



2019
BUDGET
ESTIMATES OF
NATIONAL EXPENDITURE

VOTE
36

WATER AND SANITATION



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2019

National Treasury

Republic of South Africa



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The 2019 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

The Estimates of National Expenditure (ENE) publications are an integral part of the comprehensive annual budget process. The economic climate has made it necessary to focus on reprioritising existing resources towards areas where the most value can be derived for all South Africans. The budgets shown in this document reflect the outcome of a robust negotiation process, led by a committee of senior officials in central government departments, under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, these decisions are considered and endorsed by Cabinet.

The ENE publications present the detail of national government's expenditure estimates for the three-year 2019 medium-term expenditure framework period, most importantly for 2019/20 allocations contained in the Appropriation Bill, 2019, as tabled by the Minister of Finance, for Parliament's consideration and adoption.

The abridged ENE provides extensive information on the priorities, spending plans and service delivery commitments of all 40 national government votes, as well as for associated government agencies. The e-publications for each vote contain more detail on goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

This information in these chapters ensures that Parliament, the public, civil society, the media, government departments, public entities and the executive can keep state institutions accountable and ensure that public funds are spent to achieve the outcomes for which they were intended. Since its launch in February 2018, the Vulekamali online portal has become the main source of transparent, user-friendly information, including information contained in ENE publications, for anybody who wants to know more about how government compiles its budget and spends public funds. The website, www.vulekamali.gov.za, continues to evolve, and now also provides geospatial information on government's infrastructure projects, which are focal in this year's budget as a key impetus for economic growth. I encourage you to be active citizens and use this information to hold government accountable for obtaining the best possible outcomes with the funds entrusted to it.

I wish to thank the executive for the political leadership shown in the budget process, our government colleagues for all of their efforts and contributions, and my team at the department for working diligently to bring it all together.



Dondo Mogajane
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2019 MTEF period is from 2019/20 to 2021/22.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives set out the institution's purpose (and that of its programmes), its mandate and programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2019 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2019 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Water and Sanitation

National Treasury

Republic of South Africa



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Vote 36

Water and Sanitation

Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 832.3	1 744.6	25.0	62.7	1 993.5	2 126.5
Water Planning and Information Management	970.3	886.0	3.2	81.1	1 034.7	1 096.9
Water Infrastructure Development	13 175.1	382.2	9 106.0	3 686.9	13 913.3	14 875.5
Water Sector Regulation	462.6	449.2	0.8	12.6	439.9	453.3
Total expenditure estimates	16 440.4	3 462.1	9 135.0	3 843.3	17 381.4	18 552.1

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

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

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 policies and legislation that are critical in delivering on people's right to have sufficient food and water, growing the economy, and eradicating poverty.

Selected performance indicators

Table 36.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of reports on progress analysed against the approved annual international relations implementation plan per year	Administration	Departmental mandate	-1	4	4	4	1	1	1
Number of river systems with water resources classes and determined resource quality objectives per year	Water Planning and Information Management	Outcome 10: Protect and enhance our environmental assets and natural resources	0	2	1	4	1	0	1

Table 36.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of mega regional bulk infrastructure project phases completed per year	Water Infrastructure Development	Outcome 6: An efficient, competitive and responsive economic infrastructure network	- ¹	0	0	0	2	1	1
Number of large regional bulk infrastructure project phases completed per year	Water Infrastructure Development	Outcome 9: Responsive, accountable, effective and efficient developmental local government	- ¹	2	5	10	16	10	8
Number of small regional bulk infrastructure project phases completed per year	Water Infrastructure Development		- ¹	31	6	4	8	5	5
Number of small projects completed through the Accelerated Community Infrastructure Programme subprogramme per year	Water Infrastructure Development		- ¹	14	1	0	0	0	0
Number of small projects completed through the water services infrastructure grant per year	Water Infrastructure Development		- ¹	316	47	0	104	83	90
Number of existing bucket sanitation backlog systems in formal settlements replaced with adequate sanitation services per year	Water Infrastructure Development		1838	6 978	8 313	11 844	0	0	0
Number of wastewater systems assessed for compliance with green drop regulatory standards per year	Water Sector Regulation		Departmental mandate	0	0	0	963	963	963
Number of water supply systems assessed for compliance with blue drop regulatory standards per year	Water Sector Regulation	0		763	788	1 010	0	0	1 010
Percentage of water use authorisation applications finalised within 300 working days of application	Water Sector Regulation	Outcome 10: Protect and enhance our environmental assets and natural resources	91% (262/288)	68% (275/404)	96% (447/467)	80%	80%	80%	80%

1. No historical data available.

Expenditure analysis

Chapter 4 of the National Development Plan (NDP) envisages a South Africa that recognises the importance of secure and equitable access to water and sanitation as catalysts for socioeconomic development. In line with this vision, over the medium term, the Department of Water and Sanitation will focus on developing and investing in water infrastructure, improving planning in and regulation of the water sector, and monitoring and protecting South Africa's water resources.

The *Water Infrastructure Development* programme is the largest spending area in the budget. Transfers and subsidies increase at an average annual rate of 4.8 per cent, from R8.9 billion in 2018/19 to R10.3 billion in 2021/22. These transfers are mainly to water boards for the provision of regional bulk infrastructure, the Water Trading Entity, the *regional bulk infrastructure grant* and the *water services infrastructure grant*. Payments for capital assets comprise an estimated 12.2 billion of the department's total budget over the period ahead. However, these payments decrease at an average annual rate of 2.3 per cent, from R4.5 billion in 2018/19 to R4.2 billion in 2021/22, due to a one-off allocation of R1.3 billion in 2018/19 for drought relief. Spending on compensation of employees accounts for R6 billion of the department's total budget, increasing at an average annual rate of 9.9 per cent, from R1.6 billion in 2018/19 to R2.1 billion in 2021/22. This increase is due to the filling of critical positions such as engineers and programme managers in the *Water Infrastructure Development* programme.

Developing and investing in water infrastructure

Appropriate infrastructure is essential to delivering key water-related services for socioeconomic development. In recognising this, 81.1 per cent (R42 billion) of the department's spending over the medium term is earmarked for water infrastructure. Investment in bulk and reticulation infrastructure for water and sanitation is expected to lead to an increase in expenditure on transfers to municipalities at an average annual rate of 4.3 per cent, from R5.7 billion in 2018/19 to R6.5 billion in 2021/22, in the *Water Infrastructure Development* programme.

Through the *regional bulk infrastructure grant* and the *water services infrastructure grant*, 4 mega, 34 large and 295 small regional bulk water and sanitation projects are expected to be completed over the MTEF period. R6.6 billion over the period will be made available to local governments through the *regional bulk infrastructure grant*; and R11.8 billion to municipalities through the *water services infrastructure grant*. A further R11.9 billion over the medium term will be made available through these grants for payments for capital assets.

Over the medium term, transfers to the Water Trading Entity are expected to fund short-term and long-term interventions in: the acid mine drainage project, which purifies mine water and uses it to augment the yield of the Vaal River system to ensure water security and environmental sustainability; the Olifants River water resources development project (phase 2D); the Mokolo and Crocodile River water augmentation project (phase 2A); the raising of Clanwilliam Dam; the Groot Letaba River water development project; the raising of Tzaneen Dam; the Mdloti River development project; and the raising of Hazelmere Dam. The entity will also subsidise the capital requirements, operations and maintenance of infrastructure for water resources. As a result, transfers to the entity are expected to increase at an average annual rate of 4 per cent, from R2.1 billion in 2018/19 to R2.3 billion in 2021/22.

Integrated planning and regulatory oversight

Over the medium term, the department plans to finalise and implement the water and sanitation master plan, which will serve as a roadmap for the integrated planning and implementation of water and sanitation projects across the water value chain. Activities related to the water and sanitation master plan are carried out in the *Water Planning and Information Management* programme, which is the fastest growing programme in the department, increasing at an average annual rate of 18.2 per cent, from R663.6 million in 2018/19 to R1.1 billion in 2021/22.

Monitoring and protecting water resources

To ensure that water resources are allocated equitably for socioeconomic development, the department aims to finalise 80 per cent of authorised water use licence applications within 300 days of receipt over the medium term. It also plans to assess 963 wastewater systems per year over the MTEF period, in line with the green drop

regulatory standards; and 1 010 water supply systems in 2021/22, in line with blue drop regulatory standards. As a result, allocations to the *Water Sector Regulation* programme are expected to increase at an average annual rate of 14.4 per cent, from R303 million in 2018/19 to R453.3 million in 2021/22.

Expenditure trends

Table 36.2 Vote expenditure trends by programme and economic classification

Programmes																																										
1. Administration																																										
2. Water Planning and Information Management																																										
3. Water Infrastructure Development																																										
4. Water Sector Regulation																																										
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Outcome/Annual budget (%)			Average: Outcome/Adjusted appropriation (%)		
R million	2015/16			2016/17			2017/18			2018/19			2019			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19								
Programme 1	1 526.2	1 487.5	1 448.1	1 642.7	1 591.9	1 557.9	1 628.4	1 649.9	1 998.7	1 714.6	1 661.2	1 609.5	1 714.6	1 661.2	1 609.5	101.6%	103.5%	101.6%	103.5%	101.6%	103.5%	101.6%	103.5%	101.6%	103.5%	101.6%	103.5%	101.6%	103.5%	101.6%	103.5%	101.6%	103.5%									
Programme 2	814.0	744.0	701.0	853.7	831.0	815.4	816.5	802.4	653.3	862.1	689.6	663.6	862.1	689.6	663.6	84.7%	92.4%	84.7%	92.4%	84.7%	92.4%	84.7%	92.4%	84.7%	92.4%	84.7%	92.4%	84.7%	92.4%	84.7%	92.4%	84.7%	92.4%									
Programme 3	13 875.0	13 230.4	13 147.0	12 430.0	12 782.4	12 953.9	12 251.7	12 760.4	12 146.2	12 496.2	14 204.3	13 175.6	12 496.2	14 204.3	13 175.6	100.7%	97.1%	100.7%	97.1%	100.7%	97.1%	100.7%	97.1%	100.7%	97.1%	100.7%	97.1%	100.7%	97.1%	100.7%	97.1%	100.7%	97.1%									
Programme 4	231.3	284.6	260.9	318.8	319.2	308.2	410.8	394.8	308.1	498.6	318.7	303.1	498.6	318.7	303.1	80.9%	89.6%	80.9%	89.6%	80.9%	89.6%	80.9%	89.6%	80.9%	89.6%	80.9%	89.6%	80.9%	89.6%	80.9%	89.6%	80.9%	89.6%									
Total	16 446.5	15 746.5	15 557.0	15 245.3	15 524.6	15 635.4	15 107.4	15 607.4	15 106.2	15 571.5	16 873.7	15 751.7	15 571.5	16 873.7	15 751.7	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%									
Change to 2018 Budget estimate													1 302.2																													
Economic classification																																										
Current payment:	3 116.8	3 122.2	2 902.3	3 315.8	3 202.5	3 139.9	3 301.5	3 155.7	3 546.9	3 293.8	3 281.1	3 159.0	3 293.8	3 281.1	3 159.0	97.9%	99.9%	97.9%	99.9%	97.9%	99.9%	97.9%	99.9%	97.9%	99.9%	97.9%	99.9%	97.9%	99.9%	97.9%	99.9%	97.9%	99.9%									
Compensation of employees	1 492.1	1 428.4	1 360.4	1 667.2	1 540.2	1 439.9	1 651.9	1 571.9	1 535.6	1 720.2	1 718.0	1 595.9	1 720.2	1 718.0	1 595.9	90.8%	94.8%	90.8%	94.8%	90.8%	94.8%	90.8%	94.8%	90.8%	94.8%	90.8%	94.8%	90.8%	94.8%	90.8%	94.8%	90.8%	94.8%									
Goods and services	1 624.6	1 687.2	1 535.4	1 648.6	1 662.2	1 699.9	1 649.6	1 583.8	1 999.7	1 573.6	1 563.1	1 563.1	1 573.6	1 563.1	1 563.1	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%	104.6%									
Interest and rent on land	–	6.5	6.5	–	0.1	0.1	–	–	11.5	–	–	–	–	–	–	–	275.4%	–	275.4%	–	275.4%	–	275.4%	–	275.4%	–	275.4%	–	275.4%	–	275.4%											
Transfers and subsidies	6 094.6	5 072.6	5 078.3	7 483.7	7 487.6	7 482.2	8 114.5	8 416.1	8 185.7	8 633.3	8 927.5	8 427.5	8 633.3	8 927.5	8 427.5	96.2%	97.6%	96.2%	97.6%	96.2%	97.6%	96.2%	97.6%	96.2%	97.6%	96.2%	97.6%	96.2%	97.6%	96.2%	97.6%	96.2%	97.6%									
Provinces and municipalities	2 305.4	2 305.5	2 305.7	4 695.4	4 695.4	4 681.3	5 194.9	5 195.2	5 134.8	5 438.6	5 726.7	5 226.7	5 438.6	5 726.7	5 226.7	98.4%	96.8%	98.4%	96.8%	98.4%	96.8%	98.4%	96.8%	98.4%	96.8%	98.4%	96.8%	98.4%	96.8%	98.4%	96.8%											
Departmental agencies and accounts	2 566.8	1 739.2	1 744.8	1 713.7	1 713.7	1 725.9	1 586.1	1 886.1	1 885.6	2 269.8	2 269.8	2 269.8	2 269.8	2 269.8	2 269.8	93.7%	100.2%	93.7%	100.2%	93.7%	100.2%	93.7%	100.2%	93.7%	100.2%	93.7%	100.2%	93.7%	100.2%	93.7%	100.2%											
Higher education institutions	0.6	2.0	1.0	3.4	3.4	–	–	–	–	–	–	–	–	–	–	25.0%	18.5%	25.0%	18.5%	25.0%	18.5%	25.0%	18.5%	25.0%	18.5%	25.0%	18.5%	25.0%	18.5%	25.0%	18.5%											
Foreign governments and international organisations	189.2	189.3	189.2	188.4	188.4	188.3	197.7	197.7	112.1	209.2	209.2	209.2	209.2	209.2	209.2	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%	89.1%											
Public corporations and private enterprises	1 000.0	802.0	801.7	844.8	844.8	844.8	1 098.5	1 098.5	1 022.3	694.7	694.7	694.7	694.7	694.7	694.7	92.5%	97.8%	92.5%	97.8%	92.5%	97.8%	92.5%	97.8%	92.5%	97.8%	92.5%	97.8%	92.5%	97.8%	92.5%	97.8%											
Non-profit institutions	1.9	2.0	0.7	2.8	2.8	3.3	1.2	1.2	0.8	1.0	1.0	1.0	1.0	1.0	1.0	84.5%	83.8%	84.5%	83.8%	84.5%	83.8%	84.5%	83.8%	84.5%	83.8%	84.5%	83.8%	84.5%	83.8%	84.5%	83.8%											
Households	30.7	32.7	35.2	35.3	39.3	38.6	36.1	37.5	30.1	20.0	26.2	26.2	20.0	26.2	26.2	106.4%	95.8%	106.4%	95.8%	106.4%	95.8%	106.4%	95.8%	106.4%	95.8%	106.4%	95.8%	106.4%	95.8%	106.4%	95.8%											
Payments for capital assets	7 235.1	7 551.8	7 571.4	4 445.8	4 834.5	5 013.3	3 691.5	4 035.7	3 373.7	3 644.4	4 665.1	4 165.1	3 644.4	4 665.1	4 165.1	105.8%	95.4%	105.8%	95.4%	105.8%	95.4%	105.8%	95.4%	105.8%	95.4%	105.8%	95.4%	105.8%	95.4%	105.8%	95.4%											
Buildings and other fixed structures	7 134.7	7 419.0	7 456.0	4 334.6	4 697.3	4 927.4	3 561.2	3 895.8	3 301.1	3 520.1	4 537.6	4 037.6	3 520.1	4 537.6	4 037.6	106.3%	96.0%	106.3%	96.0%	106.3%	96.0%	106.3%	96.0%	106.3%	96.0%	106.3%	96.0%	106.3%	96.0%													
Machinery and equipment	74.0	92.3	86.5	87.7	109.3	62.0	87.2	113.0	45.1	96.8	97.1	97.1	96.8	97.1	97.1	84.1%	70.6%	84.1%	70.6%	84.1%	70.6%	84.1%	70.6%	84.1%	70.6%	84.1%	70.6%	84.1%	70.6%													
Software and other intangible assets	26.5	40.4	29.0	23.4	27.9	24.0	43.1	26.9	27.4	27.5	30.4	30.4	27.5	30.4	30.4	91.9%	88.2%	91.9%	88.2%	91.9%	88.2%	91.9%	88.2%	91.9%	88.2%	91.9%	88.2%	91.9%	88.2%													
Payments for financial assets	–	–	4.8	–	–	0.0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–													
Total	16 446.5	15 746.5	15 557.0	15 245.3	15 524.6	15 635.4	15 107.4	15 607.4	15 106.2	15 571.5	16 873.7	15 751.7	15 571.5	16 873.7	15 751.7	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%	99.5%	97.3%											

Expenditure estimates

Table 36.3 Vote expenditure estimates by programme and economic classification

Programmes										
1. Administration										
2. Water Planning and Information Management										
3. Water Infrastructure Development										
4. Water Sector Regulation										
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
R million	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22		
Programme 1	1 609.5	2.7%	10.7%	1 832.3	1 993.5	2 126.5	9.7%	11.1%		
Programme 2	663.6	-3.7%	4.6%	970.3	1 034.7	1 096.9	18.2%	5.5%		
Programme 3	13 175.6	-0.1%	82.9%	13 175.1	13 913.3	14 875.5	4.1%	80.9%		
Programme 4	303.1	2.1%	1.9%	462.6	439.9	453.3	14.4%	2.4%		
Total	15 751.7	0.0%	100.0%	16 440.4	17 381.4	18 552.1	5.6%	100.0%		
Change to 2018 Budget estimate				(26.2)	(27.5)	(33.7)				
Economic classification										
Current payments	3 159.0	0.4%	20.5%	3 462.1	3 702.6	3 916.5	7.4%	20.9%		
Compensation of employees	1 595.9	3.8%	9.6%	1 851.3	1 990.2	2 119.6	9.9%	11.1%		
Goods and services	1 563.1	-2.5%	11.0%	1 610.7	1 712.4	1 796.9	4.8%	9.8%		
Transfers and subsidies	8 427.5	18.4%	47.0%	9 135.0	9 635.8	10 282.1	6.9%	55.0%		
Provinces and municipalities	5 226.7	31.4%	28.0%	5 736.2	6 051.6	6 505.4	7.6%	34.5%		
Departmental agencies and accounts	2 269.8	9.3%	12.3%	2 370.0	2 500.5	2 633.4	5.1%	14.3%		
Foreign governments and international organisations	209.2	3.4%	1.1%	220.9	233.1	245.9	5.5%	1.3%		
Public corporations and private enterprises	694.7	-4.7%	5.4%	782.9	825.8	871.3	7.8%	4.7%		
Non-profit institutions	1.0	-19.9%	0.0%	0.3	0.3	0.3	-31.4%	0.0%		
Households	26.2	-7.2%	0.2%	24.6	24.5	25.9	-0.4%	0.1%		
Payments for capital assets	4 165.1	-18.0%	32.4%	3 843.3	4 043.1	4 353.5	1.5%	24.1%		
Buildings and other fixed structures	4 037.6	-18.4%	31.8%	3 721.4	3 925.9	4 218.7	1.5%	23.3%		
Machinery and equipment	97.1	1.7%	0.5%	92.4	82.0	90.7	-2.2%	0.5%		
Software and other intangible assets	30.4	-9.0%	0.2%	29.5	35.2	44.1	13.2%	0.2%		
Total	15 751.7	0.0%	100.0%	16 440.4	17 381.4	18 552.1	5.6%	100.0%		

Expenditure trends and estimates for significant spending items

Table 36.4 Expenditure trends and estimates for significant spending items

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Water resource and bulk infrastructure	7 230 058	7 718 063	7 648 986	6 550 483	-3.2%	47.0%	8 060 526	8 506 087	9 076 978	11.5%	47.3%
Regional and local water and sanitation services	3 829 097	3 506 527	4 195 290	4 183 690	3.0%	25.3%	4 313 404	4 547 778	4 890 987	5.3%	26.3%
Total	11 059 155	11 224 590	11 844 276	10 734 173	-1.0%	72.3%	12 373 930	13 053 865	13 967 965	9.2%	73.6%

Goods and services expenditure trends and estimates

Table 36.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administrative fees	10 545	11 848	20 790	13 591	8.8%	0.8%	18 772	19 775	20 907	15.4%	1.1%
Advertising	33 825	55 133	13 574	13 474	-26.4%	1.7%	22 379	27 335	28 670	28.6%	1.4%
Minor assets	10 764	15 745	3 862	9 052	-5.6%	0.6%	11 595	13 542	13 951	15.5%	0.7%
Audit costs: External	29 313	36 225	21 952	43 888	14.4%	1.9%	36 531	39 024	41 462	-1.9%	2.4%
Bursaries: Employees	3 710	4 119	2 017	4 534	6.9%	0.2%	5 168	5 452	5 752	8.3%	0.3%
Catering: Departmental activities	11 250	11 386	4 800	7 301	-13.4%	0.5%	6 386	7 486	7 961	2.9%	0.4%
Communication	57 692	38 777	31 766	35 497	-14.9%	2.4%	33 387	36 416	38 190	2.5%	2.1%
Computer services	100 511	148 730	97 852	69 051	-11.8%	6.1%	171 678	192 020	202 960	43.2%	9.5%

