed per year as a proportion of planned maintenance projects	Operations, maintenance and refurbishment of national water resources schemes		26.47% (153/ 579)	25% (281/ 1 105)	25.5% (307/ 1 203)	≤30%	≤30%	≤20%	≤20%

1. No historical data available.

Entity overview

The Water Trading Entity was established in 1983 and was converted into a trading entity in 2008 in terms of the Public Finance Management Act (1999). The entity's primary role is to manage water infrastructure and resources, and the sale of raw water. Over the medium term, the entity will continue to focus on maintaining existing water resource infrastructure and supplying bulk water to strategic users, such as large industrial companies, to stimulate and support economic development. By 2024/25, the entity will merge with the Trans-Caledon Tunnel Authority to form the National Water Resources Infrastructure Agency.

In supporting the long-term sustainability of water resources, the entity will implement 16 dam safety rehabilitation projects over the MTEF period. Expenditure is expected to increase at an average annual rate of 4.9 per cent, from R15.6 billion in 2021/22 to R18 billion in 2024/25. An additional R2.1 billion is allocated over period ahead to finalise the Olifants-Doorn River water resources project.

The entity expects to generate 82.8 per cent (R50.8 billion) of its revenue through the sale of raw water. Total revenue is expected to be R60.8 billion over the MTEF period.

Programmes/Objectives/Activities**Table 41.40 Water Trading Entity expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%)
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Administration	815.8	902.3	997.9	1 103.7	10.6%	8.1%	1 161.6	1 213.8	1 274.5	4.9%	7.1%
Implementation of water resources management activities	805.1	890.4	984.8	1 089.2	10.6%	8.0%	1 146.3	1 197.9	1 257.8	4.9%	7.0%
Operations, maintenance and refurbishment of national water resources schemes	1 581.0	1 748.6	1 934.0	2 139.0	10.6%	15.6%	2 248.6	2 349.8	2 467.2	4.9%	13.7%
Financing and investment in raw water infrastructure	6 675.3	4 815.1	3 452.1	8 419.7	8.0%	47.2%	8 843.3	9 241.2	9 703.3	4.8%	53.8%
Bulk water supply to strategic users	2 038.4	2 254.5	2 493.5	2 757.8	10.6%	20.2%	2 898.3	3 028.7	3 180.2	4.9%	17.6%
Implementation of dam safety projects	95.7	105.8	117.0	129.4	10.6%	0.9%	138.5	144.8	152.0	5.5%	0.8%
Total	12 011.3	10 716.7	9 979.3	15 638.7	9.2%	100.0%	16 436.6	17 176.2	18 035.1	4.9%	100.0%