Table 36.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Consultants: Business and advisory services	97 868	154 826	182 222	32 993	-30.4%	6.9%	180 088	163 312	146 770	64.5%	7.8%
Infrastructure and planning services	241 215	145 374	304 670	138 218	-16.9%	12.2%	224 608	216 619	235 219	19.4%	12.2%
Laboratory services	4 438	6 558	1 333	1 167	-35.9%	0.2%	9 300	8 311	10 330	106.9%	0.4%
Legal services	8 109	6 777	11 903	10 004	7.3%	0.5%	12 900	14 520	14 275	12.6%	0.8%
Science and technological services	1 777	910	-	130	-58.2%	-	-	25	26	-41.5%	-
Contractors	160 910	259 960	24 544	30 643	-42.5%	7.0%	37 130	31 128	32 989	2.5%	2.0%
Agency and support/outsourced services	40 033	7 191	6 302	27 429	-11.8%	1.2%	5 109	5 469	5 735	-40.6%	0.7%
Entertainment	673	426	158	351	-19.5%	-	478	512	547	15.9%	-
Fleet services (including government motor transport)	1 554	3 092	24 916	10 840	91.1%	0.6%	22 993	23 996	25 277	32.6%	1.2%
Housing	44	-	-	47	2.2%	-	-	-	-	-100.0%	-
Inventory: Clothing material and accessories	4 329	5 733	-	3 005	-11.5%	0.2%	-	-	-	-100.0%	-
Inventory: Farming supplies	79	137	-	21	-35.7%	-	-	-	-	-100.0%	-
Inventory: Food and food supplies	399	471	-	79	-41.7%	-	-	-	-	-100.0%	-
Inventory: Fuel, oil and gas	2 515	6 271	-	1 626	-13.5%	0.2%	-	-	-	-100.0%	-
Inventory: Learner and teacher support material	2 468	1 298	-	35	-75.8%	0.1%	-	-	-	-100.0%	-
Inventory: Materials and supplies	14 598	6 607	-	2 823	-42.2%	0.4%	-	-	-	-100.0%	-
Inventory: Medical supplies	183	269	-	243	9.9%	-	-	-	-	-100.0%	-
Inventory: Medicine	108	30	-	300	40.6%	-	-	-	-	-100.0%	-
Medsas system inventory interface	-	35	-	116	-	-	-	-	-	-100.0%	-
Inventory: Other supplies	6 377	13 599	6 127	13 017	26.9%	0.6%	3 227	3 404	3 592	-34.9%	0.3%
Consumable supplies	13 436	19 309	15 847	13 960	1.3%	0.9%	24 073	29 335	30 921	30.4%	1.5%
Consumables: Stationery, printing and office supplies	24 208	30 057	13 444	22 409	-2.5%	1.3%	26 059	26 326	29 344	9.4%	1.6%
Operating leases	275 322	304 928	311 010	385 129	11.8%	18.8%	418 974	487 413	521 778	10.7%	27.1%
Rental and hiring	4 615	2 828	1 977	2 110	-23.0%	0.2%	3 204	3 360	3 049	13.1%	0.2%
Property payments	121 681	90 238	102 474	98 460	-6.8%	6.1%	116 569	114 939	118 927	6.5%	6.7%
Transport provided:	3 561	2 557	324	1 204	-30.3%	0.1%	16 082	16 966	17 901	145.9%	0.8%
Departmental activity											
Travel and subsistence	176 382	235 374	202 925	50 450	-34.1%	9.8%	152 365	167 776	179 343	52.6%	8.2%
Training and development	36 237	33 757	581 117	494 469	139.0%	16.9%	28 943	31 488	33 382	-59.3%	8.8%
Operating payments	17 553	23 041	8 771	18 446	1.7%	1.0%	13 579	16 110	16 787	-3.1%	1.0%
Venues and facilities	17 157	16 313	3 031	6 982	-25.9%	0.6%	9 136	10 343	10 895	16.0%	0.6%
Total	1 535 439	1 699 929	1 999 708	1 563 094	0.6%	100.0%	1 610 713	1 712 402	1 796 940	4.8%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 36.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Households											
Social benefits											
Current	8 869	10 450	8 759	7 740	-4.4%	0.1%	5 151	3 973	4 195	-18.5%	0.1%
Employee social benefits	8 866	10 450	8 759	7 740	-4.4%	0.1%	5 151	3 973	4 195	-18.5%	0.1%
Non-profit institutions	3	-	-	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	174 116	181 408	175 678	185 862	2.2%	2.4%	196 270	207 065	218 453	5.5%	2.1%
Energy and Water Services Sector	3 037	2 202	2 676	2 828	-2.3%	-	2 986	3 150	3 323	5.5%	-
Education and Training Authority											
Communication	4	-	-	-	-100.0%	-	-	-	-	-	-
Water information management	6 704	12 206	2	-	-100.0%	0.1%	-	-	-	-	-
Water Trading Entity	164 371	165 000	173 000	183 034	3.6%	2.3%	193 284	203 915	215 130	5.5%	2.1%
Water Research Commission	-	2 000	-	-	-	-	-	-	-	-	-

Table 36.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Capital	1 570 722	1 544 461	1 709 881	2 083 894	9.9%	23.3%	2 173 752	2 293 421	2 414 930	5.0%	23.6%
Water Trading Entity	1 570 722	1 544 461	1 709 881	2 083 894	9.9%	23.3%	2 173 752	2 293 421	2 414 930	5.0%	23.6%
Households											
Other transfers to households											
Current	26 288	28 159	21 304	18 427	-11.2%	0.3%	19 462	20 537	21 666	5.5%	0.2%
Employee social benefits	–	12 624	4 470	2 797	–	0.1%	202	213	225	-56.8%	–
Bursaries for non-employees	15 726	15 535	16 834	15 630	-0.2%	0.2%	19 260	20 324	21 441	11.1%	0.2%
Resource poor farmers	10 562	–	–	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities											
Municipal bank accounts											
Current	660	546	553	523	-7.5%	–	552	573	604	4.9%	–
Other transfers to households	3	–	–	–	-100.0%	–	–	–	–	–	–
Vehicle licences	657	546	553	523	-7.3%	–	552	573	604	4.9%	–
Capital	2 305 029	4 680 773	5 134 239	5 726 139	35.4%	60.1%	5 735 679	6 050 977	6 504 800	4.3%	63.2%
Regional bulk infrastructure grant	–	1 849 791	1 829 002	1 957 000	–	19.0%	2 066 360	2 180 005	2 343 505	6.2%	22.5%
Water services infrastructure grant	2 305 029	2 830 982	3 305 237	3 769 139	17.8%	41.1%	3 669 319	3 870 972	4 161 295	3.4%	40.7%
Foreign governments and international organisations											
Current	189 231	188 250	112 132	209 212	3.4%	2.4%	220 927	233 078	245 897	5.5%	2.4%
Limpopo Watercourse Commission	350	87	628	186	-19.0%	–	196	207	218	5.4%	–
Orange-Senqu River Commission	546	611	800	675	7.3%	–	713	752	793	5.5%	–
African Ministers Council on Water	97	102	135	112	4.9%	–	118	124	131	5.4%	–
Komati Basin Water Authority	188 238	187 450	110 569	208 239	3.4%	2.3%	219 900	231 995	244 755	5.5%	2.4%
Non-profit institutions											
Current	681	3 337	779	1 026	14.6%	–	297	313	331	-31.4%	–
Employee social benefits	–	–	55	–	–	–	–	–	–	–	–
Women in Water Awards	100	700	–	–	-100.0%	–	–	–	–	–	–
South African Youth Water Prize	22	24	21	26	5.7%	–	27	28	30	4.9%	–
Various institutions: 2020 vision for water education programme	559	1 813	703	–	-100.0%	–	270	285	301	–	–
Water Institute of Southern Africa	–	800	–	1 000	–	–	–	–	–	-100.0%	–
Public corporations and private enterprises											
Other transfers to public corporations											
Capital	801 748	844 773	1 022 349	694 715	-4.7%	11.3%	782 891	825 829	871 250	7.8%	8.4%
Amatola water board: Regional bulk infrastructure	169 060	–	88 554	92 386	-18.2%	1.2%	185 000	–	–	-100.0%	0.7%
Magalies water board: Regional bulk infrastructure	150 000	142 769	52 231	36 000	-37.9%	1.3%	65 373	100 000	105 500	43.1%	0.8%
Umgeni water board: Regional bulk infrastructure	279 140	423 004	518 405	132 329	-22.0%	4.6%	320 000	590 829	623 325	67.6%	4.4%
Sedibeng water board: Regional bulk infrastructure	203 548	279 000	363 159	434 000	28.7%	4.3%	212 518	135 000	142 425	-31.0%	2.4%
Higher education institutions											
Current	1 000	–	–	–	-100.0%	–	–	–	–	–	–
Stellenbosch University	500	–	–	–	-100.0%	–	–	–	–	–	–
University of the Western Cape	500	–	–	–	-100.0%	–	–	–	–	–	–
Total	5 078 344	7 482 157	8 185 674	8 927 538	20.7%	100.0%	9 134 981	9 635 766	10 282 126	4.8%	100.0%

Personnel information

Table 36.7 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Water Planning and Information Management																			
3. Water Infrastructure Development																			
4. Water Sector Regulation																			
Number of posts estimated for 31 March 2019	Number of funded posts	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
			Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22						
Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Water and Sanitation	3 643	103	3 218	1 535.6	0.5	3 204	1 595.9	0.5	3 397	1 851.3	0.5	3 395	1 990.2	0.6	3 359	2 119.6	0.6	1.6%	100.0%
Salary level																			
1 – 6	1 401	24	1 156	295.1	0.3	1 142	254.0	0.2	1 179	283.5	0.2	1 174	304.9	0.3	1 156	323.5	0.3	0.4%	34.8%
7 – 10	1 434	37	1 516	712.4	0.5	1 530	693.0	0.5	1 615	785.8	0.5	1 618	847.4	0.5	1 604	904.5	0.6	1.6%	47.7%
11 – 12	596	41	346	280.7	0.8	330	352.0	1.1	381	434.5	1.1	381	465.6	1.2	377	493.3	1.3	4.5%	11.0%
13 – 16	210	1	200	247.4	1.2	202	296.9	1.5	222	347.5	1.6	222	372.3	1.7	222	398.2	1.8	3.2%	6.5%
Other	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Programme	3 643	103	3 218	1 535.6	0.5	3 204	1 595.9	0.5	3 397	1 851.3	0.5	3 395	1 990.2	0.6	3 359	2 119.6	0.6	1.6%	100.0%
Programme 1	1 775	29	1 554	695.0	0.4	1 534	726.5	0.5	1 615	835.2	0.5	1 600	890.0	0.6	1 582	947.8	0.6	1.0%	47.4%
Programme 2	985	48	882	407.8	0.5	852	431.8	0.5	889	492.5	0.6	889	529.7	0.6	877	564.2	0.6	1.0%	26.3%
Programme 3	472	12	414	199.4	0.5	379	213.6	0.6	426	264.5	0.6	442	292.8	0.7	438	311.8	0.7	4.9%	12.6%
Programme 4	411	14	368	233.5	0.6	439	224.1	0.5	467	259.2	0.6	464	277.8	0.6	462	295.8	0.6	1.7%	13.7%

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

2. Rand million.

Departmental receipts

Table 36.8 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 (%)	
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21			2021/22
	2018/19	2019/20	2020/21					2021/22	2018/19 - 2021/22				
Departmental receipts	11 008	20 964	12 876	18 237	18 237	18.3%	100.0%	8 031	8 196	15 004	-6.3%	100.0%	
Sales of goods and services produced by department	2 546	3 164	1 871	2 616	2 616	0.9%	16.2%	2 471	2 486	2 558	-0.7%	20.5%	
Sales by market establishments	920	877	699	735	735	-7.2%	5.1%	747	750	832	4.2%	6.2%	
of which:													
Market establishment: Rental dwelling	656	567	509	527	527	-7.0%	3.6%	550	550	577	3.1%	4.5%	
Market establishment: Non-residential building	78	123	6	20	20	-36.5%	0.4%	7	10	69	51.1%	0.2%	
Market establishment: Rental parking	186	187	184	188	188	0.4%	1.2%	190	190	186	-0.4%	1.5%	
Administrative fees	102	65	58	59	59	-16.7%	0.5%	65	65	108	22.3%	0.6%	
of which:													
Services rendered: Transport fees	50	50	48	48	48	-1.4%	0.3%	50	50	49	0.7%	0.4%	
Sales: Tender documents	36	–	–	–	–	-100.0%	0.1%	–	–	25	–	0.1%	
Sales: Maps	12	10	7	9	9	-9.1%	0.1%	11	10	29	47.7%	0.1%	
Replacement of security cards	4	4	3	2	2	-20.6%	–	4	5	4	26.0%	–	
Sales: Water potable	–	1	–	–	–	–	–	–	–	1	–	–	
Other sales	1 524	2 222	1 114	1 822	1 822	6.1%	10.6%	1 659	1 671	1 618	-3.9%	13.7%	
of which:													
Rental capital assets	67	70	75	80	80	6.1%	0.5%	77	78	71	-3.9%	0.6%	
Sales: Departmental publications and production	3	7	3	5	5	18.6%	–	4	4	3	-15.7%	–	
Services rendered: Commission on insurance and garnishee	803	748	759	771	771	-1.3%	4.9%	762	764	770	–	6.2%	
Sales: Meals and refreshments	510	989	175	832	832	17.7%	4.0%	502	505	558	-12.5%	4.8%	

Table 36.8 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 (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<i>Services rendered:</i>	141	408	98	134	134	-1.7%	1.2%	314	320	216	17.3%	2.0%
<i>Boarding service</i>												
<i>Sales: Assets less than R5 000</i>	–	–	4	–	–	–	–	–	–	–	–	–
<i>Sales of scrap, waste, arms and other used current goods</i>	30	–	6	18	18	-15.7%	0.1%	10	10	36	26.0%	0.1%
<i>of which:</i>												
<i>Sales: Scrap</i>	28	–	6	18	18	-12.6%	0.1%	10	10	34	22.4%	0.1%
<i>Sales: Wastepaper</i>	2	–	–	–	–	-100.0%	–	–	–	2	–	–
<i>Fines, penalties and forfeits</i>	–	–	–	400	400	–	0.6%	–	–	–	-100.0%	0.8%
<i>Interest, dividends and rent on land</i>	2 428	1 384	2 992	2 467	2 467	0.5%	14.7%	2 800	2 900	2 268	-2.8%	21.1%
<i>Interest</i>	2 428	1 384	2 992	2 467	2 467	0.5%	14.7%	2 800	2 900	2 268	-2.8%	21.1%
<i>Sales of capital assets</i>	31	–	197	–	–	-100.0%	0.4%	–	–	76	–	0.2%
<i>Transactions in financial assets and liabilities</i>	5 973	16 416	7 810	12 736	12 736	28.7%	68.1%	2 750	2 800	10 066	-7.5%	57.3%
Total	11 008	20 964	12 876	18 237	18 237	18.3%	100.0%	8 031	8 196	15 004	-6.3%	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.

Objectives

- Facilitate targeted and sustained African and global cooperation in support of the national water and sanitation agenda by evaluating the implementation of the approved African and global international relations plan annually.
 - Improve regional water resource management by monitoring progress quarterly against the annual international relations implementation plan, as approved by the Department of International Relations and Cooperation.

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, and monitoring and evaluation; and the provision of salaries and operational budgets for the department's regional office heads.
- Internal Audit* provides independent, objective assurance and advisory services to improve the department's operations.
- 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, and sewage and waste removal.
- Programme Management Unit* provides for improved coordination and governance in the management of departmental projects.

- *International Water Support* strategically coordinates, promotes and manages international relations on water and sanitation between countries through bilateral and multilateral cooperation instruments and organisations, in line with legislative provisions. This subprogramme also pursues national interests in African and global multilateral organisations and forums.

Expenditure trends and estimates

Table 36.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Ministry	45 936	52 300	56 057	48 452	1.8%	3.0%	46 645	54 883	58 292	6.4%	2.7%
Departmental Management	91 583	105 505	61 784	84 558	-2.6%	5.2%	103 389	108 827	115 700	11.0%	5.4%
Internal Audit	29 772	36 280	34 265	39 335	9.7%	2.1%	37 991	45 237	48 123	7.0%	2.2%
Corporate Services	626 770	718 639	1 197 346	696 385	3.6%	48.6%	777 120	838 119	893 571	8.7%	42.1%
Financial Management	196 276	232 005	204 701	253 904	9.0%	13.3%	269 281	282 451	300 443	5.8%	14.5%
Office Accommodation	374 112	346 920	367 505	439 180	5.5%	22.9%	481 378	552 775	590 691	10.4%	27.1%
Programme Management Unit	46 452	28 081	39 270	50 877	3.1%	2.5%	62 513	55 850	59 300	5.2%	3.0%
International Water Support	37 157	38 180	37 748	48 463	9.3%	2.4%	54 027	55 393	60 379	7.6%	2.9%
Total	1 448 058	1 557 910	1 998 676	1 661 154	4.7%	100.0%	1 832 344	1 993 535	2 126 499	8.6%	100.0%
Change to 2018 Budget estimate				(53 485)			7 409	-	-		
Economic classification											
Current payments	1 367 087	1 483 886	1 925 114	1 568 744	4.7%	95.2%	1 744 636	1 898 103	2 019 748	8.8%	95.0%
Compensation of employees	617 704	670 178	694 977	778 198	8.0%	41.4%	835 179	889 954	947 804	6.8%	45.3%
Goods and services ¹ of which:	742 860	813 708	1 230 137	790 546	2.1%	53.7%	909 457	1 008 149	1 071 944	10.7%	49.6%
<i>Audit costs: External</i>	29 313	36 225	21 952	43 888	14.4%	2.0%	36 531	39 024	41 462	-1.9%	2.1%
<i>Computer services</i>	38 229	58 398	47 141	63 681	18.5%	3.1%	96 101	113 279	119 630	23.4%	5.2%
<i>Contractors</i>	40 960	51 778	12 191	24 366	-15.9%	1.9%	29 298	22 834	24 266	-0.1%	1.3%
<i>Operating leases</i>	272 292	302 091	310 798	383 555	12.1%	19.0%	418 155	486 528	520 801	10.7%	23.8%
<i>Property payments</i>	119 599	78 582	86 354	93 476	-7.9%	5.7%	103 803	101 483	104 734	3.9%	5.3%
<i>Travel and subsistence</i>	72 603	72 262	67 036	29 669	-25.8%	3.6%	69 070	76 225	80 546	39.5%	3.4%
Interest and rent on land	6 523	-	-	-	-100.0%	0.1%	-	-	-	-	-
Transfers and subsidies¹	21 801	21 926	23 624	21 632	-0.3%	1.3%	25 034	26 415	27 868	8.8%	1.3%
Provinces and municipalities	9	25	11	85	111.4%	-	89	85	89	1.5%	-
Departmental agencies and accounts	3 041	2 202	2 676	2 828	-2.4%	0.2%	2 986	3 150	3 323	5.5%	0.2%
Higher education institutions	1 000	-	-	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations	993	800	1 563	973	-0.7%	0.1%	1 027	1 083	1 142	5.5%	0.1%
Non-profit institutions	100	700	-	-	-100.0%	-	-	-	-	-	-
Households	16 658	18 199	19 374	17 746	2.1%	1.1%	20 932	22 097	23 314	9.5%	1.1%
Payments for capital assets	59 170	52 095	49 938	70 778	6.2%	3.5%	62 674	69 017	78 883	3.7%	3.7%
Buildings and other fixed structures	-	-	25	-	-	-	-	-	-	-	-
Machinery and equipment	30 149	29 067	22 485	41 134	10.9%	1.8%	33 717	34 479	35 491	-4.8%	1.9%
Software and other intangible assets	29 021	23 028	27 428	29 644	0.7%	1.6%	28 957	34 538	43 392	13.5%	1.8%
Payments for financial assets	-	3	-	-	-	-	-	-	-	-	-
Total	1 448 058	1 557 910	1 998 676	1 661 154	4.7%	100.0%	1 832 344	1 993 535	2 126 499	8.6%	100.0%
Proportion of total programme expenditure to vote expenditure	9.3%	10.0%	13.2%	9.8%	-	-	11.1%	11.5%	11.5%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	932	2 664	2 540	2 116	31.4%	0.1%	1 672	1 773	1 873	-4.0%	0.1%
Employee social benefits	932	2 664	2 540	2 116	31.4%	0.1%	1 672	1 773	1 873	-4.0%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3 041	2 202	2 676	2 828	-2.4%	0.2%	2 986	3 150	3 323	5.5%	0.2%
Energy and Water Services Sector	3 037	2 202	2 676	2 828	-2.3%	0.2%	2 986	3 150	3 323	5.5%	0.2%
Education and Training Authority	4	-	-	-	-100.0%	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-	-	-	-	-
Households											
Other transfers to households											
Current	15 726	15 535	16 834	15 630	-0.2%	1.0%	19 260	20 324	21 441	11.1%	1.0%
Bursaries for non-employees	15 726	15 535	16 834	15 630	-0.2%	1.0%	19 260	20 324	21 441	11.1%	1.0%

Table 36.9 Administration expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
Audited outcome						2019/20	2020/21	2021/22		
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
Non-profit institutions										
Current	100	700	–	–	-100.0%	–	–	–	–	–
Women in Water Awards	100	700	–	–	-100.0%	–	–	–	–	–
Foreign governments and international organisations										
Current	993	800	1 563	973	-0.7%	0.1%	1 027	1 083	1 142	5.5%
Limpopo Watercourse Commission	350	87	628	186	-19.0%	–	196	207	218	5.4%
Orange-Senqu River Commission	546	611	800	675	7.3%	–	713	752	793	5.5%
African Ministers Council on Water	97	102	135	112	4.9%	–	118	124	131	5.4%
Higher education institutions										
Current	1 000	–	–	–	-100.0%	–	–	–	–	–
Stellenbosch University	500	–	–	–	-100.0%	–	–	–	–	–
University of the Western Cape	500	–	–	–	-100.0%	–	–	–	–	–
Provinces and municipalities										
Municipalities										
Municipal bank accounts										
Current	9	25	11	85	111.4%	–	89	85	89	1.5%
Vehicle licences	6	25	11	85	142.0%	–	89	85	89	1.5%
Other transfers to households	3	–	–	–	-100.0%	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 36.10 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Administration																			
Salary level	1 775	29	1 554	695.0	0.4	1 534	726.4	0.5	1 615	835.1	0.5	1 600	889.9	0.6	1 582	947.8	0.6	1.0%	100.0%
1 – 6	747	21	616	157.4	0.3	613	144.0	0.2	629	159.6	0.3	627	172.0	0.3	616	182.3	0.3	0.2%	39.3%
7 – 10	753	5	713	318.4	0.4	705	313.5	0.4	743	357.3	0.5	730	376.9	0.5	725	403.2	0.6	0.9%	45.9%
11 – 12	164	2	151	121.8	0.8	142	154.0	1.1	169	195.4	1.2	169	209.3	1.2	167	221.4	1.3	5.6%	10.2%
13 – 16	109	1	74	97.5	1.3	74	114.9	1.6	74	122.9	1.7	74	131.7	1.8	74	140.8	1.9	–	4.7%
Other	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

2. Rand million.

Programme 2: Water Planning and Information Management

Programme purpose

Ensure that South Africa's water resources are protected, used, developed, conserved, managed and controlled in a sustainable manner for the benefit of all people and the environment by developing a knowledge base and implementing effective policies, procedures and integrated planning strategies for both water resources and water services.

Objectives

- Protect the integrity of freshwater ecosystems by determining the water resource classes and quality objectives for 2 river systems by March 2022.
- Enhance the efficiency of water use and the management of water quality by assessing 3 large water systems for water losses by March 2022.
- Ensure a coordinated approach to water and sanitation infrastructure planning, monitoring and evaluation by updating the national water and sanitation master plan annually.

Subprogrammes

- *Water Planning, Information Management and Support* provides strategic leadership and overall management to the programme.
- *Integrated Planning* develops comprehensive plans that guide infrastructure development, systems and services management in the water sector.
- *Water Ecosystems* develops and implements measures to protect water resources. This entails determining measures to manage water resources by classifying water resource systems, determining reserves, conducting resource quality assessments and determining resource-directed measures by developing pollution control guidelines, and rehabilitation measures and protocols.
- *Water Information Management* ensures the development and maintenance of data and information management systems to enable informed decisions on water management.
- *Water Services and Local Water Management* formulates and develops strategies, guidelines and plans for water services and the management of water at the local level.
- *Sanitation Planning and Management* provides a national strategy for the planning of sanitation services and supports municipalities in planning for the provision of sustainable sanitation services.
- *Policy and Strategy* develops, monitors and reviews the implementation of water and sanitation sector policies and strategies.

Expenditure trends and estimates

Table 36.11 Water Planning and Information 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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Water Planning, Information Management and Support	3 851	5 036	5 661	6 466	18.9%	0.7%	7 069	7 414	7 882	6.8%	0.8%
Integrated Planning	159 032	93 035	88 647	68 151	-24.6%	14.3%	97 868	110 817	118 233	20.2%	10.4%
Water Ecosystems	50 161	50 427	43 202	36 862	-9.8%	6.3%	53 979	66 677	59 632	17.4%	5.7%
Water Information Management	456 007	517 651	421 599	408 642	-3.6%	63.1%	533 329	582 173	622 754	15.1%	56.6%
Water Services and Local Water Management	–	112 553	63 092	141 019	–	11.1%	240 950	225 306	243 160	19.9%	22.4%
Sanitation Planning and Management	–	11 599	15 750	12 864	–	1.4%	16 699	20 464	21 978	19.5%	1.9%
Policy and Strategy	31 914	25 052	15 311	15 626	-21.2%	3.1%	20 454	21 864	23 229	14.1%	2.1%
Total	700 965	815 353	653 262	689 630	-0.5%	100.0%	970 348	1 034 715	1 096 868	16.7%	100.0%
Change to 2018 Budget estimate				(172 492)			(324)	–	–		
Economic classification											
Current payments	632 382	758 067	611 282	618 122	-0.8%	91.6%	886 031	961 258	1 014 118	17.9%	91.8%
Compensation of employees	350 736	390 345	407 806	457 917	9.3%	56.2%	492 485	529 722	564 154	7.2%	53.9%
Goods and services ¹	281 634	367 722	203 476	160 205	-17.1%	35.4%	393 546	431 536	449 964	41.1%	37.9%
of which:											
Communication	8 041	6 570	4 587	3 195	-26.5%	0.8%	9 496	10 217	10 550	48.9%	0.9%
Computer services	48 940	78 366	50 711	4 276	-55.6%	6.4%	63 374	67 095	71 089	155.2%	5.4%
Consultants: Business and advisory services	17 573	20 378	5 071	4 228	-37.8%	1.7%	22 050	55 581	47 434	123.9%	3.4%
Infrastructure and planning services	84 947	100 103	59 948	104 019	7.0%	12.2%	206 639	197 925	215 220	27.4%	19.1%
Fleet services (including government motor transport)	684	2 284	12 044	1 644	34.0%	0.6%	9 941	10 488	11 064	88.8%	0.9%
Travel and subsistence	43 359	72 130	46 507	4 513	-53.0%	5.8%	31 433	32 450	34 179	96.4%	2.7%
Interest and rent on land	12	–	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies¹	8 722	13 908	4 509	3 287	-27.8%	1.1%	3 215	1 920	2 027	-14.9%	0.3%
Provinces and municipalities	651	521	542	438	-12.4%	0.1%	463	488	515	5.5%	0.1%
Departmental agencies and accounts	6 704	12 206	2	–	-100.0%	0.7%	–	–	–	–	–
Non-profit institutions	22	24	21	26	5.7%	–	27	28	30	4.9%	–
Households	1 345	1 157	3 944	2 823	28.0%	0.3%	2 725	1 404	1 482	-19.3%	0.2%

Table 36.11 Water Planning and Information 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 (%)	
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22
	2015/16 - 2018/19	2019/20 - 2021/22	2018/19 - 2021/22									
R thousand												
Payments for capital assets	55 012	43 378	37 471	68 221	7.4%	7.1%	81 102	71 537	80 723	5.8%	8.0%	
Buildings and other fixed structures	25 971	26 015	23 722	28 468	3.1%	3.6%	39 834	40 265	41 719	13.6%	4.0%	
Machinery and equipment	29 031	16 432	13 738	39 006	10.3%	3.4%	40 688	30 653	38 314	-0.6%	3.9%	
Software and other intangible assets	10	931	11	747	321.2%	0.1%	580	619	690	-2.6%	0.1%	
Payments for financial assets	4 849	-	-	-	-100.0%	0.2%	-	-	-	-	-	
Total	700 965	815 353	653 262	689 630	-0.5%	100.0%	970 348	1 034 715	1 096 868	16.7%	100.0%	
Proportion of total programme expenditure to vote expenditure	4.5%	5.2%	4.3%	4.1%	-	-	5.9%	6.0%	5.9%	-	-	
Details of transfers and subsidies												
Households												
Social benefits												
Current	1 345	1 157	3 944	2 823	29.4%	0.3%	2 725	1 404	1 482	-19.3%	0.2%	
Employee social benefits	1 345	1 157	3 944	2 823	29.4%	0.3%	2 725	1 404	1 482	-19.3%	0.2%	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	6 704	12 206	2	-	-100.0%	0.7%	-	-	-	-	-	
Water information management	6 704	12 206	2	-	-100.0%	0.7%	-	-	-	-	-	
Non-profit institutions												
Current	22	24	21	26	7.4%	-	27	28	30	4.9%	-	
South African Youth Water Prize	22	24	21	26	3.1%	-	27	28	30	4.9%	-	
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	651	521	542	438	-12.4%	0.1%	463	488	515	5.5%	0.1%	
Vehicle licences	651	521	542	438	-12.4%	0.1%	463	488	515	5.5%	0.1%	

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 36.12 Water Planning and Information Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost			Unit cost			
Water Planning and Information Management																			
Salary level	985	48	882	407.8	0.5	852	431.8	0.5	889	492.5	0.6	889	529.6	0.6	877	564.0	0.6	1.0%	100.0%
1-6	424	1	362	83.3	0.2	354	72.1	0.2	365	80.3	0.2	363	86.0	0.2	356	90.6	0.3	0.2%	41.0%
7-10	276	20	375	176.9	0.5	360	177.5	0.5	371	195.8	0.5	373	211.8	0.6	368	225.5	0.6	0.7%	42.0%
11-12	253	27	92	74.4	0.8	85	94.2	1.1	91	107.7	1.2	91	115.4	1.3	91	123.3	1.4	2.3%	10.2%
13-16	32	-	53	73.2	1.4	53	88.0	1.7	62	108.7	1.8	62	116.5	1.9	62	124.6	2.0	5.4%	6.8%

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

2. Rand million.

Programme 3: Water Infrastructure Development

Programme purpose

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

Objectives

- Ensure the effective and sustainable management of water resources by transferring 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.
- 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 through the *regional bulk infrastructure grant*, the *water services infrastructure grant* and the *Accelerated Community Infrastructure Programme* subprogramme on a continual basis.

Subprogrammes

- *Strategic Infrastructure Development and Management* provides for the design, construction, commissioning and management of new and existing water resource infrastructure.
- *Operation of Water Resources* funds expenditure on water resource management activities conducted by the department or catchment management agencies within water management areas.
- *Regional Bulk Infrastructure Grant* provides for the development of new infrastructure, and the refurbishment, upgrading and replacement of ageing infrastructure that services extensive areas across municipal boundaries.
- *Water Services Infrastructure Grant* transfers funds to municipalities to provide for the construction of new and the rehabilitation of existing water and sanitation infrastructure. The subprogramme also implements water services infrastructure schemes on behalf of municipalities and transfers infrastructure to water service institutions once construction is completed. The grant allocation prioritises the 27 poorest district municipalities.
- *Accelerated Community Infrastructure Programme* provides for rapid emergency interventions related to the refurbishment of wastewater treatment infrastructure, water conservation, water demand management and municipal water supply; and provides support to farmers with access to limited resources.

Expenditure trends and estimates

Table 36.13 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Strategic Infrastructure Development and Management	1 758 960	1 731 911	1 820 450	2 292 133	9.2%	14.5%	2 393 652	2 525 416	2 659 685	5.1%	17.6%
Operation of Water Resources	164 371	165 000	173 000	183 034	3.6%	1.3%	193 284	203 915	215 130	5.5%	1.4%
Regional Bulk Infrastructure Grant	5 408 016	6 258 174	5 575 676	5 603 536	1.2%	43.6%	5 973 235	6 308 677	6 763 984	6.5%	43.9%
Water Services Infrastructure Grant	5 401 604	4 117 730	4 440 183	5 532 206	0.8%	37.2%	4 480 465	4 726 205	5 078 238	-2.8%	35.3%
Accelerated Community Infrastructure Programme	414 052	681 116	136 938	593 341	12.7%	3.5%	134 474	149 066	158 426	-35.6%	1.8%
Total	13 147 003	12 953 931	12 146 247	14 204 250	2.6%	100.0%	13 175 110	13 913 279	14 875 463	1.6%	100.0%
Change to 2018 Budget estimate				1 708 085			(34 059)	(27 536)	(33 680)		
Economic classification											
Current payments	647 169	602 771	707 079	787 279	6.8%	5.2%	382 215	415 403	441 176	-17.6%	3.6%
Compensation of employees	216 168	213 534	199 408	242 197	3.9%	1.7%	264 502	292 754	311 783	8.8%	2.0%
Goods and services ¹	431 001	389 163	496 127	545 082	8.1%	3.5%	117 713	122 649	129 393	-38.1%	1.6%
of which:											
Consultants: Business and advisory services	49 561	62 287	145 133	6 115	-50.2%	0.5%	25 472	26 873	28 351	66.7%	0.2%
Infrastructure and planning services	154 151	43 331	242 546	5 105	-67.9%	0.8%	17 719	18 694	19 721	56.9%	0.1%
Consumable supplies	1 032	919	979	1 992	24.5%	-	4 813	5 078	5 358	39.1%	-
Consumables: Stationery, printing and office supplies	5 812	4 194	1 823	3 530	-15.3%	-	4 493	4 740	5 000	12.3%	-

Table 36.13 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand											
Property payments	9	6 387	11 808	1 808	485.7%	–	8 551	9 021	9 518	74.0%	0.1%
Travel and subsistence	40 601	47 126	59 083	12 507	-32.5%	0.3%	23 578	23 334	24 618	25.3%	0.1%
Interest and rent on land	–	74	11 544	–	–	–	–	–	–	–	–
Transfers and subsidies¹	5 046 869	7 441 141	8 157 292	8 900 576	20.8%	56.3%	9 105 978	9 606 635	10 251 391	4.8%	67.4%
Provinces and municipalities	2 305 029	4 680 773	5 134 239	5 726 139	35.4%	34.0%	5 735 679	6 050 977	6 504 800	4.3%	42.8%
Departmental agencies and accounts	1 735 093	1 709 461	1 882 881	2 266 928	9.3%	14.5%	2 367 036	2 497 336	2 630 060	5.1%	17.4%
Foreign governments and international organisations	188 238	187 450	110 569	208 239	3.4%	1.3%	219 900	231 995	244 755	5.5%	1.6%
Public corporations and private enterprises	801 748	844 773	1 022 349	694 715	-4.7%	6.4%	782 891	825 829	871 250	7.8%	5.7%
Non-profit institutions	559	1 813	703	–	-100.0%	–	270	285	301	–	–
Households	16 202	16 871	6 551	4 555	-34.5%	0.1%	202	213	225	-63.3%	–
Payments for capital assets	7 452 965	4 910 019	3 281 876	4 516 395	-15.4%	38.4%	3 686 917	3 891 241	4 182 896	-2.5%	29.0%
Buildings and other fixed structures	7 429 986	4 901 353	3 277 362	4 509 104	-15.3%	38.4%	3 681 608	3 885 639	4 176 987	-2.5%	28.9%
Machinery and equipment	22 979	8 666	4 514	7 291	-31.8%	0.1%	5 309	5 602	5 909	-6.8%	–
Total	13 147 003	12 953 931	12 146 247	14 204 250	2.6%	100.0%	13 175 110	13 913 279	14 875 463	1.6%	100.0%
Proportion of total programme expenditure to vote expenditure	84.5%	82.8%	80.4%	84.2%	–	–	80.1%	80.0%	80.2%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	5 640	4 247	2 081	1 758	-32.1%	–	–	–	–	-100.0%	–
Employee social benefits	5 640	4 247	2 081	1 758	-32.1%	–	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	164 371	165 000	173 000	183 034	3.6%	1.3%	193 284	203 915	215 130	5.5%	1.4%
Water Trading Entity	164 371	165 000	173 000	183 034	3.6%	1.3%	193 284	203 915	215 130	5.5%	1.4%
Capital	1 570 722	1 544 461	1 709 881	2 083 894	9.9%	13.2%	2 173 752	2 293 421	2 414 930	5.0%	16.0%
Water Trading Entity	1 570 722	1 544 461	1 709 881	2 083 894	9.9%	13.2%	2 173 752	2 293 421	2 414 930	5.0%	16.0%
Households											
Other transfers to households											
Current	10 562	12 624	4 470	2 797	-35.8%	0.1%	202	213	225	–	–
Employee social benefits	–	12 624	4 470	2 797	–	–	202	213	225	–	–
Resource poor farmers	10 562	–	–	–	-100.0%	–	–	–	–	–	–
Non-profit institutions											
Current	559	1 813	703	–	-100.0%	–	270	285	301	–	–
Various institutions: 2020 vision for water education programme	559	1 813	703	–	-100.0%	–	270	285	301	–	–
Foreign governments and international organisations											
Current	188 238	187 450	110 569	208 239	3.4%	1.3%	219 900	231 995	244 755	-1.6%	1.6%
Komati Basin Water Authority	188 238	187 450	110 569	208 239	3.4%	1.3%	219 900	231 995	244 755	–	1.6%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	2 305 029	4 680 773	5 134 239	5 726 139	35.4%	34.0%	5 735 679	6 050 977	6 504 800	–	42.8%
Regional bulk infrastructure grant	–	1 849 791	1 829 002	1 957 000	–	10.7%	2 066 360	2 180 005	2 343 505	-100.0%	15.2%
Water services infrastructure grant	2 305 029	2 830 982	3 305 237	3 769 139	17.8%	23.3%	3 669 319	3 870 972	4 161 295	-100.0%	27.5%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Capital	801 748	844 773	1 022 349	694 715	-4.7%	6.4%	782 891	825 829	871 250	5.5%	5.7%
Amatola water board: Regional bulk infrastructure	169 060	–	88 554	92 386	-18.2%	0.7%	185 000	–	–	5.0%	0.5%
Magalies water board: Regional bulk infrastructure	150 000	142 769	52 231	36 000	-37.9%	0.7%	65 373	100 000	105 500	5.0%	0.5%
Umgeni water board: Regional bulk infrastructure	279 140	423 004	518 405	132 329	-22.0%	2.6%	320 000	590 829	623 325	–	3.0%
Sedibeng water board: Regional bulk infrastructure	203 548	279 000	363 159	434 000	28.7%	2.4%	212 518	135 000	142 425	–	1.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 36.14 Water Infrastructure Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2017/18		Unit cost	2018/19		Unit cost	2019/20			2020/21			2021/22					2018/19 - 2021/22
Water Infrastructure Development		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	472	12	414	199.4	0.5	379	213.6	0.6	426	264.5	0.6	442	292.8	0.7	438	311.8	0.7	4.9%	100.0%
1 – 6	166	2	128	31.3	0.2	117	26.1	0.2	128	31.1	0.2	128	33.6	0.3	128	36.2	0.3	3.0%	29.7%
7 – 10	198	8	199	86.3	0.4	191	94.9	0.5	209	110.2	0.5	225	127.2	0.6	221	134.4	0.6	5.0%	50.2%
11 – 12	81	2	56	51.9	0.9	46	54.8	1.2	59	74.6	1.3	59	79.9	1.4	59	85.5	1.4	8.7%	13.2%
13 – 16	27	–	31	29.9	1.0	25	37.8	1.5	30	48.6	1.6	30	52.1	1.7	30	55.7	1.9	6.3%	6.8%

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

2. Rand million.

Programme 4: Water Sector Regulation

Programme purpose

Ensure the development, implementation, monitoring and review of regulations across the water supply value chain.

Objectives

- Create an enabling environment for the economic and social regulation of water by establishing an independent economic regulator, implementing pricing regulations for water services, and finalising the gazetting and monitoring of the raw water pricing strategy by March 2022.
- Improve the efficiency and effectiveness of water resource management by establishing 7 catchment management agencies countrywide by March 2022.
- Ensure the equitable allocation of water resources for social and economic development by processing 80 per cent of water use authorisation applications within 300 working days of receipt by March 2022.
- Strengthen oversight on an ongoing basis by implementing monitoring programmes for drinking water quality, wastewater quality and mine water quality; and implementing mitigation measures in catchments with potential for acid mine drainage.
- 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 on an ongoing basis by monitoring water use, conducting investigations and providing legal support in cases of unlawful water use.

Subprogrammes

- *Water Sector Regulation Management and Support* provides strategic leadership and overall management to the programme.
- *Economic and Social Regulation* ensures that pricing is efficient, equitable and cost reflective to protect the interests of consumers and the sector through the provision of sustainable water resources and water services.
- *Water Use Authorisation and Administration* enables efficient and equitable access to water using various regulatory instruments.
- *Water Supply Services and Sanitation Regulation* regulates the provision of drinking water and the management of wastewater.

- *Compliance Monitoring and Enforcement* coordinates and monitors compliance with standards in the value chain of the water sector, licence conditions and regulations; and ensures enforcement against non-compliance. This includes the management of mine water.
- *Institutional Oversight* provides institutional governance and oversight of all water institutions, and facilitates their establishment and development.

Expenditure trends and estimates

Table 36.15 Water Sector Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R thousand											
Water Sector Regulation Management and Support	34 119	37 309	28 295	27 603	-6.8%	10.6%	40 093	42 339	44 702	17.4%	9.2%
Economic and Social Regulation	12 310	28 394	16 047	21 672	20.7%	6.6%	35 551	34 645	33 215	15.3%	7.5%
Water Use Authorisation and Administration	44 403	58 459	75 742	40 474	-3.0%	18.3%	81 725	80 583	86 452	28.8%	17.3%
Water Supply Services and Sanitation Regulation	15 728	20 346	12 081	11 382	-10.2%	5.0%	17 836	22 903	24 487	29.1%	4.6%
Compliance Monitoring and Enforcement	83 462	86 853	99 152	103 884	7.6%	31.2%	135 763	145 305	152 239	13.6%	32.1%
Institutional Oversight	70 926	76 883	76 736	113 680	17.0%	28.3%	151 602	114 144	112 220	-0.4%	29.4%
Total	260 948	308 244	308 053	318 695	6.9%	100.0%	462 570	439 919	453 315	12.5%	100.0%
Change to 2018 Budget estimate				(179 897)			767	-	-		
Economic classification											
Current payments	255 705	295 224	303 418	306 931	6.3%	97.1%	449 174	427 831	441 456	12.9%	97.1%
Compensation of employees	175 761	165 888	233 450	239 670	10.9%	68.1%	259 177	277 763	295 817	7.3%	64.0%
Goods and services ¹	79 944	129 336	69 968	67 261	-5.6%	29.0%	189 997	150 068	145 639	29.4%	33.0%
<i>of which:</i>											
<i>Computer services</i>	520	228	-	93	-43.7%	0.1%	12 203	11 646	12 241	408.7%	2.2%
<i>Consultants: Business and advisory services</i>	20 066	37 265	20 179	10 649	-19.0%	7.4%	112 553	59 704	48 592	65.9%	13.8%
<i>Laboratory services</i>	631	1 647	847	121	-42.3%	0.3%	4 717	3 475	5 228	250.9%	0.8%
<i>Consumable supplies</i>	1 359	1 229	2 237	1 201	-4.0%	0.5%	3 784	4 287	4 489	55.2%	0.8%
<i>Consumables: Stationery, printing and office supplies</i>	2 986	3 938	1 898	2 465	-6.2%	0.9%	3 526	4 544	4 779	24.7%	0.9%
<i>Travel and subsistence</i>	19 819	43 856	30 299	3 761	-42.5%	8.2%	28 284	35 767	40 000	119.9%	6.4%
Transfers and subsidies¹	952	5 182	249	2 043	29.0%	0.7%	754	796	840	-25.6%	0.3%
Departmental agencies and accounts	-	2 000	-	-	-	0.2%	-	-	-	-	-
Non-profit institutions	-	800	55	1 000	-	0.2%	-	-	-	-100.0%	0.1%
Households	952	2 382	194	1 043	3.1%	0.4%	754	796	840	-7.0%	0.2%
Payments for capital assets	4 291	7 838	4 386	9 721	31.3%	2.2%	12 642	11 292	11 019	4.3%	2.7%
Buildings and other fixed structures	-	-	-	68	-	-	-	-	-	-100.0%	-
Machinery and equipment	4 291	7 838	4 386	9 653	31.0%	2.2%	12 642	11 292	11 019	4.5%	2.7%
Total	260 948	308 244	308 053	318 695	6.9%	100.0%	462 570	439 919	453 315	12.5%	100.0%
Proportion of total programme expenditure to vote expenditure	1.7%	2.0%	2.0%	1.9%	-	-	2.8%	2.5%	2.4%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	952	2 382	194	1 043	4.7%	0.4%	754	796	840	-7.0%	0.2%
Employee social benefits	949	2 382	194	1 043	4.7%	0.4%	754	796	840	-7.0%	0.2%
Non-profit institutions	3	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	2 000	-	-	-	0.2%	-	-	-	-	-
Water Research Commission	-	2 000	-	-	-	0.2%	-	-	-	-	-

Table 36.15 Water Sector Regulation expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand		2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Non-profit institutions												
Current		–	800	55	1 000	–	0.2%	–	–	–	4.3%	0.1%
Employee social benefits		–	–	55	–	–	–	–	–	–	-100.0%	–
Water Institute of Southern Africa		–	800	–	1 000	–	0.2%	–	–	–	4.5%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 36.16 Water Sector Regulation personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
Water Sector Regulation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	411	14	368	233.4	0.6	439	224.1	0.5	467	259.2	0.6	464	277.7	0.6	462	295.7	0.6	1.7%	100.0%
1 – 6	64	–	50	23.2	0.5	58	11.8	0.2	57	12.6	0.2	56	13.4	0.2	56	14.4	0.3	-1.2%	12.4%
7 – 10	207	4	229	130.9	0.6	274	107.1	0.4	292	122.5	0.4	290	131.4	0.5	290	141.3	0.5	1.9%	62.6%
11 – 12	98	10	47	32.5	0.7	57	49.0	0.9	62	56.9	0.9	62	61.0	1.0	60	63.0	1.0	1.7%	13.2%
13 – 16	42	–	42	46.8	1.1	50	56.2	1.1	56	67.2	1.2	56	72.0	1.3	56	77.0	1.4	3.8%	11.9%

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

2. Rand million.

Entities

Consolidated water boards

Mandate

The water boards derive their mandate from the Water Services Act (1997) and are categorised as national government business enterprises in terms of schedule 3B of the Public Finance Management Act (1999). There are 9 water boards that provide bulk potable water services to the municipalities in which they operate, and to other water service institutions and major customers within designated service areas. Water boards vary considerably in size, activities, customer mix, revenue base and capacity.