Statements of financial performance, cash flow and financial position**Table 41.41 Water Trading Entity statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%)
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Revenue	12 002.4	13 885.2	13 391.8	13 084.0	2.9%	85.3%	16 928.6	17 690.4	18 650.4	12.5%	86.9%
Non-tax revenue	11 032.2	12 170.6	12 317.1	12 009.3	2.9%	77.5%	16 747.1	17 500.7	18 451.3	15.4%	84.5%
Sale of goods and services other than capital assets of which:											
<i>Sales by market establishments</i>	<i>11 032.2</i>	<i>12 170.6</i>	<i>12 317.1</i>	<i>12 009.3</i>	<i>2.9%</i>	<i>77.5%</i>	<i>16 747.1</i>	<i>17 500.7</i>	<i>18 451.3</i>	<i>15.4%</i>	<i>84.5%</i>
<i>Sales of water</i>	<i>10 876.8</i>	<i>11 951.3</i>	<i>12 042.0</i>	<i>11 738.0</i>	<i>2.6%</i>	<i>76.0%</i>	<i>16 145.0</i>	<i>16 871.5</i>	<i>17 790.5</i>	<i>14.9%</i>	<i>81.7%</i>
Construction revenue	154.2	214.5	270.3	270.3	20.6%	1.5%	368.3	384.9	404.2	14.3%	1.9%
Lease revenue earned	1.2	1.2	1.0	1.0	-5.3%	-	233.8	244.4	256.6	534.6%	0.9%
Commission earned	-	3.7	3.8	-	-	-	-	-	-	-	-
Other non-tax revenue	970.2	1 714.6	1 074.6	1 074.6	3.5%	7.8%	181.5	189.7	199.1	-43.0%	2.4%
Transfers received	2 266.9	2 310.5	2 068.7	2 372.7	1.5%	14.7%	2 413.8	2 515.7	2 565.9	2.6%	13.1%
Total revenue	14 269.3	16 195.7	15 460.4	15 456.7	2.7%	100.0%	19 342.4	20 206.1	21 216.4	11.1%	100.0%
Expenses	12 011.3	10 716.7	9 979.3	15 638.7	9.2%	100.0%	16 436.6	17 176.2	18 035.1	4.9%	100.0%
Current expenses	1 218.4	1 292.8	1 369.4	1 451.2	6.0%	11.3%	1 539.7	1 609.0	1 689.4	5.2%	9.3%
Compensation of employees	3 448.4	3 699.6	4 466.7	4 771.8	11.4%	34.6%	5 010.4	5 235.9	5 497.7	4.8%	30.5%
Goods and services	2 314.1	2 455.2	1 485.0	2 756.2	6.0%	18.7%	2 894.0	3 024.2	3 175.4	4.8%	17.6%
Depreciation	5 030.3	3 269.1	2 658.2	6 659.6	9.8%	35.4%	6 992.5	7 307.2	7 672.6	4.8%	42.6%
Interest, dividends and rent on land											
Total expenses	12 011.3	10 716.7	9 979.3	15 638.7	9.2%	100.0%	16 436.6	17 176.2	18 035.1	4.9%	100.0%
Surplus/(Deficit)	2 258.0	5 479.0	5 481.2	(182.0)	-143.2%		2 905.8	3 029.8	3 181.3	-359.5%	
Cash flow statement											
Cash flow from operating activities	4 859.3	8 325.3	7 696.8	6 791.9	11.8%	100.0%	8 868.3	9 255.8	9 718.6	12.7%	100.0%
Receipts	11 418.5	13 286.4	12 572.4	11 194.4	-0.7%	85.1%	12 887.9	13 474.6	14 223.9	8.3%	83.9%
Non-tax receipts	11 418.5	13 286.4	12 572.4	11 194.4	-0.7%	85.1%	12 887.9	13 474.6	14 223.9	8.3%	83.9%
Sales of goods and services other than capital assets of which:											
<i>Sales by market establishment</i>	<i>11 139.8</i>	<i>12 575.2</i>	<i>11 746.4</i>	<i>11 016.0</i>	<i>-0.4%</i>	<i>81.6%</i>	<i>12 731.0</i>	<i>13 310.6</i>	<i>14 051.7</i>	<i>8.5%</i>	<i>82.8%</i>
<i>Sales of water</i>	<i>11 139.8</i>	<i>11 816.8</i>	<i>11 320.0</i>	<i>11 016.0</i>	<i>-0.4%</i>	<i>79.7%</i>	<i>12 731.0</i>	<i>13 310.6</i>	<i>14 051.7</i>	<i>8.5%</i>	<i>82.8%</i>
Construction revenue	-	757.3	425.3	270.3	-	2.5%	-	-	-	-100.0%	0.5%
Lease revenue earned	-	1.1	1.0	1.0	-	-	-	-	-	-100.0%	-
Other sales	278.7	711.2	826.0	178.4	-13.8%	3.4%	157.0	164.0	172.2	-1.2%	1.1%
Transfers received	1 971.3	2 058.3	2 068.7	2 372.7	6.4%	14.9%	2 413.8	2 515.7	2 565.9	2.6%	16.1%
Total receipts	13 389.8	15 344.7	14 641.0	13 567.0	0.4%	100.0%	15 301.7	15 990.3	16 789.8	7.4%	100.0%

Table 41.41 Water Trading Entity statements of financial performance, cash flow and financial position