Most of the older and more established water boards (such as Rand Water, Umgeni Water and Magalies Water) operate in areas where there are significant urban development nodes, whereas other boards operate in more demographically diverse areas, with a combination of urban and rural customers. In addition to providing bulk treated water to municipalities, in some cases, the boards also provide retail water and sanitation services on behalf of municipalities.

Selected performance indicators

Table 36.17 Consolidated water boards volume of bulk treated water sales

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Volume of bulk water sales by Amatola Water board per year ¹	Water board activities	Outcome 6: An efficient, competitive and responsive economic infrastructure network	33 630	33 208	33 208	31 708	34 347	36 148	39 037
Volume of bulk water sales by Bloem Water board per year ¹	Water board activities		79 993	74 922	77 937	92 323	93 246	94 179	95 121

Table 36.17 Consolidated water boards volume of bulk treated water sales

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Volume of bulk water sales by Lepelle Northern Water board per year ¹	Water board activities	Outcome 6: An efficient, competitive and responsive economic infrastructure network	97 809	89 388	93 813	93 813	96 979	96 979	96 979
Volume of bulk water sales by Magalies Water board per year ¹	Water board activities		81 959	83 221	90 595	90 678	91 200	92 500	93 600
Volume of bulk water sales by Mhlatuze Water board per year	Water board activities		55 305	42 067	43 352	85 136	85 369	85 136	85 136
Volume of bulk water sales by Overberg Water board per year ¹	Water board activities		4 253	4 126	3 445	3 841	3 937	4 036	4 137
Volume of bulk water sales by Rand Water board per year ¹	Water board activities		1 709 519	1 611 234	1 534 860	1 558 555	1 586 609	1 614 375	1 642 626
Volume of bulk water sales by Sedibeng Water board per year ¹	Water board activities		117 562	115 433	118 299	122 551	124 177	125 664	127 117
Volume of bulk water sales by Umgeni Water board per year ¹	Water board activities		435 726	409 887	434 568	451 729	478 599	488 578	495 413

1. Measured in thousand kilolitres.

Expenditure analysis

The focus of the water boards over the medium term will continue to be on the extraction and purification of raw water into potable bulk water that will be supplied to their various clients, which include municipalities, industries and mines. To this extent, the 9 water boards expect to provide 7.7 trillion litres of water over the period ahead. The boards will also concentrate on the development of infrastructure, job creation and wastewater treatment services in their areas of jurisdiction.

In terms of extracting and purifying raw water into potable bulk water, Rand Water's bulk activities account for 67.4 per cent (R37.3 billion) of total spending, while Umgeni Water's bulk activities account for 8.7 per cent (R4.8 billion). These water boards continue to be the largest in terms of the supply of volumes of water and overall expenditure. Expenditure on bulk activities is expected to increase at an average annual rate of 10.9 per cent, from R14.9 billion in 2018/19 to R20.4 billion in 2021/22, mainly due to the increasing costs of energy to pump water and chemicals for purifying water, as well as labour costs and the price of raw water.

Over the medium term, the water boards are expected to derive R87.4 billion of their revenue from water sales. Total revenue is expected to increase at an average annual rate of 11 per cent, from R24.1 billion in 2018/19 to R33 billion in 2021/22. Other non-tax revenue and interest, dividends, and rent on land account for the remaining revenue over the medium term.

Programmes/Objectives/Activities

Table 36.18 Consolidated water boards expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R thousand											
Administration	3 319 432	3 860 144	3 916 275	4 499 038	10.7%	23.3%	4 835 473	5 224 394	5 400 009	6.3%	22.2%
Bulk activities	11 348 361	12 127 731	13 066 842	14 911 795	9.5%	76.7%	16 543 948	18 356 658	20 360 121	10.9%	77.8%
Total	14 667 793	15 987 875	16 983 116	19 410 833	9.8%	100.0%	21 379 421	23 581 053	25 760 129	9.9%	100.0%

Statements of historical financial performance and position

Table 36.19 Consolidated water boards statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2015/16 - 2018/19
Revenue									
Non-tax revenue	17 962 485	18 074 334	18 089 106	19 357 282	21 371 257	21 510 893	23 534 287	24 107 480	102.6%
Sale of goods and services other than capital assets	17 213 032	16 966 761	17 651 709	18 527 654	20 871 510	20 615 164	23 020 864	23 622 049	101.2%
<i>of which:</i>									
Administrative fees	17 195	127 891	44 264	148 521	107 683	71 202	126 815	153 558	169.3%
Sales of bulk water	17 135 139	16 838 870	17 566 508	18 379 133	20 726 522	20 543 962	22 871 189	23 468 491	101.2%
Other sales	60 699	–	40 937	–	37 305	–	22 860	–	–
Other non-tax revenue	749 453	1 107 573	437 397	829 628	499 747	895 729	513 422	485 431	150.8%
Transfers received	13 911	–	–	–	–	–	–	92 386	664.1%
Total revenue	17 976 396	18 074 334	18 089 106	19 357 282	21 371 257	21 510 893	23 534 287	24 199 866	102.7%
Expenses									
Current expenses	1 915 258	14 573 079	1 985 075	15 882 280	2 228 236	16 918 214	18 783 385	19 305 934	267.7%
Compensation of employees	437 735	3 170 487	496 349	3 545 294	550 368	3 817 259	3 988 659	4 069 484	266.8%
Goods and services	1 271 197	10 482 798	1 237 829	11 053 143	1 335 779	11 722 262	13 435 882	13 702 218	271.8%
Depreciation	76 722	807 807	228 862	1 063 021	275 825	1 195 477	1 247 948	1 345 921	241.2%
Interest, dividends and rent on land	129 605	111 988	22 035	220 822	66 264	183 216	110 897	188 311	214.2%
Transfers and subsidies	–	94 714	106 794	105 594	117 674	64 902	128 222	104 899	104.9%
Total expenses	1 915 258	14 667 793	2 091 869	15 987 874	2 345 910	16 983 116	18 911 607	19 410 833	265.4%
Surplus/(Deficit)	16 061 138	3 406 541	15 997 237	3 369 409	19 025 347	4 527 776	4 622 679	4 789 033	
Statement of financial position									
Carrying value of assets	29 622 730	31 787 403	37 954 475	38 107 516	42 567 145	40 945 276	49 534 976	47 630 810	99.2%
<i>of which:</i>									
Acquisition of assets	(6 461 723)	(5 828 980)	(6 109 454)	(4 790 666)	(6 472 995)	(3 620 569)	(7 831 329)	(7 950 418)	82.6%
Investments	2 171 629	2 953 982	1 729 937	2 718 106	2 518 470	3 560 009	2 174 985	2 840 335	140.5%
Inventory	186 915	237 421	216 755	525 013	234 258	611 576	250 101	586 036	220.7%
Loans	4 577	5 168	85 149	4 606	5 114	4 081	5 087	4 547	18.4%
Accrued investment interest	–	28 366	28 366	35 585	28 366	43 952	28 366	37 969	171.4%
Receivables and prepayments	3 998 041	5 928 115	4 673 709	7 367 792	5 123 034	8 367 416	5 117 281	7 581 831	154.6%
Cash and cash equivalents	2 325 566	2 733 082	2 466 672	1 876 680	2 833 290	2 954 626	3 462 190	3 021 623	95.5%
Non-current assets held for sale	1 496	417	–	511	–	2 386	–	–	221.5%
Defined benefit plan assets	–	30 134	45 360	58 927	61 861	80 277	37 861	45 557	148.1%
Taxation	–	–	–	40 065	–	45 353	–	–	–
Total assets	38 310 953	43 704 089	47 200 423	50 734 801	53 371 537	56 614 952	60 610 848	61 748 708	106.7%
Accumulated surplus/(deficit)	20 056 828	22 671 048	25 397 703	29 022 434	29 848 847	33 872 900	34 586 860	37 420 703	111.9%
Capital and reserves	3 555 741	3 631 647	4 039 800	3 456 807	4 535 930	3 425 412	5 289 972	4 124 493	84.0%
Capital reserve fund	–	212 677	70 217	116 649	70 217	70 217	70 217	919 443	626.1%
Borrowings	6 646 325	6 980 642	7 771 829	6 793 335	7 565 774	6 610 185	8 635 863	7 623 581	91.5%
Finance lease	435	53	1 250	20 641	–	12 896	–	–	1 993.5%
Accrued interest	59 730	58 865	58 249	57 458	56 816	56 028	54 312	75 992	108.4%
Deferred income	1 643 843	1 655 167	2 125 904	2 606 266	2 562 694	3 247 396	2 958 666	1 434 893	96.3%
Trade and other payables	5 184 395	7 424 808	6 683 869	7 543 394	7 377 311	8 155 387	7 559 223	7 299 433	113.5%
Benefits payable	1 231	–	1 523	–	1 639	1 126	1 763	–	18.3%
Taxation	7 115	43 831	7 074	–	6 533	1 389	6 965	8 381	193.6%
Provisions	1 152 156	956 666	967 422	1 005 200	1 139 440	992 069	1 235 667	2 648 484	124.7%
Managed funds (e.g. poverty alleviation fund)	–	–	5 000	–	–	–	–	–	–
Derivatives financial instruments	3 152	68 685	70 583	112 297	106 337	169 947	111 340	193 305	186.8%
Total equity and liabilities	38 310 953	43 704 089	47 200 423	50 734 801	53 271 538	56 614 952	60 510 848	61 748 709	106.8%

Statements of estimates of financial performance and position

Table 36.20 Consolidated water boards statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
Revenue									
Non-tax revenue	24 107 480	10.1%	99.9%	26 856 436	29 930 667	33 006 014	11.0%	99.7%	
Sale of goods and services other than capital assets	23 622 049	11.7%	95.8%	26 200 736	29 086 322	32 102 360	10.8%	97.2%	
<i>of which:</i>									
Administrative fees	153 558	6.3%	0.6%	118 533	123 733	129 322	-5.6%	0.5%	
Sales of bulk water	23 468 491	11.7%	95.1%	26 082 203	28 962 589	31 973 038	10.9%	96.8%	
Other non-tax revenue	485 431	-24.0%	4.1%	655 701	844 345	903 654	23.0%	2.5%	
Transfers received	92 386	–	0.1%	185 000	–	–	-100.0%	0.3%	
Total revenue	24 199 866	10.2%	100.0%	27 041 436	29 930 667	33 006 014	10.9%	100.0%	

Table 36.20 Consolidated water boards statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand								
Expenses								
Current expenses	19 305 934	9.8%	99.4%	21 254 816	23 445 362	25 612 348	9.9%	99.4%
Compensation of employees	4 069 484	8.7%	21.8%	4 330 874	4 677 061	5 041 587	7.4%	20.2%
Goods and services	13 702 218	9.3%	70.1%	15 119 954	16 618 170	18 249 309	10.0%	70.7%
Depreciation	1 345 921	18.6%	6.5%	1 519 547	1 690 207	1 863 387	11.5%	7.1%
Interest, dividends and rent on land	188 311	18.9%	1.0%	284 441	459 924	458 066	34.5%	1.5%
Transfers and subsidies	104 899	3.5%	0.6%	124 605	135 692	147 781	12.1%	0.6%
Total expenses	19 410 833	9.8%	100.0%	21 379 421	23 581 054	25 760 129	9.9%	100.0%
Surplus/(Deficit)	4 789 033			5 662 015	6 349 613	7 245 884		
Statement of financial position								
Carrying value of assets	47 630 810	14.4%	74.3%	56 749 836	66 056 253	73 846 172	15.7%	79.1%
<i>of which:</i>								
<i>Acquisition of assets</i>	<i>(7 950 418)</i>	<i>10.9%</i>	<i>-10.5%</i>	<i>(10 531 322)</i>	<i>(9 747 961)</i>	<i>(9 071 251)</i>	<i>4.5%</i>	<i>-12.3%</i>
Investments	2 840 335	-1.3%	5.8%	3 972 593	4 218 847	4 106 572	13.1%	4.9%
Inventory	586 036	35.1%	0.9%	614 510	640 804	676 804	4.9%	0.8%
Loans	4 547	-4.2%	0.0%	4 520	4 497	4 475	-0.5%	0.0%
Accrued investment interest	37 969	10.2%	0.1%	37 969	37 969	37 969	-	0.1%
Receivables and prepayments	7 581 831	8.5%	13.8%	7 381 400	7 250 871	7 159 276	-1.9%	9.8%
Cash and cash equivalents	3 021 623	3.4%	5.0%	3 903 653	4 735 341	4 711 433	16.0%	5.3%
Defined benefit plan assets	45 557	14.8%	0.1%	45 557	45 557	45 557	-	0.1%
Total assets	61 748 708	12.2%	100.0%	72 710 039	82 990 139	90 588 258	13.6%	100.0%
Accumulated surplus/(deficit)	37 420 703	18.2%	57.4%	42 779 979	49 065 299	56 213 941	14.5%	60.2%
Capital and reserves	4 124 493	4.3%	7.0%	4 124 587	4 194 903	4 195 000	0.6%	5.5%
Capital reserve fund	919 443	62.9%	0.6%	1 183 879	1 375 442	1 505 400	17.9%	1.6%
Borrowings	7 623 581	3.0%	13.3%	11 699 147	14 216 887	14 180 495	23.0%	15.3%
Accrued interest	75 992	8.9%	0.1%	76 957	55 447	55 348	-10.0%	0.1%
Deferred income	1 434 893	-4.6%	4.2%	1 421 929	1 733 688	1 723 559	6.3%	2.1%
Trade and other payables	7 299 433	-0.6%	14.5%	7 705 151	7 833 325	7 955 933	2.9%	10.2%
Taxation	8 381	-42.4%	0.0%	9 182	9 615	10 099	6.4%	0.0%
Provisions	2 648 484	40.4%	2.6%	3 511 155	4 386 997	4 630 483	20.5%	4.9%
Derivatives financial instruments	193 305	41.2%	0.2%	198 073	118 536	117 999	-15.2%	0.2%
Total equity and liabilities	61 748 709	12.2%	100.0%	72 710 039	82 990 139	90 588 257	13.6%	100.0%

Rand Water

Mandate

Rand Water was established in terms of the Water Services Act (1997) and is listed as a schedule 3B public entity in terms of the Public Finance Management Act (1999). The core mandate of the entity is to abstract raw water from the Vaal River system; and treat, transport, store and deliver potable water to municipalities, mines and industries in and around Gauteng. The entity's supply of water also extends to areas in Limpopo, North West, Mpumalanga and northern Free State, serving between 16 million and 19 million people. An estimated 98 per cent of its water is abstracted from the Vaal River system.

Selected performance indicators

Table 36.21 Rand Water performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Net debt to equity ratio per year	Administration	Outcome 6: An efficient, competitive and responsive economic infrastructure network	0.3	0.3	0.23	0.3	0.3	0.3	0.3
Debt service ratio per year			6.9	9.2	7.7	8.1	9	3.1	10.9
Cost of debt per year ¹			9.9%	9.9%	9.9%	9.9%	10%	10%	10%
Avoidable water loss as a percentage of total water produced (non-revenue water) per year	Bulk water		3.7%	3.5%	4%	4%	4%	4%	4%
Cost per kilolitre per year			(405 320/4 078 735)	(438 042/4 409 718)	(436 515/4 410 142)	(444 180/4 424 319)			
Volume of water sold (average per year) ²			R5.20	R7.56	R8.33	R9.35	R10.26	R11.24	R12.25
			709 519	1 611 234	1 534 860	1 558 555	1 586 609	1 614 375	1 642 626

1. Measured in rand thousand.
2. Measured in thousand kilolitres.

Expenditure analysis

Rand Water's main activities include the abstraction and purification of raw water and the delivery of bulk water to its bulk customers, which include municipalities and industries in Gauteng, Limpopo, North West, Mpumalanga and Free State. The provision of bulk water is expected to account for R37.3 billion of the entity's total expenditure over the medium term. Expenditure relating to the provision of bulk water is largely dependent on the costs of energy and chemicals, which is expected to increase faster than inflation. As such, spending on goods and services increases at an average annual rate of 11.3 per cent, from R9.2 billion in 2018/19 to R12.7 billion in 2021/22. This increase is expected to drive an increase in expenditure on bulk water at an average annual rate of 11.9 per cent, from R9.8 billion in 2018/19 to R13.8 billion in 2021/22, as the entity expects to deliver 1.6 trillion litres of potable water to water service providers and authorities each year of the MTEF period. The entity's work on phases 1 and 2 of the Zuikerbosch pumping station 5 augmentation scheme is expected to cost R1.7 billion over the medium term. Phases 1 and 2 of the scheme involve the extension of existing infrastructure to cater for increased demand.

Spending on compensation of employees accounts for an estimated R7 billion of total expenditure over the period, increasing at an average annual rate of 8.3 per cent, from R2 billion in 2018/19 to R2.5 billion in 2021/22. This is mainly due to the entity increasing its number of personnel by 252 by 2021/22. Most of the new personnel will be employed at the unskilled and semi-skilled levels at the Zuikerbosch pumping station 5. Rand Water derives revenue mainly from water sales and the provision of professional advisory services to municipalities. Total revenue is expected to increase at an average annual rate of 11.4 per cent, from R15.3 billion in 2018/19 to R21.1 billion in 2021/22, as a result of an expected increase in tariffs from R9.35 per kilolitre in 2018/19 to R12.25 per kilolitre in 2021/22.

Programmes/Objectives/Activities

Table 36.22 Rand Water expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Administration	1 509 230	1 790 229	1 740 189	1 930 308	8.5%	16.9%	1 931 830	2 065 646	2 223 656	4.8%	14.7%
Bulk water	7 470 415	7 916 126	8 611 379	9 848 651	9.7%	81.7%	11 105 683	12 376 485	13 783 894	11.9%	84.6%
Secondary activities	146 194	150 646	186 023	78 405	-18.8%	1.4%	82 639	100 833	125 314	16.9%	0.7%
Total	9 125 839	9 857 001	10 537 591	11 857 364	9.1%	100.0%	13 120 151	14 542 964	16 132 864	10.8%	100.0%

Statements of historical financial performance and position

Table 36.23 Rand Water statements of historical financial performance and position

Statement of financial performance										Average: Outcome/Budget (%) 2015/16 - 2018/19
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate		
		Budget	2015/16	Budget	2016/17	Budget	2017/18	2018/19		
Revenue										
Non-tax revenue	11 742 258	11 256 414	10 909 288	12 231 762	13 613 662	13 692 771	15 090 691	15 287 973		102.2%
Sale of goods and services other than capital assets	11 248 307	10 950 891	10 711 964	11 856 819	13 366 060	13 328 761	14 811 218	15 102 991		102.2%
of which:										
Sales of bulk water	11 248 307	10 950 891	10 711 964	11 856 819	13 366 060	13 328 761	14 811 218	15 102 991		102.2%
Other non-tax revenue	493 951	305 523	197 324	374 943	247 602	364 010	279 474	184 982		100.9%
Total revenue	11 742 258	11 256 414	10 909 288	12 231 762	13 613 662	13 692 771	15 090 691	15 287 973		102.2%
Expenses										
Current expenses	10 128 101	9 125 839	8 982 079	9 857 001	10 573 337	10 537 591	11 696 359	11 857 364		100.0%
Compensation of employees	1 682 106	1 723 970	1 813 063	1 837 275	1 920 316	1 964 673	2 070 101	1 988 206		100.4%
Goods and services	7 982 355	6 969 230	6 703 899	7 400 198	8 146 160	7 944 860	9 063 025	9 211 512		98.8%
Depreciation	463 640	360 479	432 956	438 482	463 092	481 719	563 233	551 851		95.3%
Interest, dividends and rent on land	—	72 160	32 161	181 046	43 770	146 339	—	105 795		665.5%
Total expenses	10 128 101	9 125 839	8 982 079	9 857 001	10 573 337	10 537 591	11 696 359	11 857 364		100.0%
Surplus/(Deficit)	1 614 157	2 130 575	1 927 209	2 374 761	3 040 324	3 155 180	3 394 332	3 430 609		

Table 36.23 Rand Water statements of historical financial performance and position

Statement of financial position									
R thousand	Audited		Audited		Audited		Budget		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	Revised estimate	
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Carrying value of assets	14 835 551	17 988 535	20 727 409	20 117 642	23 708 041	21 735 412	28 134 702	26 008 165	98.2%
<i>of which:</i>									
<i>Acquisition of assets</i>	(2 579 696)	(2 914 310)	(2 722 745)	(2 207 546)	(3 331 275)	(1 753 150)	(4 486 000)	(4 186 089)	84.3%
Investments	482 264	461 650	389 784	465 983	354 856	463 917	393 549	402 282	110.7%
Inventory	122 470	129 734	137 323	409 658	144 124	485 398	151 906	453 796	266.0%
Loans	4 577	5 168	5 149	4 606	5 114	4 081	5 087	4 547	92.3%
Receivables and prepayments	1 765 069	1 934 664	1 824 961	2 244 458	2 036 833	2 481 977	2 269 055	2 754 058	119.2%
Cash and cash equivalents	1 154 149	1 470 173	1 045 043	780 199	1 473 459	1 770 075	1 829 757	1 842 856	106.6%
Non-current assets held for sale	1 496	417	–	511	–	2 386	–	–	221.5%
Defined benefit plan assets	–	–	21 360	10 412	37 861	15 630	37 861	45 557	73.8%
Total assets	18 365 575	21 990 341	24 151 029	24 033 469	27 760 288	26 958 876	32 821 918	31 511 261	101.4%
Accumulated surplus/(deficit)	11 158 513	13 235 781	15 272 306	15 688 829	18 664 596	18 868 453	22 058 928	22 189 060	104.2%
Borrowings	3 675 152	4 418 735	4 815 639	4 414 718	4 431 485	4 393 406	5 591 465	4 997 861	98.4%
Deferred income	170 243	427 374	503 609	400 977	528 547	401 460	557 089	444 180	95.1%
Trade and other payables	2 970 484	3 833 995	3 458 236	3 459 758	4 012 822	3 221 478	4 485 721	3 763 099	95.7%
Provisions	391 183	8 938	30 656	–	46 799	–	46 799	35 145	8.6%
Derivatives financial instruments	–	65 518	70 583	69 187	76 039	74 079	81 916	81 916	127.2%
Total equity and liabilities	18 365 575	21 990 341	24 151 029	24 033 469	27 760 288	26 958 876	32 821 918	31 511 261	101.4%

Statements of estimates of financial performance and position**Table 36.24 Rand Water statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2019/20	2020/21			2021/22
Revenue									
Non-tax revenue	15 287 973	10.7%	100.0%	17 086 866	19 104 073	21 148 517	11.4%	100.0%	
Sale of goods and services other than capital assets	15 102 991	11.3%	97.6%	16 845 875	18 755 525	20 740 980	11.2%	98.4%	
<i>of which:</i>									
<i>Sales of bulk water</i>	15 102 991	11.3%	97.6%	16 845 875	18 755 525	20 740 980	11.2%	98.4%	
Other non-tax revenue	184 982	-15.4%	2.4%	240 991	348 548	407 537	30.1%	1.6%	
Total revenue	15 287 973	10.7%	100.0%	17 086 866	19 104 073	21 148 517	11.4%	100.0%	
Expenses									
Current expenses	11 857 364	9.1%	100.0%	13 120 152	14 542 965	16 132 864	10.8%	100.0%	
Compensation of employees	1 988 206	4.9%	18.2%	2 150 116	2 325 357	2 522 889	8.3%	16.2%	
Goods and services	9 211 512	9.7%	76.1%	10 289 975	11 417 739	12 686 091	11.3%	78.3%	
Depreciation	551 851	15.3%	4.4%	680 061	799 869	923 883	18.7%	5.3%	
Interest, dividends and rent on land	105 795	13.6%	1.2%	–	–	–	-100.0%	0.2%	
Total expenses	11 857 364	9.1%	100.0%	13 120 152	14 542 965	16 132 864	10.8%	100.0%	
Surplus/(Deficit)	3 430 609			3 966 714	4 561 108	5 015 653			
Statement of financial position									
Carrying value of assets	26 008 165	13.1%	82.2%	32 108 836	37 988 156	43 431 806	18.6%	84.1%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(4 186 089)	12.8%	-10.6%	(6 181 000)	(5 807 000)	(5 492 000)	9.5%	-13.3%	
Investments	402 282	-4.5%	1.8%	449 043	500 273	553 531	11.2%	1.2%	
Inventory	453 796	51.8%	1.4%	478 301	505 564	534 382	5.6%	1.2%	
Loans	4 547	-4.2%	0.0%	4 520	4 497	4 475	-0.5%	0.0%	
Receivables and prepayments	2 754 058	12.5%	9.0%	2 863 950	2 860 734	2 814 877	0.7%	7.0%	
Cash and cash equivalents	1 842 856	7.8%	5.6%	2 510 335	3 213 037	2 988 315	17.5%	6.4%	
Defined benefit plan assets	45 557	–	0.1%	45 557	45 557	45 557	–	0.1%	
Total assets	31 511 261	12.7%	100.0%	38 460 542	45 117 818	50 372 943	16.9%	100.0%	
Accumulated surplus/(deficit)	22 189 060	18.8%	66.5%	26 155 775	30 716 884	35 735 868	17.2%	69.4%	
Borrowings	4 997 861	4.2%	17.7%	7 347 604	9 304 761	9 304 360	23.0%	18.5%	
Deferred income	444 180	1.3%	1.6%	468 166	494 851	523 058	5.6%	1.2%	
Trade and other payables	3 763 099	-0.6%	13.9%	4 365 604	4 566 177	4 774 512	8.3%	10.7%	
Provisions	35 145	57.8%	0.0%	35 145	35 145	35 145	–	0.1%	
Derivatives financial instruments	81 916	7.7%	0.3%	88 248	–	–	-100.0%	0.1%	
Total equity and liabilities	31 511 261	12.7%	100.0%	38 460 542	45 117 818	50 372 943	16.9%	100.0%	

Personnel information

Table 36.25 Rand Water personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)					
		2017/18			2018/19			2019/20		2020/21		2021/22								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	2018/19 - 2021/22	
Rand Water		3 636	3 636	3 417	1 964.7	0.6	3 636	1 988.2	0.5	3 734	2 150.1	0.6	3 819	2 325.4	0.6	3 888	2 522.9	0.6	8.3%	100.0%
Salary level																				
1 – 6	314	314	243	148.4	0.6	314	105.5	0.3	360	179.8	0.5	394	265.2	0.7	420	311.2	0.7	43.4%	9.8%	
7 – 10	2 688	2 688	2 540	1 057.8	0.4	2 688	1 104.4	0.4	2 740	1 155.7	0.4	2 791	1 208.3	0.4	2 834	1 297.7	0.5	5.5%	73.3%	
11 – 12	365	365	365	347.5	1.0	365	362.8	1.0	365	379.6	1.0	365	396.9	1.1	365	426.3	1.2	5.5%	9.7%	
13 – 16	257	257	257	368.8	1.4	257	383.3	1.5	257	401.1	1.6	257	419.4	1.6	257	450.3	1.8	5.5%	6.8%	
17 – 22	12	12	12	42.2	3.5	12	32.3	2.7	12	33.9	2.8	12	35.6	3.0	12	37.4	3.1	5.0%	0.3%	

1. Rand million.

Trans-Caledon Tunnel Authority

Mandate

The Trans-Caledon Tunnel Authority was established in 1986 as a specialised liability management entity. Its mandate is derived 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. The authority plays an important role in the provision of financial advisory services (structuring and raising project finance, managing debt and setting tariffs), project implementation services, and other technical support to the department and water boards.

Selected performance indicators

Table 36.26 Trans-Caledon Tunnel Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of 40km pipeline completed	Olifants River water resource development project	Outcome 6: An efficient, competitive and responsive economic infrastructure network	99%	99%	100%	– ¹	– ¹	– ¹	– ¹
Milestones achieved towards the completion of 160km pipeline per year	Mokolo and Crocodile River water augmentation project		– ²	Transfer capacity determined	Professional service provider contract awarded	Environmental assessment report submitted to Department of Environmental Affairs	Facilitation of institutional and funding arrangements	20% of 160km completed	40% of 160km completed
Implementation of long-term solution for acid mine drainage	Acid mine drainage		– ²	– ²	Identify system receiving points for acid mine drainage	Professional service provider contract awarded	Facilitation of institutional and funding arrangements	Optimisation of scheme	Construction Commences
Milestones achieved towards the completion of 160km pipeline per year	Berg River-Voëlvelei augmentation project		– ²	– ²	Directive received	Construction contract awarded	Facilitation of institutional and funding arrangements	Construction commences	Construction completed

1. Project completed.

2. No historical data available.

Expenditure analysis

The Trans-Caledon Tunnel Authority is responsible for debt and risk management services. It ensures that strategic projects related to integrated water resources and infrastructure are efficiently and sustainably financed and implemented on behalf of the department. Over the medium term, the authority will prioritise the following projects: the augmentation and protection of water supply in the Vaal River system through phase 2 of the Lesotho Highlands water project, the long-term solution to acid mine drainage in Gauteng and phase 2A of the Mokolo and Crocodile River water augmentation project. As construction on these projects will commence over the medium term, spending on goods and services is expected to increase at an average annual

rate of 24.8 per cent, from R4.1 billion in 2018/19 to R8.1 billion in 2021/22.

Phase 2A of the Mokolo and Crocodile River water augmentation project is aimed at providing additional water for domestic use, power generation, and coal mining in the Waterberg region in Limpopo. Construction of the main waterworks is expected to commence in 2020/21, driving an expected increase in expenditure at an average annual rate of 82.6 per cent, from R436.5 million in 2018/19 to R2.7 billion in 2021/22.

The authority will also continue to manage debt on the Vaal River system, the Berg water project, the Vaal River eastern subsystem augmentation project, the Komati water scheme augmentation project, phase 2 of the Mooi-Mgeni transfer scheme and the Mokolo and Crocodile River water augmentation project. The authority's overall debt is expected to decrease at an average annual rate of 1.8 per cent, from R26.7 billion in 2018/19 to R25.3 billion in 2021/22. This decrease is linked to the expected redemption of debt and the lack of significant new debt being acquired due to a conservative budgeting approach to capital expenditure.

The authority plans to increase its number of personnel from 195 in 2018/19 to 200 in 2021/22, resulting in an increase in spending on compensation of employees at an average annual rate of 10.6 per cent, from R238.1 million in 2018/19 to R322.4 million in 2021/22.

Programmes/Objectives/Activities

Table 36.27 Trans-Caledon Tunnel Authority expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate 2018/19	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Administration	4 206 864	3 631 759	4 064 094	6 165 347	13.6%	66.6%	9 273 785	4 720 578	6 839 616	3.5%	71.5%
Berg water project	88 076	90 819	87 185	116 364	9.7%	1.4%	61 741	52 280	46 662	-26.3%	0.8%
Vaal River eastern subsystem augmentation project	383 384	383 465	411 588	627 438	17.8%	6.7%	364 837	350 787	339 214	-18.5%	4.7%
Mooi-Mgeni transfer scheme	471 966	333 447	202 735	211 326	-23.5%	4.7%	187 278	162 779	147 575	-11.3%	2.0%
Olifants River water resource development project	304 176	140 243	203 085	73 149	-37.8%	2.8%	37 498	3 296	3 677	-63.1%	0.3%
Komati water scheme augmentation project	124 304	129 936	171 015	180 769	13.3%	2.3%	131 833	129 000	126 370	-11.2%	1.6%
Mokolo-Crocodile River water augmentation project	420 405	252 070	383 309	436 469	1.3%	5.5%	396 324	798 124	2 658 845	82.6%	11.2%
Acid mine drainage	1 145 360	390 729	362 794	843 403	-9.7%	9.8%	521 466	521 186	455 845	-18.5%	6.5%
Kriel	1 683	3 261	8 195	46 748	202.8%	0.2%	25 039	99	105	-86.9%	0.2%
Berg River-Voelvlei augmentation project	-	-	-	30 652	-	0.1%	69 311	164 914	183 427	81.6%	1.3%
Total	7 146 217	5 355 728	5 894 000	8 731 664	6.9%	100.0%	11 069 110	6 903 042	10 801 335	7.3%	100.0%

Statements of historical financial performance and position

Table 36.28 Trans-Caledon Tunnel Authority statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2018/19	2015/16 - 2018/19
Revenue									
Non-tax revenue	4 418 453	5 424 272	7 241 353	7 659 876	16 922 203	7 981 000	6 778 600	6 778 600	78.7%
Sale of goods and services other than capital assets	4 871 593	2 904 235	4 490 112	2 071 120	5 571 816	2 263 000	3 719 516	3 719 516	58.7%
<i>of which:</i>									
Construction revenue	4 871 593	2 904 235	4 490 112	2 071 120	5 571 816	2 263 000	3 719 516	3 719 516	58.7%
Other non-tax revenue	(453 140)	2 520 037	2 751 241	5 588 756	11 350 387	5 718 000	3 059 084	3 059 084	101.1%
Total revenue	4 418 453	5 424 272	7 241 353	7 659 876	16 922 203	7 981 000	6 778 600	6 778 600	78.7%
Expenses									
Current expenses	7 630 253	7 146 217	9 959 178	5 355 728	10 078 491	5 894 000	8 731 664	8 731 664	74.5%
Compensation of employees	211 989	168 161	241 650	170 730	208 200	167 974	220 549	238 054	84.4%
Goods and services	4 648 215	2 729 998	4 224 715	1 894 723	5 321 211	2 084 829	4 158 274	4 140 769	59.1%
Depreciation	11 389	6 077	23 747	5 667	7 911	9 840	15 085	15 085	63.1%
Interest, dividends and rent on land	2 758 659	4 241 982	5 469 065	3 284 608	4 541 169	3 631 358	4 337 755	4 337 755	90.6%
Total expenses	7 630 253	7 146 217	9 959 178	5 355 728	10 078 491	5 894 000	8 731 664	8 731 664	74.5%
Surplus/(Deficit)	(3 211 799)	(1 721 945)	(2 717 825)	2 304 148	6 843 712	2 087 000	(1 953 065)	(1 953 065)	

Table 36.28 Trans-Caledon Tunnel Authority statements of historical financial performance and position

Statement of financial position		Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)
R thousand	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2015/16 - 2018/19
Carrying value of assets	23 000	11 785	23 000	26 153	14 150	20 000	6 550	6 550						96.7%
<i>of which:</i>														
Acquisition of assets	(11 000)	(4 252)	–	(21 356)	–	(4 000)	(1 960)	(1 960)						243.6%
Investments	11 499 024	1 588 087	9 346 211	3 052 126	–	371 000	1 055 191	1 055 191						27.7%
Receivables and prepayments	36 127 696	25 929 483	29 489 523	27 389 444	35 598 825	29 249 000	25 072 467	25 072 467						85.2%
Cash and cash equivalents	–	3 118 326	–	2 558 945	8 012 421	3 849 000	4 256 452	4 256 452						112.3%
Taxation	–	40 724	–	2 061	–	–	–	–						–
Total assets	47 649 720	30 688 405	38 858 735	33 028 730	43 625 396	33 489 000	30 390 659	30 390 659						79.5%
Accumulated surplus/(deficit)	8 747 038	362 095	(2 596 296)	2 667 419	7 944 005	4 753 000	1 526 094	1 526 094						59.6%
Capital and reserves	–	–	–	–	34 494	–	–	–						–
Capital reserve fund	–	–	–	–	–	–	1 219 114	1 219 114						100.0%
Borrowings	38 129 323	28 439 922	40 849 486	28 741 029	33 184 734	27 149 000	26 706 562	26 706 562						80.0%
Trade and other payables	773 358	1 439 323	605 544	1 164 469	2 462 164	1 188 000	938 890	938 890						99.0%
Taxation	–	101 055	–	116 163	–	78 000	–	–						–
Provisions	–	343 482	–	339 650	–	321 000	–	–						–
Derivatives financial instruments	–	2 527	–	(0)	–	–	–	–						–
Total equity and liabilities	47 649 720	30 688 404	38 858 735	33 028 729	43 625 396	33 489 000	30 390 659	30 390 659						79.5%

Statements of estimates of financial performance and position**Table 36.29 Trans-Caledon Tunnel Authority statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand	Revised estimate	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Revenue								
Non-tax revenue	6 778 600	7.7%	100.0%	8 789 454	6 605 230	10 408 818	15.4%	100.0%
Sale of goods and services other than capital assets	3 719 516	8.6%	41.0%	4 922 619	3 989 705	8 379 298	31.1%	62.9%
<i>of which:</i>								
Construction revenue	3 719 516	8.6%	41.0%	4 922 619	3 989 705	8 379 298	31.1%	62.9%
Other non-tax revenue	3 059 084	6.7%	59.0%	3 866 835	2 615 524	2 029 520	-12.8%	37.1%
Total revenue	6 778 600	7.7%	100.0%	8 789 454	6 605 230	10 408 818	15.4%	100.0%
Expenses								
Current expenses	8 731 664	6.9%	100.0%	11 069 110	6 903 042	10 801 335	7.3%	100.0%
Compensation of employees	238 054	12.3%	2.8%	277 204	299 856	322 347	10.6%	3.1%
Goods and services	4 140 769	14.9%	39.1%	4 639 488	3 682 939	8 051 509	24.8%	54.3%
Depreciation	15 085	35.4%	0.1%	5 927	6 911	5 442	-28.8%	0.1%
Interest, dividends and rent on land	4 337 755	0.7%	58.0%	6 146 491	2 913 336	2 422 037	-17.7%	42.5%
Total expenses	8 731 664	6.9%	100.0%	11 069 110	6 903 042	10 801 335	7.3%	100.0%
Surplus/(Deficit)	(1 953 065)			(2 279 656)	(297 812)	(392 517)		
Statement of financial position								
Carrying value of assets	6 550	-17.8%	0.0%	21 021	19 491	19 732	44.4%	0.1%
<i>of which:</i>								
Acquisition of assets	(1 960)	-22.8%	-0.0%	(5 095)	(5 381)	(5 683)	42.6%	-0.0%
Investments	1 055 191	-12.7%	4.7%	–	–	–	-100.0%	0.9%
Receivables and prepayments	25 072 467	-1.1%	84.3%	22 365 428	21 741 752	27 053 313	2.6%	80.4%
Cash and cash equivalents	4 256 452	10.9%	10.9%	6 200 851	11 974 207	985 505	-38.6%	18.7%
Total assets	30 390 659	-0.3%	100.0%	28 587 301	33 735 450	28 058 550	-2.6%	100.0%
Accumulated surplus/(deficit)	1 526 094	61.5%	7.1%	(15 823)	(312 071)	(703 001)	-177.2%	0.4%
Capital reserve fund	1 219 114	–	1.0%	–	–	–	-100.0%	1.0%
Borrowings	26 706 562	-2.1%	87.2%	28 077 280	32 911 938	25 296 376	-1.8%	93.5%
Trade and other payables	938 890	-13.3%	3.7%	525 843	1 135 583	3 465 176	54.5%	5.2%
Total equity and liabilities	30 390 659	-0.3%	100.0%	28 587 301	33 735 450	28 058 550	-2.6%	100.0%

Personnel information

Table 36.30 Trans-Caledon Tunnel Authority personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Trans-Caledon Tunnel Authority		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	Number	Cost	Unit cost		
Salary level	195	195	141	168.0	1.2	195	238.1	1.2	200	277.2	1.4	200	299.9	1.5	200	322.3	1.6	10.6%	100.0%
1 – 6	6	6	6	1.8	0.3	6	1.3	0.2	–	–	–	–	–	–	–	–	–	-100.0%	0.8%
7 – 10	62	62	53	31.3	0.6	62	32.2	0.5	55	31.5	0.6	55	34.1	0.6	55	36.7	0.7	4.5%	28.6%
11 – 12	25	25	18	18.6	1.0	25	22.9	0.9	36	35.1	1.0	36	38.0	1.1	36	40.9	1.1	21.4%	16.7%
13 – 16	90	90	54	84.6	1.6	90	145.4	1.6	89	154.6	1.7	89	167.7	1.9	89	180.2	2.0	7.4%	44.9%
17 – 22	12	12	10	31.6	3.2	12	36.3	3.0	20	56.1	2.8	20	60.0	3.0	20	64.5	3.2	21.1%	9.0%

1. Rand million.

Umgeni Water

Mandate

Umgeni Water was established in terms of the Water Services Act (1997) to provide water and sanitation services in its service area, which comprises mostly rural areas in KwaZulu-Natal, as well as the eThekweni metropolitan area. The entity supplies water to about 6 million consumers.

Selected performance indicators

Table 36.31 Umgeni Water performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Net debt to equity ratio per year	Bulk activities	Outcome 12: An efficient, effective and development-oriented public service	0.34	0.29	0.23	0.21	0.33	0.34	0.29
Debt service ratio per year	Bulk activities		4.6	2.9	4.9	3.9	3.1	2.9	4.1
Costs per kilolitre per year	Bulk activities		R3.25	R3.66	R3.57	R5.04	R5.34	R5.74	R5.93
Weighted average cost of capital per year	Bulk activities		10.53%	10.59%	10.63%	10.66%	11.29%	11.33%	11.37%
Volume of water sold (thousand kl) per year	Bulk activities		435 726	409 887	434 568	451 729	478 599	488 578	495 413

Expenditure analysis

Umgeni Water's focus over the medium term will continue to be on the provision of bulk water services, which requires the development and maintenance of regional bulk infrastructure in its service areas across KwaZulu-Natal, with the eThekweni metropolitan area being its largest area of distribution. Over the medium term, spending in the *Bulk activities* programme on activities related to the abstraction, treatment and distribution of bulk water is expected to account for 49.9 per cent of the board's total expenditure, increasing at an average annual rate of 10.7 per cent, from R1.3 billion in 2018/19 to R1.8 billion in 2021/22. As a result, spending on goods and services constitutes a projected 56.2 per cent (R5.3 billion) of the board's total expenditure. Spending in this regard is expected to increase at an average annual rate of 5.9 per cent, from R1.5 billion in 2018/19 to R1.8 billion in 2021/22, due to increases in production costs.

Spending in the *Administration* programme is expected to amount to R4.4 billion over the MTEF period, increasing at an average annual rate of 8.5 per cent, from R1.1 billion in 2018/19 to R1.5 billion in 2020/21. This increase is due to increases in retirement benefit costs for employees and increases in impairment losses on rural development projects. Over the medium term, capital expenditure will mainly be directed towards the rehabilitation, renovation and refurbishment of infrastructure on flagship projects such as phase 1 of the Mkhomazi water project, the Lower Mkhomazi bulk water scheme and the Durban Heights wastewater treatment plant. These investments are expected to amount to capital expenditure of R7.1 billion over the MTEF period, increasing at an average annual rate of 7.8 per cent, from R1.7 billion in 2018/19 to R2.1 billion in 2021/22.