Statement of financial performance				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2021/22				2018/19 - 2021/22	2022/23	2023/24		
R million	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25	
Payment											
Current payments	8 530.5	7 019.4	6 944.3	6 775.2	-7.4%	100.0%	6 433.4	6 734.5	7 071.2	1.4%	100.0%
Compensation of employees	1 482.9	1 487.6	1 592.1	1 638.9	3.4%	21.4%	1 596.3	1 668.1	1 751.5	2.2%	24.6%
Goods and services	4 172.9	3 532.5	3 595.2	2 932.0	-11.1%	48.6%	2 522.7	2 636.2	2 768.0	-1.9%	40.2%
Interest and rent on land	2 874.7	1 999.3	1 757.0	2 204.2	-8.5%	30.0%	2 314.4	2 430.1	2 551.6	5.0%	35.2%
Total payments	8 530.5	7 019.4	6 944.3	6 775.2	-7.4%	100.0%	6 433.4	6 734.5	7 071.2	1.4%	100.0%
Net cash flow from investing activities	(172.6)	(358.3)	(131.8)	(1 993.8)	126.1%	100.0%	(2 193.2)	(2 291.9)	(2 406.5)	6.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(172.6)	(358.3)	(131.8)	(1 993.8)	126.1%	100.0%	(2 193.2)	(2 291.9)	(2 406.5)	6.5%	100.0%
Net cash flow from financing activities	(4 726.2)	(6 904.0)	(6 161.8)	(8 446.1)	21.4%	100.0%	(9 290.8)	(9 708.8)	(10 194.3)	6.5%	100.0%
Borrowing activities	(4 724.2)	(5 453.0)	(6 161.8)	(8 419.7)	21.2%	94.7%	(9 261.6)	(9 678.4)	(10 162.3)	6.5%	99.7%
Repayment of finance leases	(2.0)	(1 450.9)	-	(26.5)	135.3%	5.3%	(29.1)	(30.4)	(32.0)	6.5%	0.3%
Net increase/(decrease) in cash and cash equivalents	(39.6)	1 063.0	1 403.1	(3 648.1)	351.8%	0.1%	(2 615.6)	(2 744.9)	(2 882.2)	-7.6%	-17.8%
Statement of financial position											
Carrying value of assets	93 733.1	92 778.3	93 112.9	91 487.9	-0.8%	92.5%	91 487.9	95 604.8	100 385.1	3.1%	95.9%
<i>of which:</i>											
Acquisition of assets	(172.6)	(358.3)	(131.8)	(1 993.8)	126.1%	100.0%	(2 193.2)	(2 291.9)	(2 406.5)	6.5%	100.0%
Inventory	148.2	139.5	137.3	101.8	-11.8%	0.1%	101.8	106.3	111.6	3.1%	0.1%
Receivables and prepayments	5 205.4	7 831.4	10 870.7	3 165.8	-15.3%	6.6%	3 165.8	3 308.2	3 473.7	3.1%	3.3%
Cash and cash equivalents	0.2	1 063.0	1 403.1	663.6	1 399.1%	0.8%	663.6	693.5	728.2	3.1%	0.7%
Total assets	99 086.9	101 812.2	105 524.1	95 419.0	-1.2%	100.0%	95 419.0	99 712.9	104 698.5	3.1%	100.0%
Accumulated surplus/(deficit)	73 349.9	77 962.0	83 366.4	60 686.2	-6.1%	73.3%	60 686.2	63 417.0	66 587.9	3.1%	63.6%
Capital and reserves	460.4	945.0	1 284.4	407.2	-4.0%	0.8%	407.2	425.6	446.8	3.1%	0.4%
Borrowings	22 180.4	18 909.8	15 237.7	32 309.6	13.4%	22.3%	32 309.6	33 763.6	35 451.7	3.1%	33.9%
Finance lease	3.9	3.6	1.5	7.0	21.9%	-	7.0	7.3	7.7	3.1%	-
Trade and other payables	2 911.6	1 225.1	2 024.9	1 643.2	-17.4%	1.9%	1 643.2	1 717.1	1 803.0	3.1%	1.7%
Benefits payable	180.6	-	-	-	-100.0%	-	-	-	-	-	-
Provisions	-	207.0	290.7	365.8	-	0.2%	365.8	382.3	401.4	3.1%	0.4%
Derivatives financial instruments	-	2 559.8	3 318.5	-	-	1.4%	-	-	-	-	-
Total equity and liabilities	99 086.9	101 812.2	105 524.1	95 419.0	-1.2%	100.0%	95 419.0	99 712.9	104 698.5	3.1%	100.0%

Personnel information**Table 41.42 Water Trading Entity personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2022		Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)							
Number of funded posts	Number of posts on approved establishment	Actual 2020/21		Revised estimate 2021/22		Medium-term expenditure estimate 2022/23			2023/24					2024/25		2021/22 - 2024/25				
		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
Water Trading Entity		3 436	3 436	3 436	1 369.4	0.4	3 436	1 450.2	0.4	3 436	1 538.7	0.4	3 545	1 607.9	0.5	3 545	1 688.3	0.5	5.2%	100.0%
Salary level	3 436	3 436	3 436	1 369.4	0.4	3 436	1 450.2	0.4	3 436	1 538.7	0.4	3 545	1 607.9	0.5	3 545	1 688.3	0.5	5.2%	100.0%	
1 – 6	1 445	1 445	1 445	273.3	0.2	1 445	289.5	0.2	1 445	307.1	0.2	1 573	388.1	0.2	1 573	392.1	0.2	10.6%	21.8%	
7 – 10	1 705	1 705	1 705	728.9	0.4	1 705	771.9	0.5	1 705	819.0	0.5	1 721	844.6	0.5	1 721	903.0	0.5	5.4%	53.1%	
11 – 12	113	113	113	100.3	0.9	113	106.3	0.9	113	112.7	1.0	99	102.7	1.0	99	110.7	1.1	1.4%	6.9%	
13 – 16	162	162	162	234.5	1.4	162	248.4	1.5	162	263.5	1.6	141	236.5	1.7	141	246.5	1.7	-0.3%	15.9%	
17 – 22	11	11	11	32.3	2.9	11	34.2	3.1	11	36.3	3.3	11	36.0	3.3	11	36.0	3.3	1.7%	2.3%	

1. Rand million.