The entity plans to maintain its number of personnel at 1 168 over the medium term. In line with cost of living

adjustments, spending on compensation of employees is expected to increase at an average annual rate of 6.9 per cent, from R609.2 million in 2018/19 to R743.8 million in 2021/22. The entity expects to sell 1.5 trillion litres of water over the MTEF period, accounting for R13.3 billion of its projected revenue over the period. This revenue is expected to increase at an average annual rate of 13 per cent, from R3.4 billion in 2018/19 to R4.9 billion in 2021/22. This is driven mainly by the projected increase in the volume of water sold, from 451 729 thousand kilolitres in 2018/19 to 495 413 thousand kilolitres in 2021/22, and a projected increase in tariffs from R5.04 per kilolitre in 2018/19 to R5.93 per kilolitre in 2021/22.

Programmes/Objectives/Activities

Table 36.32 Umgeni Water expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	729 985	771 496	720 894	1 139 487	16.0%	40.6%	1 372 935	1 528 102	1 454 252	8.5%	44.7%
Bulk activities	856 495	937 002	1 051 351	1 308 552	15.2%	50.4%	1 446 826	1 601 110	1 776 107	10.7%	49.9%
Wastewater	75 308	88 182	96 524	126 337	18.8%	4.7%	136 729	148 070	160 392	8.3%	4.7%
Other activities	109 043	153 741	43 658	22 129	-41.2%	4.3%	23 460	24 875	26 372	6.0%	0.8%
Total	1 770 831	1 950 421	1 912 427	2 596 505	13.6%	100.0%	2 979 950	3 302 157	3 417 123	9.6%	100.0%

Statements of historical financial performance and position

Table 36.33 Umgeni Water statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average Outcome/Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2015/16 - 2018/19	
Revenue									
Non-tax revenue	2 437 751	2 552 021	2 686 670	2 696 518	3 089 954	3 100 662	3 434 765	3 527 437	102.0%
Sale of goods and services other than capital assets	2 391 133	2 377 324	2 599 939	2 509 520	3 001 838	2 903 724	3 362 981	3 397 555	98.5%
of which:									
Sales of bulk water	2 391 133	2 377 324	2 599 939	2 509 520	3 001 838	2 903 724	3 362 981	3 397 555	98.5%
Other non-tax revenue	46 618	174 697	86 731	186 998	88 116	196 938	71 784	129 882	234.8%
Total revenue	2 437 751	2 552 021	2 686 670	2 696 518	3 089 954	3 100 662	3 434 765	3 527 437	102.0%
Expenses									
Current expenses	1 915 258	1 676 117	1 985 075	1 844 827	2 228 236	1 847 525	2 453 016	2 491 606	91.6%
Compensation of employees	437 735	473 046	496 349	560 174	550 368	592 385	590 821	609 214	107.7%
Goods and services	1 271 197	1 044 459	1 237 829	1 112 697	1 335 779	1 013 825	1 506 016	1 547 739	88.2%
Depreciation	76 722	157 427	228 862	170 557	275 825	239 596	295 699	293 187	98.1%
Interest, dividends and rent on land	129 605	1 185	22 035	1 399	66 264	1 719	60 480	41 466	18.4%
Transfers and subsidies	-	94 714	106 794	105 594	117 674	64 902	128 222	104 899	104.9%
Total expenses	1 915 258	1 770 831	2 091 869	1 950 421	2 345 910	1 912 427	2 581 238	2 596 505	92.1%
Surplus/(Deficit)	522 493	781 190	594 801	746 097	744 044	1 188 235	853 527	930 932	
Statement of financial position									
Carrying value of assets	7 200 986	7 144 032	8 892 673	7 911 530	9 404 708	8 449 273	10 632 641	9 572 274	91.5%
of which:									
Acquisition of assets	(2 133 429)	(2 034 316)	(1 977 898)	(1 172 265)	(1 503 374)	(989 582)	(1 661 538)	(1 652 308)	80.4%
Investments	1 003 151	1 927 963	729 310	1 807 670	1 362 737	2 488 903	880 660	1 939 016	205.3%
Inventory	12 371	14 721	17 543	15 735	20 525	18 955	23 667	17 920	90.9%
Accrued investment interest	-	28 366	28 366	35 585	28 366	43 952	28 366	37 969	171.4%
Receivables and prepayments	338 018	398 776	411 249	427 887	476 066	511 862	513 722	535 706	107.8%
Cash and cash equivalents	13 710	43 885	13 231	24 917	16 753	26 092	15 696	9 790	176.3%
Total assets	8 568 236	9 557 743	10 092 372	10 223 324	11 309 155	11 539 037	12 094 752	12 112 675	103.3%
Accumulated surplus/(deficit)	5 141 183	5 540 911	6 100 239	6 380 480	6 901 068	7 645 663	7 754 672	8 285 998	107.6%
Capital and reserves	442 847	442 847	442 847	442 847	442 847	442 847	442 847	442 847	100.0%
Borrowings	1 943 331	2 029 388	1 950 590	1 950 724	2 320 902	1 871 912	2 191 890	1 791 890	90.9%
Accrued interest	59 730	58 865	58 249	57 458	56 816	56 028	54 312	75 992	108.4%
Trade and other payables	389 474	776 470	769 641	626 453	713 899	717 568	698 959	604 192	105.9%
Provisions	588 519	706 110	770 806	722 252	843 326	709 151	922 648	868 646	96.2%
Derivatives financial instruments	3 152	3 152	-	43 110	30 298	95 868	29 424	43 110	294.6%
Total equity and liabilities	8 568 236	9 557 743	10 092 372	10 223 324	11 309 156	11 539 037	12 094 752	12 112 675	103.3%

Statements of estimates of financial performance and position

Table 36.34 Umgeni Water statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Revenue								
Non-tax revenue	3 527 437	11.4%	100.0%	4 154 726	4 681 406	5 134 753	13.3%	100.0%
Sale of goods and services other than capital assets	3 397 555	12.6%	94.0%	3 952 579	4 414 615	4 896 262	13.0%	95.3%
<i>of which:</i>								
Sales of bulk water	3 397 555	12.6%	94.0%	3 952 579	4 414 615	4 896 262	13.0%	95.3%
Other non-tax revenue	129 882	-9.4%	6.0%	202 147	266 791	238 491	22.5%	4.7%
Total revenue	3 527 437	11.4%	100.0%	4 154 726	4 681 406	5 134 753	13.3%	100.0%
Expenses								
Current expenses	2 491 606	14.1%	95.5%	2 855 345	3 166 465	3 269 342	9.5%	95.8%
Compensation of employees	609 214	8.8%	27.5%	649 942	694 879	743 784	6.9%	22.0%
Goods and services	1 547 739	14.0%	57.2%	1 696 576	1 793 122	1 839 853	5.9%	56.2%
Depreciation	293 187	23.0%	10.4%	311 767	332 754	354 377	6.5%	10.6%
Interest, dividends and rent on land	41 466	227.1%	0.5%	197 060	345 710	331 328	99.9%	7.1%
Transfers and subsidies	104 899	3.5%	4.5%	124 605	135 692	147 781	12.1%	4.2%
Total expenses	2 596 505	13.6%	100.0%	2 979 950	3 302 157	3 417 123	9.6%	100.0%
Surplus/(Deficit)	930 932			1 174 776	1 379 249	1 717 630		
Statement of financial position								
Carrying value of assets	9 572 274	10.2%	76.1%	11 151 601	12 925 917	14 729 537	15.4%	77.8%
<i>of which:</i>								
Acquisition of assets	(1 652 308)	-6.7%	-13.7%	(2 848 040)	(2 216 766)	(2 072 134)	7.8%	-14.3%
Investments	1 939 016	0.2%	18.9%	3 007 889	3 169 588	2 974 976	15.3%	17.8%
Inventory	17 920	6.8%	0.2%	19 100	20 348	21 667	6.5%	0.1%
Accrued investment interest	37 969	10.2%	0.3%	37 969	37 969	37 969	-	0.3%
Receivables and prepayments	535 706	10.3%	4.3%	589 215	634 787	681 140	8.3%	4.0%
Cash and cash equivalents	9 790	-39.4%	0.3%	9 254	10 662	17 882	22.2%	0.1%
Total assets	12 112 675	8.2%	100.0%	14 815 028	16 799 271	18 463 171	15.1%	100.0%
Accumulated surplus/(deficit)	8 285 998	14.4%	63.8%	9 460 350	10 836 619	12 547 948	14.8%	66.2%
Capital and reserves	442 847	-	4.1%	442 847	442 847	442 847	-	2.9%
Borrowings	1 791 890	-4.1%	17.8%	3 262 668	3 846 560	3 735 055	27.7%	20.0%
Accrued interest	75 992	8.9%	0.6%	76 957	55 447	55 348	-10.0%	0.4%
Trade and other payables	604 192	-8.0%	6.4%	589 292	557 857	538 718	-3.8%	3.8%
Provisions	868 646	7.1%	6.9%	939 804	1 016 831	1 100 145	8.2%	6.4%
Derivatives financial instruments	43 110	139.1%	0.4%	43 110	43 110	43 110	-	0.3%
Total equity and liabilities	12 112 675	8.2%	100.0%	14 815 028	16 799 271	18 463 171	15.1%	100.0%

Personnel information

Table 36.35 Umgeni Water personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Umgeni Water																			
Salary level	1 168	1 168	1 132	592.4	0.5	1 168	609.2	0.5	1 168	649.9	0.6	1 168	694.9	0.6	1 168	743.8	0.6	6.9%	100.0%
1 - 6	149	149	154	24.8	0.2	149	26.6	0.2	149	28.4	0.2	149	30.4	0.2	149	32.5	0.2	6.9%	12.8%
7 - 10	761	761	740	332.7	0.4	761	355.1	0.5	761	378.8	0.5	761	405.0	0.5	761	433.5	0.6	6.9%	65.2%
11 - 12	151	151	147	121.8	0.8	151	116.9	0.8	151	124.7	0.8	151	133.3	0.9	151	142.7	0.9	6.9%	12.9%
13 - 16	105	105	89	108.3	1.2	105	105.5	1.0	105	112.6	1.1	105	120.4	1.1	105	128.9	1.2	6.9%	9.0%
17 - 22	2	2	2	4.7	2.4	2	5.1	2.5	2	5.4	2.7	2	5.8	2.9	2	6.1	3.1	6.4%	0.2%

1. Rand million.

Water Trading Entity

Mandate

The Water Trading Entity was established in 1983 to separate the sale of raw water and related services from appropriated funds in the department. It was converted into a trading entity in terms of the Public Finance Management Act (1999) in 2008 to manage the recovery of usage costs to support the long-term sustainability of South Africa's water resources. The entity's core activities involve the construction of new water resources and the rehabilitation and refurbishment of existing ones. Functions related to resources management include

the management of water quality, water conservation, and the allocation of water through catchment management agencies to ensure sustainable water supply for both domestic and industrial use. The entity is further mandated to manage water resources, which includes the management of water quality, conservation, and the allocation of water through catchment management agencies.

Selected performance indicators

Table 36.36 Water Trading Entity performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections			
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
Reduction in the number of days for the collection of outstanding debt per year	Administration	Outcome 12: An efficient, effective and development-oriented public service	150	120	100	100	100	100	100	
Number of kilometres of conveyance systems rehabilitated per year	Operations, maintenance and refurbishment of national water resources schemes	Outcome 6: An efficient, competitive and responsive economic infrastructure network	– ¹	4.2km	5.4km	0	7km	10km	10km	
Percentage of total maintenance budget spent on asset refurbishment and betterment against budget per year	Operations, maintenance and refurbishment of national water resources schemes		77% (247 549 /321 492)	86% (343 796 /400 000)	85% (270 488 /316 613)	100%	100%	100%	100%	
Percentage of planned maintenance projects completed per year per approved asset management project	Operations, maintenance and refurbishment of national water resources schemes		– ¹	60% (152/255)	36% (140/390)	90%	80%	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		– ¹	– ¹	0.2%	10% or less	20% or less	20% or less	20% or less	
Number of raw water projects completed per year	Operations, maintenance and refurbishment of national water resources schemes		1	0	1	3	2	4	3	
Number of dam safety rehabilitation projects completed per year	Implementation of dam safety projects		Outcome 10: Protect and enhance our environmental assets and natural resources	5	0	0	3	5	5	6
Total number of dam safety rehabilitation projects completed	Implementation of dam safety projects			43	40	45	49	53	53	53
Number of rivers where the river eco-status monitoring programme has been implemented to measure the ecological health of the system per year	Implementation of water resources management activities	Outcome 6: An efficient, competitive and responsive economic infrastructure network	98	66	92	71	70	80	70	

1. No historical data available.

Expenditure analysis

Over the medium term, the Water Trading Entity will continue to focus on developing and maintaining raw water infrastructure and managing water resources, while improving its operational and financial sustainability. An estimated R22.9 billion of the entity's total expenditure over the medium term is in the *Financing of and investment in raw water infrastructure* programme. Spending in the programme increases at an average annual rate of 10.6 per cent, from R6.2 billion in 2018/19 to R8.4 billion in 2021/22.

Spending in the bulk water supply to strategic users programme accounts for an estimated R7.5 billion of total expenditure, increasing at an average annual rate of 10.6 per cent, from R2 billion in 2018/19 to R2.8 billion in 2021/22. Over the medium term, the entity plans to rehabilitate 27km of conveyance systems related to the Vlakfontein, Boskop, Vaalharts, Ncora, Pongolapoort, Nzhelele and Lindleyspoort canals; and complete 80 per cent of planned maintenance projects in each year over the MTEF period. As a result, spending in the *Operations, maintenance and refurbishment of national water resources schemes* programme is expected to increase at an average annual rate of 10.6 per cent, from R1.6 billion in 2018/19 to R2.1 billion in 2021/22.

In ensuring the efficient management of water resources, the entity will continue to ensure compliance with dam safety regulations by completing an estimated 159 dam safety rehabilitation projects over the medium term. These projects include raising the walls of Clanwilliam Dam and Tzaneen Dam; and other projects involving pollution control, resource measurement and monitoring, water conservation, water demand management and water allocation. As such, spending in the *Implementation of water resources management activities* programme increases at an average annual rate of 10.6 per cent, from R805.1 million in 2018/19 to R1.1 billion in 2021/22. To improve its operational and financial sustainability, the entity plans to maintain its period for collecting outstanding debt at 100 days each year of the MTEF period. This will enable it to make timely payments to the Trans-Caledon Tunnel Authority to repay debts for the construction of new raw water infrastructure projects; and the maintenance of ongoing and completed raw water projects such as the long-term solution to acid mine drainage, the Lesotho Highlands water project, and phase 2 of the Mokolo and Crocodile River water augmentation project.

The entity plans to maintain its number of personnel at 3 440 over the medium term. In line with cost of living adjustments, spending on compensation of employees is expected to increase at an average annual rate of 6 per cent, from R1.2 billion in 2018/19 to R1.5 billion in 2021/22.

The entity expects to generate 81.8 per cent of its revenue over the medium term from the sale of raw water. The sale of raw water is expected to increase at an average annual rate of 10.7 per cent, from R11 billion in 2018/19 to R14.9 billion in 2021/22, due to a projected increase in sales. Remaining revenue is derived from departmental transfers amounting to R6.6 billion, increasing at an average annual rate of 4 per cent, from R2 billion in 2018/19 to R2.3 billion in 2021/22. Funds from these transfers are used to subsidise the entity's operations, its functions pertaining to the management of water resources, and the construction and maintenance of water infrastructure for which costs cannot be recuperated through tariffs.

Programmes/Objectives/Activities

Table 36.37 Water Trading Entity expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	386 533	2 727 487	698 130	815 826	28.3%	8.7%	902 304	997 948	1 103 730	10.6%	7.1%
Implementation of water resources management activities	383 817	528 690	528 628	805 058	28.0%	4.8%	890 394	984 776	1 089 162	10.6%	7.0%
Operations, maintenance and refurbishment of national water resources schemes	1 270 805	1 780 501	1 399 338	1 581 024	7.6%	12.8%	1 748 612	1 933 965	2 138 965	10.6%	13.7%
Financing of and investment in raw water infrastructure	4 457 340	7 980 753	8 708 613	6 223 417	11.8%	56.4%	6 883 099	7 612 708	8 419 655	10.6%	53.8%
Bulk water supply to strategic users	1 538 096	2 175 376	1 855 393	2 038 419	9.8%	16.1%	2 254 492	2 493 468	2 757 776	10.6%	17.6%
Implementation of dam safety projects	169 989	235 965	29 755	95 652	-17.4%	1.2%	105 791	117 005	129 408	10.6%	0.8%
Total	8 206 580	15 428 772	13 219 858	11 559 396	12.1%	100.0%	12 784 692	14 139 870	15 638 696	10.6%	100.0%

Statements of historical financial performance and position

Table 36.38 Water Trading Entity statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%) 2015/16 - 2018/19
Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
2015/16		2016/17		2017/18		2018/19			
Revenue									
Non-tax revenue									
9 825 867	9 534 753	8 667 932	10 164 444	9 761 081	10 995 545	10 605 965	11 352 070	108.2%	
9 730 922	9 061 948	8 606 505	9 458 311	9 646 198	10 154 793	10 479 594	11 252 005	103.8%	
<i>of which:</i>									
<i>Sales by market establishment</i>									
9 730 922	9 061 948	8 606 505	9 458 311	9 646 198	10 154 793	10 479 594	11 252 005	103.8%	
<i>Sales of water</i>									
8 729 839	8 598 856	8 370 812	9 036 752	9 431 070	9 927 280	10 374 177	10 987 861	104.5%	
988 581	449 853	221 940	409 401	200 000	223 783	88 776	247 504	88.7%	
12 502	13 239	13 753	12 158	15 128	3 730	16 641	16 641	78.9%	
94 945	472 805	61 427	706 133	114 883	840 752	126 371	100 065	533.1%	
1 735 123	1 522 038	1 499 528	1 499 528	1 651 650	1 651 650	1 792 149	2 031 590	100.4%	
11 560 990	11 056 791	10 167 460	11 663 972	11 412 731	12 647 195	12 398 114	13 383 659	107.1%	

Table 36.38 Water Trading Entity statements of historical financial performance and position

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19	
Expenses										
Current expenses	7 954 407	8 206 580	9 194 782	15 428 772	9 907 957	13 219 857	10 603 440	11 559 396		128.6%
Compensation of employees	979 345	804 740	908 523	924 381	972 120	1 191 131	1 039 960	1 218 441		106.1%
Goods and services	2 699 347	4 741 299	5 763 156	8 043 292	6 256 301	5 450 328	6 647 809	2 996 494		99.4%
Depreciation	2 554 389	1 913 015	2 071 026	1 833 361	2 199 430	1 922 158	2 359 235	2 314 118		86.9%
Interest, dividends and rent on land	1 721 326	747 526	452 077	4 627 737	480 106	4 656 241	556 435	5 030 343		469.2%
Total expenses	7 954 407	8 206 580	9 194 782	15 428 772	9 907 957	13 219 857	10 603 440	11 559 396		128.6%
Surplus/(Deficit)	3 606 583	2 850 211	972 678	(3 764 800)	1 504 774	(572 662)	1 794 674	1 824 263		
Statement of financial position										
Carrying value of assets	91 920 714	93 473 903	95 275 749	95 913 940	96 784 366	95 540 326	100 765 786	92 973 256		98.2%
<i>of which:</i>										
Acquisition of assets	(2 610 158)	(2 409 344)	(1 950 224)	(1 563 489)	(1 899 224)	(500 629)	(2 089 147)	(1 227 117)		66.7%
Inventory	126 916	147 984	134 277	158 811	120 849	145 740	108 764	108 764		114.4%
Receivables and prepayments	4 721 579	6 380 759	5 083 698	6 002 347	4 159 864	6 645 732	3 369 490	5 468 861		141.3%
Cash and cash equivalents	2 346 559	42 948	138 863	205	538 863	257	895 806	-		1.1%
Total assets	99 115 768	100 045 594	100 632 586	102 075 303	101 603 942	102 332 055	105 139 846	98 550 881		99.1%
Accumulated surplus/(deficit)	69 245 871	71 960 394	71 294 475	70 508 726	69 686 849	69 808 441	70 334 124	63 727 687		98.4%
Capital and reserves	330 303	362 586	326 327	279 615	313 028	407 237	281 725	407 237		116.4%
Borrowings	28 631 817	26 334 191	27 873 757	29 548 298	29 229 227	30 441 865	33 593 233	29 496 398		97.1%
Finance lease	16 982	50 920	48 673	4 741	46 754	5 691	46 259	5 962		42.4%
Trade and other payables	701 328	1 174 863	914 354	1 519 344	701 574	1 424 327	666 495	4 643 186		293.6%
Provisions	189 467	162 640	175 001	214 579	188 301	244 494	218 010	270 410		115.7%
Total equity and liabilities	99 115 768	100 045 594	100 632 586	102 075 303	100 165 733	102 332 055	105 139 846	98 550 881		99.5%

Statements of estimates of financial performance and position**Table 36.39 Water Trading Entity statements of estimates of financial performance and position**

Statement of financial performance										Average: Expend- iture/ Total (%)
	Revised estimate	Average growth rate (%)	Average: Expend- iture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expend- iture/ Total (%)		
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22			
Revenue										
Non-tax revenue	11 352 070	6.0%	86.3%	12 565 677	13 936 218	15 413 457	10.7%	86.0%		
Sale of goods and services other than capital assets	11 252 005	7.5%	81.9%	12 455 606	13 787 039	15 248 465	10.7%	85.2%		
<i>of which:</i>										
Sales by market establishment	11 252 005	7.5%	81.9%	12 455 606	13 787 039	15 248 465	10.7%	85.2%		
Sales of water	10 987 861	8.5%	79.0%	11 383 066	13 465 063	14 892 359	10.7%	81.8%		
Construction revenue	247 504	-18.1%	2.8%	46 607	302 756	334 848	10.6%	1.5%		
Lease revenue earned	16 641	7.9%	0.1%	19 220	19 220	21 257	8.5%	0.1%		
Other non-tax revenue	100 065	-40.4%	4.4%	110 071	149 180	164 993	18.1%	0.8%		
Transfers received	2 031 590	10.1%	13.7%	2 119 162	2 171 597	2 287 008	4.0%	14.0%		
Total revenue	13 383 659	6.6%	100.0%	14 684 839	16 107 815	17 700 465	9.8%	100.0%		
Expenses										
Current expenses	11 559 396	12.1%	100.0%	12 784 692	14 139 870	15 638 696	10.6%	100.0%		
Compensation of employees	1 218 441	14.8%	8.8%	1 292 751	1 370 316	1 451 183	6.0%	9.9%		
Goods and services	2 996 494	-14.2%	44.3%	3 699 560	4 509 630	4 771 808	16.8%	29.3%		
Depreciation	2 314 118	6.6%	17.4%	2 455 250	2 602 565	2 756 151	6.0%	18.8%		
Interest, dividends and rent on land	5 030 343	88.8%	29.5%	5 337 131	5 657 359	6 659 553	9.8%	42.0%		
Total expenses	11 559 396	12.1%	100.0%	12 784 692	14 139 870	15 638 696	10.6%	100.0%		
Surplus/(Deficit)	1 824 263			1 900 146	1 967 945	2 061 769				
Statement of financial position										
Carrying value of assets	92 973 256	-0.2%	93.8%	93 231 015	93 646 673	91 487 867	-0.5%	95.1%		
<i>of which:</i>										
Acquisition of assets	(1 227 117)	-20.1%	-1.4%	(1 623 531)	(1 612 552)	(1 993 829)	17.6%	-1.7%		
Inventory	108 764	-9.8%	0.1%	97 888	102 782	101 754	-2.2%	0.1%		
Receivables and prepayments	5 468 861	-5.0%	6.1%	4 949 804	4 482 375	3 165 785	-16.7%	4.6%		
Cash and cash equivalents	-	-100.0%	0.0%	-	84 359	663 641	-	0.2%		
Total assets	98 550 881	-0.5%	100.0%	98 278 707	98 316 190	95 419 046	-1.1%	100.0%		
Accumulated surplus/(deficit)	63 727 687	-4.0%	68.5%	65 619 428	67 715 274	60 686 157	-1.6%	66.0%		
Capital and reserves	407 237	3.9%	0.4%	407 237	407 237	407 237	-	0.4%		
Borrowings	29 496 398	3.9%	28.7%	28 303 516	27 213 112	32 309 618	3.1%	30.1%		
Finance lease	5 962	-51.1%	0.0%	6 266	6 605	7 011	5.5%	0.0%		
Trade and other payables	4 643 186	58.1%	2.2%	3 643 186	2 643 186	1 643 186	-29.3%	3.2%		
Provisions	270 410	18.5%	0.2%	299 074	330 776	365 838	10.6%	0.3%		
Total equity and liabilities	98 550 881	-0.5%	100.0%	98 278 707	98 316 190	95 419 046	-1.1%	100.0%		

Personnel information

Table 36.40 Water Trading Entity personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ³ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Water Trading Entity		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	4 292	4 292	3 634	1 191.1	0.3	3 440	1 218.4	0.4	3 440	1 292.8	0.4	3 440	1 370.3	0.4	3 440	1 451.2	0.4	6.0%	100.0%
1 – 6	2 605	2 605	2 243	401.9	0.2	2 053	411.1	0.2	2 053	436.2	0.2	2 053	461.9	0.2	2 053	489.2	0.2	6.0%	59.7%
7 – 10	1 561	1 561	1 279	629.9	0.5	1 275	644.4	0.5	1 275	683.7	0.5	1 275	725.3	0.6	1 275	768.1	0.6	6.0%	37.1%
11 – 12	120	120	106	148.9	1.4	106	152.3	1.4	106	161.6	1.5	106	171.1	1.6	106	181.2	1.7	6.0%	3.1%
13 – 16	6	6	6	10.4	1.7	6	10.7	1.8	6	11.3	1.9	6	12.0	2.0	6	12.7	2.1	6.0%	0.2%

1. Rand million.

Breede-Gouritz Catchment Management Agency

Mandate

The Breede-Gouritz Catchment Management Agency was established in terms of the National Water Act (1998). The agency plays a key role in protecting, using, developing, conserving, managing and controlling water resources in a cooperative manner within the boundaries of the Breede-Gouritz catchment area.

Selected performance indicators

Table 36.41 Breede-Gouritz Catchment Management Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of water registrations finalised per year	Water projects	Outcome 10: Protect and enhance our environmental assets and natural resources	800	800	800	800	800	800	800

Expenditure analysis

Over the medium term, the Breede-Gouritz Catchment Management Agency will focus on managing, monitoring and protecting water resources in a sustainable way. As such, over the period ahead, the agency intends to finalise 2 400 water user registrations within its catchment area by verifying existing water use against the system yield and registered volumes with the aim of eliminating illegal consumption.

Transfers from the department account for R136.9 million of the agency's total revenue over the MTEF period. The remaining revenue is generated from charges for functions related to the management of water resources, such as the processing of licence applications for water use. Revenue from these activities is expected to increase at an average annual rate of 7.4 per cent, from R21 million in 2018/19 to R26 million in 2021/22.

Programmes/Objectives/Activities

Table 36.42 Breede-Gouritz Catchment Management Agency expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18	2018/19				2015/16 - 2018/19	2019/20	2020/21		
Administration	19 283	23 643	23 743	28 869	14.4%	45.4%	29 615	30 931	32 632	4.2%	43.9%	
Water projects	12 943	22 493	24 806	27 465	28.5%	40.7%	28 174	29 426	31 044	4.2%	41.7%	
Public participation	6 119	7 753	5 841	9 466	15.7%	13.9%	9 711	10 143	10 701	4.2%	14.4%	
Total	38 345	53 888	54 390	65 800	19.7%	100.0%	67 500	70 500	74 378	4.2%	100.0%	

Statements of historical financial performance

Table 36.43 Breede-Gouritz Catchment Management Agency statements of historical financial performance

Statement of financial performance									
	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2015/16	2016/17	2017/18	2018/19	Budget estimate	Revised estimate	2015/16 - 2018/19		
R thousand									
Revenue									
Non-tax revenue	250	1 410	500	638	500	16 433	500	21 500	2 284.6%
Sale of goods and services other than capital assets	–	–	–	–	–	10 145	–	21 000	–
of which:									
Other sales	–	–	–	–	–	10 145	–	21 000	–
Other non-tax revenue	250	1 410	500	638	500	6 288	500	500	504.9%
Transfers received	47 138	23 366	45 274	47 876	82 400	60 000	65 300	44 300	73.1%
Total revenue	47 388	24 776	45 774	48 514	82 900	76 433	65 800	65 800	89.1%
Expenses									
Current expenses	47 388	38 345	45 774	53 888	82 740	54 390	65 800	65 800	87.9%
Compensation of employees	20 618	20 364	22 893	29 283	31 401	31 723	35 755	35 755	105.8%
Goods and services	25 916	17 346	21 981	22 600	50 205	20 452	30 046	30 046	70.6%
Depreciation	854	635	900	2 006	1 134	2 215	–	–	168.1%
Total expenses	47 388	38 345	45 774	53 888	82 740	54 390	65 800	65 800	87.9%
Surplus/(Deficit)	–	(13 569)	–	(5 374)	160	22 043	–	–	

Statements of estimates of financial performance

Table 36.44 Breede-Gouritz Catchment Management Agency statements of estimates of financial performance

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
R thousand									
Revenue									
Non-tax revenue	21 500	148.0%	15.3%	24 500	25 000	26 000	6.5%	34.8%	
Sale of goods and services other than capital assets	21 000	–	11.3%	24 000	25 000	26 000	7.4%	34.5%	
of which:									
Other sales	21 000	–	11.3%	24 000	25 000	26 000	7.4%	34.5%	
Other non-tax revenue	500	-29.2%	4.0%	500	–	–	-100.0%	0.4%	
Transfers received	44 300	23.8%	84.7%	43 000	45 500	48 378	3.0%	65.2%	
Total revenue	65 800	38.5%	100.0%	67 500	70 500	74 378	4.2%	100.0%	
Expenses									
Current expenses	65 800	19.7%	100.0%	67 500	70 500	74 377	4.2%	100.0%	
Compensation of employees	35 755	20.6%	55.0%	36 679	38 309	40 416	4.2%	54.3%	
Goods and services	30 046	20.1%	42.6%	28 107	29 320	30 933	1.0%	42.6%	
Depreciation	–	-100.0%	2.4%	2 714	2 871	3 029	–	3.0%	
Total expenses	65 800	19.7%	100.0%	67 500	70 500	74 377	4.2%	100.0%	
Surplus/(Deficit)	–			–	–	–			

Personnel information

Table 36.45 Breede-Gouritz Catchment Management Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22											
Breede-Gouritz 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	49	49	31.7	0.6	49	35.8	0.7	49	36.7	0.7	49	38.3	0.8	49	40.4	0.8	4.2%	100.0%
7 – 10	29	29	10.6	0.4	29	12.0	0.4	29	12.3	0.4	29	12.9	0.4	29	13.6	0.5	4.2%	59.2%
11 – 12	8	8	7.3	0.9	8	8.3	1.0	8	8.5	1.1	8	8.8	1.1	8	9.3	1.2	4.2%	16.3%
13 – 16	12	12	13.8	1.1	12	15.5	1.3	12	15.9	1.3	12	16.6	1.4	12	17.5	1.5	4.2%	24.5%

1. Rand million.

Inkomati-Usuthu Catchment Management Agency

Mandate

The Inkomati-Usuthu Catchment Management Agency was established in 2004 in terms of the National Water Act (1998). The agency plays a key role in the use, protection and development of water resources in the Inkomati-Usuthu water management area. The agency also aims to ensure that water is used and managed to support equitable and sustainable socioeconomic transformation and development. In 2014, the Inkomati and Usuthu water management areas were amalgamated, and the agency's boundary area was extended to form the Inkomati-Usuthu Catchment Management Agency.

Selected performance indicators

Table 36.46 Inkomati-Usuthu Catchment Management Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of water users effectively validated per year for Usuthu and Inkomati catchment areas	Ensure the effective, efficient and sustainable management of water resources	Entity mandate	0%	100% (1 372)	100% (34)	69%	- ¹	- ¹	- ¹
Percentage of water quality-related authorisations and recommendations forwarded to the department	Ensure the effective, efficient and sustainable management of water resources	Outcome 10: Protect and enhance our environmental assets and resources	- ²	- ²	100% (34)	100%	100%	100%	100%

1. Project completed.

2. No historical data available.

Expenditure analysis

The Inkomati-Usuthu Catchment Management Agency's focus over the medium term will continue to be on enhancing the integrated management of water resources by remedying and restoring polluted water sources in its catchment areas; and improving its management of information, especially for the billing of its clients. Over the MTEF period, the agency aims to process 100 per cent water use licence authorisation applications and send recommendations to the department for approval.

The agency expects to derive 68.1 per cent of its revenue over the period ahead through transfers from the department. These transfers are expected to increase at an average annual rate of 2.1 per cent, from R88.2 million in 2018/19 to R93.9 million in 2021/22. The remaining revenue is generated from charges for functions related to the management of water resources such as the processing of water use licence authorisation applications. Revenue in this regard is expected to increase at an average annual rate of 11.1 per cent, from R35.3 million in 2018/19 to R48.4 million in 2021/22. This increase is due to the agency billing clients directly instead of the department, as was previously done.

Programmes/Objectives/Activities

Table 36.47 Inkomati-Usuthu Catchment Management Agency expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
Administration	29 520	34 286	46 470	55 935	23.7%	46.2%	56 318	56 886	60 015	2.4%	43.2%
Ensure the effective, efficient and sustainable management of water resources	14 090	20 224	20 680	33 706	33.7%	24.3%	35 516	37 577	39 644	5.6%	27.6%
Ensure collaborative and coordinated integrated water resources management for wise socioeconomic development	7 854	5 270	9 005	13 743	20.5%	9.9%	11 839	12 173	12 843	-2.2%	9.6%
Promote and pursue an international developmental agenda	6 060	7 864	8 424	10 222	19.0%	9.2%	16 273	17 164	18 108	21.0%	11.5%
Promote knowledge generation and distribution	7 820	8 884	9 298	9 890	8.1%	10.4%	10 497	11 126	11 738	5.9%	8.1%
Total	65 344	76 528	93 877	123 496	23.6%	100.0%	130 443	134 926	142 347	4.8%	100.0%

Statements of historical financial performance

Table 36.48 Inkomati-Usuthu Catchment Management Agency statements of historical financial performance

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget		Revised estimate		Average: Outcome/Budget (%)
R thousand		2015/16		2016/17		2017/18		2018/19		2018/19		2018/19		2015/16 - 2018/19
Revenue														
Non-tax revenue														
Sale of goods and services other than capital assets														
<i>of which:</i>														
<i>Administrative fees</i>														
Other non-tax revenue														
Transfers received														
Total revenue														
Expenses														
Current expenses														
Compensation of employees														
Goods and services														
Total expenses														
Surplus/(Deficit)														

Statements of estimates of financial performance

Table 36.49 Inkomati-Usuthu Catchment Management Agency statements of estimates of financial performance

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Revenue								
Non-tax revenue								
Sale of goods and services other than capital assets								
<i>of which:</i>								
<i>Administrative fees</i>								
Transfers received								
Total revenue								
Expenses								
Current expenses								
Compensation of employees								
Goods and services								
Total expenses								
Surplus/(Deficit)								

Personnel information

Table 36.50 Inkomati-Usuthu Catchment Management Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	106	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Inkomati-Usuthu Catchment Management Agency			106	60.0	0.6	105	68.5	0.7	120	83.1	0.7	120	87.7	0.7	120	92.6	0.8	10.5%	100.0%
1 - 6	13	13	13	1.1	0.1	13	1.4	0.1	14	1.9	0.1	14	2.0	0.1	14	2.1	0.1	14.5%	11.8%
7 - 10	28	28	28	9.3	0.3	28	11.0	0.4	37	14.7	0.4	37	15.6	0.4	37	16.4	0.4	14.4%	29.8%
11 - 12	50	50	50	33.4	0.7	50	37.7	0.8	55	45.9	0.8	55	48.4	0.9	55	51.1	0.9	10.7%	46.3%
13 - 16	15	15	15	16.2	1.1	14	18.5	1.3	14	20.6	1.5	14	21.7	1.6	14	22.9	1.6	7.4%	12.1%

1. Rand million.

Water Research Commission

Mandate

The Water Research Commission is a schedule 3A public entity established in terms of the Water Research Act (1971). The commission is mandated to conduct research in the water sector by: determining needs and priorities for research; promoting coordination, cooperation and communication in the area of water research development; stimulating and funding water research; promoting the effective transfer of information and technology; and enhancing knowledge and capacity building within the water sector.

Selected performance indicators

Table 36.51 Water Research Commission performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of research projects completed per year	Research and development	Outcome 10: Protect and enhance our environmental assets and natural resources	95	87	85	80	80	85	85
Income leveraged per year	Research and development		R67.5m	R82.8m	R63.1m	R45.5m	R50.9m	R53.7m	R56.6m
Number of students financially and technically supported (including historically disadvantaged students) per year	Research and development		500	495	452	300	300	350	400
Number of projects initiated per year with previously disadvantaged institutions as participating organisations in Water Research Commission projects	Research and development		18	12	17	- ¹	- ¹	- ¹	- ¹

1. Indicator discontinued.

Expenditure analysis

Over the medium term, the Water Research Commission will focus on generating knowledge that influences wiser water usage, while improving the understanding of available innovation and the complexities of water management. To achieve this, the commission plans to train 1 050 researchers over the MTEF period to strengthen and enhance its research capabilities. As such, the commission's expenditure is expected to increase at an average annual rate of 8.4 per cent, from R296.8 million in 2018/19 to R378.2 million in 2021/22, mainly due to the increased capacity that will enable the commissioning of more research projects.

By implementing a projected 250 research projects over the medium term, the commission aims to generate R160.2 million in leveraged research income through partnerships with universities, other research institutions and sales of its research publications. The commission generates 82.5 per cent (R866.8 million) of its revenue over the medium term from the water research levy. Total revenue is expected to increase at an average annual rate of 8.4 per cent, from R296.8 million in 2018/19 to R378.2 million in 2021/22.

Programmes/Objectives/Activities

Table 36.52 Water Research Commission 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 (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R thousand											
Administration	63 553	89 654	105 059	117 855	22.9%	31.9%	133 911	148 711	166 086	12.1%	42.2%
Research and development	193 440	203 119	161 711	139 897	-10.2%	59.7%	143 083	154 752	166 482	6.0%	45.2%
Innovation and impact	12 977	16 322	31 940	39 014	44.3%	8.5%	41 049	43 266	45 604	5.3%	12.6%
Total	269 970	309 095	298 710	296 765	3.2%	100.0%	318 043	346 730	378 173	8.4%	100.0%

Statements of historical financial performance

Table 36.53 Water Research Commission statements of historical financial performance

Statement of financial performance		Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/Budget (%)
		Budget	2015/16	Budget	2016/17	Budget	2017/18	Budget estimate	Revised estimate	
R thousand		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue										
Non-tax revenue										
Sale of goods and services other than capital assets										
<i>of which:</i>										
<i>Sales by market establishment</i>										
<i>Water research levies</i>										
<i>Leverage income</i>										
<i>Other sales</i>										
Other non-tax revenue										
Total revenue										
Expenses										
Current expenses										
Compensation of employees										
Goods and services										
Depreciation										
Interest, dividends and rent on land										
Total expenses										
Surplus/(Deficit)										

Statements of estimates of financial performance

Table 36.54 Water Research Commission statements of estimates of financial performance

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
					2018/19	2019/20	2020/21		
R thousand		2015/16 - 2018/19		2018/19 - 2021/22					
Revenue									
Non-tax revenue									
Sale of goods and services other than capital assets									
<i>of which:</i>									
<i>Sales by market establishment</i>									
<i>Water research levies</i>									
<i>Leverage income</i>									
Other non-tax revenue									
Total revenue									
Expenses									
Current expenses									
Compensation of employees									
Goods and services									
Interest, dividends and rent on land									
Total expenses									
Surplus/(Deficit)									

Personnel information

Table 36.55 Water Research Commission personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Water Research Commission		82	78	69.8	0.9	82	87.1	1.1	87	102.0	1.2	90	116.4	1.3	93	131.7	1.4	14.8%	100.0%
Salary level	82	82	78	69.8	0.9	82	87.1	1.1	87	102.0	1.2	90	116.4	1.3	93	131.7	1.4	14.8%	100.0%
1 - 6	11	11	12	6.0	0.5	11	11.1	1.0	11	15.6	1.4	13	21.3	1.6	13	22.5	1.7	26.3%	13.6%
7 - 10	34	34	31	17.6	0.6	34	22.1	0.6	37	25.9	0.7	38	29.1	0.8	38	33.5	0.9	15.0%	41.8%
11 - 12	16	16	14	12.6	0.9	16	17.2	1.1	18	20.6	1.1	18	22.6	1.3	18	24.8	1.4	12.9%	19.9%
13 - 16	21	21	21	33.7	1.6	21	36.7	1.7	21	39.9	1.9	21	43.4	2.1	24	50.9	2.1	11.5%	24.7%

1. Rand million.

Additional tables

Table 36.A Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Conditional grants to municipalities							
Water Infrastructure Development							
Regional bulk infrastructure grant	–	1 849 791	1 829 002	1 957 000	2 066 360	2 180 005	2 343 505
Water services infrastructure grant	2 305 029	2 830 982	3 305 237	3 769 139	3 669 319	3 870 972	4 161 295
Total	2 305 029	4 680 773	5 134 239	5 726 139	5 735 679	6 050 977	6 504 800

1. Detail provided in the Division of Revenue Act (2019).

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
R thousand										
Departmental infrastructure										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Pongolapoort bulk water supply (pipeline)	Construction of new bulk water scheme	Construction	1 376 048	289 951	95 261	113 648	–	3 600	–	–
Sedibeng bulk regional sewerage	Construction of new wastewater treatment works	Feasibility	3 000 000	26 911	44 087	10 078	62 659	76 800	152 000	220 000
De Hoop: Greater Sekhukhune district municipality regional bulk water and wastewater infrastructure	Construction of new bulk water infrastructure linking communities with the De Hoop Dam	Design	4 088 000	7 116	22 964	–	–	–	–	–
Mogalakwena bulk water supply phase 1	Upgrading of boreholes and construction of new bulk water scheme	Construction	1 650 000	252 788	161 067	142 177	110 000	183 558	250 000	300 000
Sebokeng waste treatment works phase 1 and phase 2	Upgrading of existing wastewater treatment works	Construction	1 123 584	99 786	166 263	117 567	140 700	128 684	263 000	150 000
Westonaria/Randfontein regional bulk wastewater treatment works (Zuurbekom)	Construction of new wastewater treatment works	Design	1 570 000	7 104	1 314	1 036	55 500	70 000	100 000	274 214
Mooihoek/Tubatse bulk water supply	Augmentation of existing bulk water scheme	Construction	1 000 000	73 136	143 048	–	–	–	–	–
Nebo bulk water supply	Construction of new bulk water scheme	Construction	1 400 000	38 370	31 189	50 462	60 000	–	–	–
Magalies bulk water supply to Waterberg	Construction of new bulk water scheme	Feasibility	1 891 000	–	–	–	15 000	–	–	–
Giyani water services phase 2	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	2 754 644	799 829	912 578	633 952	–	114 027	150 000	144 258
Thembisile bulk water supply (Loskop) phase 1 of 3	Construction of new bulk water scheme	Construction	1 500 000	–	–	–	13 351	100 000	100 000	100 000
OR Tambo, Mthatha and Dalindyebo district municipality bulk water supply and sanitation	Augmentation of existing bulk water scheme	Construction	22 156 829	457 520	–	–	–	–	–	–
Vaal Gamagara bulk water supply	Upgrading of existing bulk water scheme	Construction	200 000	53 800	–	–	–	–	–	–
Polokwane wastewater treatment works	Upgrading existing wastewater treatment works	Construction	1 043 836	–	–	–	–	–	–	–
Umgeni water board: Lower Thukela bulk water supply scheme	Construction of new bulk water scheme	Construction	1 043 968	279 140	–	–	–	–	–	–
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Matoks bulk water supply	Construction of new bulk water scheme	Feasibility	880 000	–	–	–	19 919	–	–	–
Ndlambe bulk water supply	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	879 000	79 641	119 902	17 760	6 000	50 000	85 000	–
Xhora east bulk water supply	Construction of new bulk water scheme	Construction	620 227	70 646	33 046	51 103	26 000	99 694	56 500	–

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Meyerton wastewater treatment works phase 1	Upgrading of existing wastewater treatment works	Construction	326 995	41 430	40 861	37 455	45 500	56 749	105 000	–
Mbizana regional bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	910 843	13 355	918	–	–	–	–	–
Westonaria/Randfontein (Hannes van Niekerk) regional bulk wastewater treatment works	Upgrading of existing wastewater treatment works	Handed over	266 000	–	–	–	–	–	–	–
Western highveld regional bulk water supply	Upgrading of existing bulk water scheme	Construction	486 000	21 902	–	–	–	–	–	–
Lebalelo central and north regional water supply	Construction of new bulk water scheme	Feasibility	600 000	–	–	–	40 000	–	–	–
Nzhelele valley bulk water supply	Construction of new bulk water scheme	Feasibility	600 000	–	–	–	20 000	–	–	–
Madibeng bulk water supply phase 2	Upgrading of existing bulk water scheme	Construction	586 788	53 068	76 171	82 349	60 000	40 000	120 000	155 200
Upgrading of the Homevale wastewater treatment plant (Sol Plaatje wastewater treatment works)	Upgrading of existing wastewater treatment works	Construction	298 000	–	–	–	–	–	–	–
Nketoana bulk water supply phase 1	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	316 728	34 000	19 608	13 120	40 000	50 000	80 000	80 000
Sterkfontein Dam scheme phase 1	Construction of new bulk water scheme	Construction	330 000	–	–	–	–	–	–	–
Potchefstroom wastewater treatment works upgrade	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	400 000	–	–	6 919	40 000	40 000	21 375	30 000
Sinthumule Kutama bulk water augmentation phase 3	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	751 603	25 188	10 247	–	75 000	50 000	80 000	95 000
Moutse bulk water supply phases 1-5	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	720 000	31 257	23 289	40 270	40 000	75 000	–	–
Glen Alpine bulk water supply	Construction of new bulk water scheme	Feasibility	345 000	–	–	–	15 000	–	–	–
Lephalale/Eskom: Bulk water augmentation	Augmentation of existing bulk water scheme	Feasibility	330 000	–	–	–	10 000	–	–	–
Moretele bulk water supply phase 1 (Klipdrift)	Construction of new bulk water scheme	Construction	640 617	117 396	59 987	23 291	58 000	18 270	30 000	–
Bitou cross border bulk water supply	Construction of new bulk sewage conveyance pipelines	Feasibility	250 000	–	–	–	–	–	–	–
West Coast desalination plant	Construction of new desalination plant	Design	563 212	–	–	–	–	20 000	30 000	20 050
Mncwasa bulk water supply	Construction of new bulk water scheme	Handed over	264 188	16 238	–	–	–	–	–	–
Kalahari East to Mier pipeline	Supply of water	Construction	468 100	134 110	23 308	1 289	–	–	–	–

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Ohrigstad bulk water supply	Upgrading of existing bulk water scheme	Feasibility	450 000	–	–	–	–	–	–	–
Northern Nzikazi bulk water supply phase 1	Construction of new bulk water scheme	Construction	404 870	46 288	120 093	85 726	19 042	30 000	30 000	73 721
Aganang bulk water supply	Upgrading of existing bulk water scheme	Design	350 000	–	–	–	25 000	–	–	–
Sundwana bulk water supply	Construction of new bulk water scheme	Feasibility	591 000	–	–	–	20 000	–	6 000	30 000
Mpumalanga lowveld feasibility studies	Construction of new bulk water scheme	Feasibility	800 000	–	–	–	5 000	–	–	–
Ngwathe bulk sewer phase 2	Upgrading of existing wastewater treatment works	Construction	300 000	19 820	3 642	1 579	25 000	–	40 000	80 000
Dihlabeng bulk water supply phase 2	Construction of new bulk water scheme	Construction	255 000	36 105	39 484	5 887	10 000	–	–	20 000
Dukuduku resettlement bulk water supply	Construction of new bulk water scheme	Construction	350 000	15 037	9 164	–	–	–	–	–
Giyani bulk water supply relief phase 1 (Nandoni Nsami)	Construction of new bulk water scheme	Construction	752 832	–	102 557	99 841	186 200	114 234	100 000	150 000
Sekororo-Mametja bulk water supply phase 1	Construction of new bulk water scheme	Construction	342 788	24 222	33 435	5 131	40 000	70 000	80 000	90 000
Tokologo regional water supply phase 2	Upgrading of bulk water scheme	Construction	500 191	19 969	96 118	104 104	40 000	90 000	100 000	50 000
Msukaligwa regional water supply scheme phase 1	Construction of new bulk water scheme	Design	407 000	–	6 865	–	–	–	–	–
Refurbishment of Emalahleni watertreatment works	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	335 605	24 799	1 161	–	–	–	–	–
Mafikeng South bulk water supply phase 2 (Upgrading of water treatment works)	Construction of new bulk water scheme	Construction	286 648	31 459	35 147	35 007	59 586	20 000	40 000	40 000
Matjhabeng bulk sewer (Welkom)	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	420 000	–	1 059	2 548	25 138	–	40 000	121 960
Thembisile water scheme (Loskop)	Construction of new bulk water scheme	Feasibility	324 428	4 200	–	–	–	–	–	–
Western highveld bulk water supply scheme (Rust de Winter)	Construction of new bulk water scheme	Feasibility	643 000	–	4 240	–	16 992	10 000	22 365	50 000
Welbedacht pipeline	Construction of new bulk water scheme	Tender	500 000	–	17 090	89 859	84 000	192 229	53 064	–
Bambanana pipeline	Construction of new bulk water scheme	Feasibility	301 307	–	–	–	–	–	24 612	27 083
Mooihoek/Tubatse bulk water supply	Augmentation of existing bulk water scheme	Construction	714 000	–	143 048	17 032	–	90 000	95 000	–
Nebo bulk water supply	Construction of new bulk water scheme	Construction	978 400	–	31 188	–	60 000	50 000	70 000	90 000

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
R thousand										
Nooitgedagt bulk water supply	Construction of new bulk water scheme	Construction	390 287	–	–	53 244	67 400	–	–	–
Driekoppies bulk water supply Upgradings	Construction of new bulk water scheme	Construction	397 646	–	–	–	42 528	71 863	70 000	134 087
Ngqamakwe water supply	Upgrading of existing wastewater treatment works	Construction	370 000	–	–	13 892	5 000	–	–	–
Kannaland Dam relocation	Augmentation of existing bulk water scheme	Construction	300 000	–	221	–	30 000	–	–	–
Masilonyana bulk water supply phase 1	Upgrading of existing bulk water scheme	Construction	304 941	–	–	–	–	60 000	130 000	80 000
Butterworth Emergency	Upgrading of existing bulk water scheme	Tender	250 000	–	–	–	10 000	–	45 366	80 000
Sedibeng bulk regional sewerage scheme: Sebokeng and Meyerton wastewater treatment works	Upgrading existing wastewater treatment works	Construction	856 000	141 217	–	–	–	–	–	–
Greater Mthonjaneni phases 1-3 bulk water supply	Construction of new bulk water scheme	Construction	668 489	222 062	–	–	–	–	–	–
Ngcebo regional bulk water supply (iLembe)	Construction of new bulk water scheme	Construction	681 986	106 166	–	–	–	–	–	–
Namakwa bulk water supply	Upgrading of existing bulk water scheme	Construction	648 312	149 748	–	–	–	–	–	–
Taung/Naledi bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	839 317	63 731	–	–	–	–	–	–
Greater Mamusa bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	444 288	46 763	–	–	–	–	–	–
Pilanesberg north and south bulk water supply	Upgrading of existing bulk water scheme and construction of new bulk water scheme	Construction	755 705	150 000	–	–	–	–	–	–
Chris Hani district municipality bulk water supply, Ncora cluster 4	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	353 144	72 641	–	–	–	–	–	–
Chris Hani district municipality: Ngcobob cluster 6	Construction of new bulk water scheme and spring protection	Construction	321 727	47 957	–	–	–	–	–	–
Xonxa Dam water supply to Lukhanji	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	443 998	68 284	–	–	–	–	–	–
Amatola Water: Refurbishment of 6 existing plants and downstream infrastructure	Upgrading of existing bulk water scheme	Feasibility	500 000	163 060	–	–	–	–	–	–
Mhlabatshane bulk water supply	Construction of new bulk water scheme	Construction	273 590	8 834	–	–	–	–	–	–

Table 36.B Summary of expenditure on infrastructure

Project name R thousand	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
Greytown regional bulk water scheme	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	610 603	93 644	–	–	–	–	–	–
Greater Bulwer-Donnybrook water scheme	Upgrading of existing water treatment works	Construction	343 337	14 035	–	–	–	–	–	–
Kagisano-Molopo bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	350 000	18 000	–	–	–	–	–	–
Nongoma bulk water supply	Construction of new bulk water scheme	Construction	529 134	–	–	–	–	–	–	–
Ngwathe bulk water supply phase 2	Construction of new bulk water scheme	Construction	160 000	6 762	–	–	–	–	–	–
Driefontein Indaka bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	326 318	20 801	–	–	–	–	–	–
Masilonyana bulk water supply	Upgrading of existing bulk water scheme	Design	304 941	41 934	–	–	–	–	–	–
Refurbishment of Emalaheni wastewater treatment works	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	335 605	24 799	–	–	–	–	–	–
Balf/Siyat/Grey/Willem/Nthor bulk water supply	Construction of new bulk water scheme	Various	531 638	7 695	–	–	–	–	–	–
Setsoto bulk water supply	Construction of new bulk water scheme	Construction	147 644	40 570	–	–	–	–	–	–
Phumelela bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	166 000	5 806	–	66 819	–	5 000	–	–
Small projects (total project cost of less than R250 million over the project life cycle)										
Graaff-Reinet emergency bulk water supply	Upgrading of existing bulk water scheme	Construction	55 662	2 173	17 883	19 606	10 000	6 000	–	–
Sundays River bulk water supply (Paterson)	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	106 465	8 891	1 978	1 357	–	7 000	–	–
Steytlerville bulk water supply	Augmentation of existing bulk water scheme	Construction	111 308	32 127	21 984	–	–	–	–	–
Ibika bulk water supply	Construction of new bulk water scheme	Handed over	64 796	9 000	–	–	–	–	–	–
Ikwezi bulk water supply	Upgrading of existing bulk water scheme	Feasibility	57 909	488	3 421	–	17 000	–	7 000	30 000
Kirkwood water treatment works	Upgrading of existing bulk water scheme	Feasibility	50 991	1 110	1 881	–	11 000	–	7 000	30 000
Misgund bulk water supply	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Feasibility	41 674	422	1 557	695	4 000	–	5 000	30 000

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Matatiele bulk water supply	Construction of new bulk water scheme	Construction	182 344	25 755	20 220	13 108	2 000	11 999	-	-
Mount Ayliff bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Handed over	208 752	3 291	-	-	-	-	-	-
Jagersfontein/Fauresmith: Bulk water supply phase 2	Construction of new bulk water scheme	Construction	60 695	5 961	2 346	-	-	1 000	-	-
Phumelela bulk water supply phase 2	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	166 000	5 806	24 716	-	23 000	-	-	-
Moqhaka bulk water supply (Streyrnus and Kroonstad water treatment works) phase 1	Construction of new bulk water scheme	Construction	115 945	32 926	9 703	13 316	-	-	10 000	50 000
Moqhaka bulk sewer	Construction of bulk sewer	Construction	105 000	30 590	6 368	-	-	-	-	-
Nala bulk sewer (Wesselsbron/Monyakeng)	Construction of bulk sewer	Feasibility	45 999	23 000	5 282	-	-	-	-	-
Tswelopele bulk water supply phase 1	Construction of new bulk water scheme	Construction	109 603	10 095	20 331	17 177	20 000	2 000	20 000	20 000
Ratlou bulk water supply phase 1 (Setlagole)	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	218 090	15 963	30 878	1 816	35 000	40 000	40 000	40 000
Maluti-A-Phofung bulk water supply phase 2	Construction of new bulk water scheme	Construction	261 962	34 946	26 282	9 902	40 000	50 832	50 000	50 000
Greater Eston bulk water scheme	Construction of new bulk water scheme	Handed over	192 000	-	-	-	-	-	-	-
Driefontein Complex bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Handed over	196 101	-	-	-	-	-	-	-
Emadlangeni bulk regional scheme	Construction of new bulk water scheme	Handed over	50 301	-	-	-	-	-	-	-
Hlabisa regional bulk water supply	Construction of new bulk water scheme	Handed over	166 855	7 983	-	-	-	-	-	-
Port Nolloth bulk water supply	Construction of new bulk water scheme	Design	71 782	-	-	-	15 000	21 782	25 000	10 000
Colesberg bulk water supply	Construction of new bulk water scheme	Design	123 765	1 340	-	-	-	-	-	-
Noupoort bulk water supply	Construction of new bulk water scheme	Construction	77 742	40 600	7 152	-	-	-	-	-
De Aar bulk water supply	Upgrading of existing bulk water scheme	Design	48 851	-	-	-	20 000	6 796	5 000	17 055
Hopetown water treatment works bulk water supply (Thembelihle)	Upgrading of existing bulk water scheme	Handed over	75 000	-	-	-	-	-	-	-
Strydenburg groundwater project	Provision of groundwater development	Handed over	21 018	8 302	-	-	-	-	-	-
Heuningvlei scheme bulk water supply	Construction of new bulk water scheme	Handed over	142 340	8 978	-	-	-	-	-	-

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Kuruman bulk water supply phase 1 (reservoir)	Upgrading of existing bulk water scheme	Construction	186 900	15 638	12 167	–	–	–	–	–
Windsorton to Holpan bulk water supply phase 1 (pipeline)	Upgrading of existing bulk water scheme	Tender	43 850	3 487	16 280	10 030	–	–	–	–
Nooitgedagt bulk water supply	Construction of new bulk water scheme	Design	200 000	–	–	53 244	–	–	–	–
Niekerkshoop bulk water supply	Supply of water	Handed over	11 098	–	–	–	–	–	–	–
Mafube bulk sewer phase 1	Construction of new bulk water scheme	Construction	230 484	46 979	13 321	10 184	30 000	30 000	50 000	50 000
Pixley ka Seme bulk water supply	Upgrading of existing groundwater water scheme	Feasibility	40 000	–	–	–	–	–	–	–
Marydale bulk water supply	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	11 200	875	–	–	–	–	–	–
Uppington wastewater treatment works	Construction of a new wastewater treatment works in Uppington	Feasibility	107 844	–	–	–	30 000	31 422	25 000	21 422
Kakamas wastewater treatment works	Construction of new wastewater treatment works	Feasibility	50 000	312	–	–	–	10 000	12 125	25 000
Warrenton water treatment works	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	30 629	–	774	–	–	–	–	–
Gariep Dam to Norvaltspond bulk water supply	Construction of new bulk water scheme	Construction	15 087	–	2 385	–	–	–	–	–
Vanderkloof/Renosterberg bulk water supply phase 1	Construction of new bulk water scheme	Construction	32 050	19 987	1 355	–	–	–	–	–
Driekoppies bulk water supply Upgradings	Construction of new bulk water scheme	Design	93 000	343	–	3 408	14 036	–	–	–
Acornhoek bulk water supply	Augmentation of existing bulk water scheme	Handed over	191 739	–	–	–	–	–	–	–
Sibange bulk water supply phase 1	Construction of new bulk water scheme	Design	153 993	509	–	2 972	20 512	50 000	60 000	20 000
Thaba Chweu groundwater development	Provision of groundwater development	Construction	8 500	–	–	–	–	–	–	–
Hoxane bulk water supply	Upgrading of existing water treatment works and construction of new bulk water scheme	Design	128 318	31 295	68 443	14 409	4 400	–	–	–
Wolmaransstad wastewater treatment works	Upgrading of existing wastewater treatment works	Construction	137 813	65 959	50 144	–	–	–	–	–
Nqamakwe water supply	Upgrading of existing wastewater treatment works	Feasibility	60 000	–	–	–	5 000	–	7 500	25 000
Worcester bulk water supply	Construction of new bulk water scheme	Construction	190 585	–	–	–	–	–	–	–
Grabouw wastewater treatment works	Upgrading of existing wastewater treatment works	Construction	61 600	2 164	–	–	–	–	–	–

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Swellendam wastewater treatment works	Upgrading of existing wastewater treatment works	Handed over	61 150	–	–	–	–	–	–	–
Oudtshoorn groundwater supply	Provision of groundwater development	Feasibility	190 000	10 991	–	–	20 000	5 000	20 000	30 000
Beaufort West bulk water supply	Upgrading of existing wastewater treatment works and construction of new wastewater treatment works	Feasibility	46 283	–	–	–	5 000	5 000	5 000	10 000
Vanrhynsdorp raw water supply	Augmentation of existing bulk water scheme	Design	83 239	–	–	–	5 000	–	–	–
Klaver bulk water supply	Augmentation of existing bulk water scheme from boreholes	Design	25 669	–	–	–	4 000	5 000	6 000	6 000
Paarl bulk sewer phase 3	Construction of new bulk sewage conveyance pipelines	Construction	207 804	39 000	1 900	–	–	–	–	–
Free State region	Upgrading of existing wastewater treatment works	Feasibility	77 458	708	4 126	–	30 000	–	–	–
Kannaland Dam relocation	Augmentation of existing bulk water scheme	Feasibility	79 221	–	221	–	30 000	10 000	19 000	20 000
Moretele bulk water supply (north)	Augmentation of existing bulk water scheme	Feasibility	100 000	32 629	–	18 000	2 500	–	–	–
Makana bulk water supply (James Kleynhans)	Augmentation of existing bulk water scheme	Design	191 192	3 480	8 392	10 320	25 000	78 000	66 000	–
Ntabankulu bulk water supply	Construction of new bulk water scheme	Feasibility	245 000	–	–	1 500	2 000	–	–	30 000
Capricorn master plan	Development of master plan	Master plan	3 100	–	–	–	–	–	–	–
Sekhukhune master plan	Development of master plan	Master plan	3 100	–	–	–	–	–	–	–
Bushbuckridge master plan	Development of master plan	Master plan	3 500	–	–	–	–	–	–	–
Upgrade of Delmas wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Design	111 047	13 276	–	24 013	28 758	30 000	15 000	–
Upgrade of Botleng wastewater treatment works	Upgrading of existing wastewater treatment works	Construction	57 658	18 488	9 345	1 145	–	–	–	–
Upgrading of Balfour wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Tender	21 272	21 272	–	–	(13 988)	–	–	–
Belmont wastewater treatment works	Upgrading of existing wastewater treatment works	Feasibility	142 000	–	–	–	6 000	–	7 000	30 000
Makana bulk sewer	Upgrading of existing wastewater treatment works	Feasibility	34 000	–	–	–	–	–	–	30 000
Mayfield wastewater treatment works	Upgrading of existing wastewater treatment works	Feasibility	72 473	–	2 500	–	20 000	–	–	30 000
Kinira regional bulk water supply	Construction of new bulk water scheme	Feasibility	34 500	–	–	–	2 000	–	–	30 000
Mount Ayliff bulk peri-urban water supply	Construction of new bulk water scheme	Feasibility	322 797	2 500	49 364	30 492	75 441	80 000	85 000	–
Mkemane regional bulk water supply	Construction of new bulk water scheme	Feasibility	52 000	–	–	1 000	2 000	–	–	25 744
Trompsburg bulk sewer	Upgrading of existing wastewater treatment works	Feasibility	76 000	–	–	–	–	–	–	–

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Upgrading of Deneysville wastewater treatment works	Upgrading of existing wastewater treatment works	Feasibility	275 670	139 898	9 250	26 522	30 000	70 000	–	–
Masilonyana bulk sewer (Brandfort and Winburg)	Upgrading of existing wastewater treatment works	Feasibility	70 000	–	–	1 244	20 000	–	–	–
Mantsopa bulk sewer (Ladybrand)	Upgrading of existing wastewater treatment works	Feasibility	42 198	20 681	–	1 517	20 000	–	–	–
Rothdene pump station and raising main	Upgrading of existing wastewater treatment works	Feasibility	113 018	48	–	13 470	19 500	80 000	–	–
Mohlakeng pump station and sewer outfall	Upgrading of existing wastewater treatment works	Feasibility	147 925	5 873	753	872	43 700	37 500	48 925	61 500
Koster wastewater treatment works Upgrading	Upgrading of existing wastewater treatment works	Design	136 778	9 344	19 849	37 585	30 000	40 000	–	–
Ventersdorp bulk water supply	Construction of new bulk water scheme	Construction	54 990	–	–	–	–	–	–	–
Nebo bulk water supply (De Hoop agumentation/North/South/Steelpoort)	Construction of new bulk water scheme	Design	150 192	–	–	–	50 000	–	–	–
Douglas water treatment works upgrading	Upgrading of existing water treatment works	Design	58 987	750	–	–	21 237	15 000	12 000	10 000
Ermelo bulk water supply phase 2	Construction of new bulk water scheme	Construction	46 872	7 621	–	–	–	–	–	–
Carolina-Silobela bulk water scheme	Construction of new bulk water scheme	Feasibility	189 000	189 000	–	–	–	–	–	–
Provincial high catalytic projects (Mutash Hub)	Construction of new bulk water scheme for various purposes	Feasibility	211 749	193 001	–	–	18 748	–	–	–
Reitz-Lindley construction	Construction of sewer main	Construction	108 382	41 012	39 746	13 924	–	13 700	–	–
Clocolan construction of sewer main	Construction of sewer main	Construction	146 507	59 012	–	59 923	–	27 572	–	–
Clocolan construction of pump station	Construction of pump station	Construction	9 348	9 348	–	–	–	–	–	–
Senekal construction of sewer main	Construction of sewer main	Construction	157 822	38 941	–	54 119	–	64 762	–	–
Petrus Steyn refurbishment of a plant	Refurbishment of a package plant	Construction	52 782	–	–	44 994	–	7 788	–	–
Dealesville construction of sewer main	Construction of sewer main	Construction	63 472	–	–	19 972	–	43 500	–	–
Water services infrastructure grant	Water supply and sanitation backlog	Construction	1 473 976	–	1 445 057	–	28 919	–	–	–
Eastern Cape region	Construction of water supply and sanitation backlog	Construction	441 270	4 914	5 725	–	430 631	–	–	–
Free State region	Construction of water supply and sanitation backlog	Construction	913 113	48 673	150 067	492 373	–	222 000	–	–
KwaZulu-Natal region	Construction of water supply and sanitation backlog	Construction	–	150 551	110 635	76 988	122 366	–	–	–
Limpopo region	Construction of water supply and sanitation backlog	Construction	–	178 353	20 263	5 143	233 002	170 233	360 600	419 692
Mpumalanga region	Construction of water supply and sanitation backlog	Construction	–	58 185	1 278	–	–	20 000	50 650	60 000
North West region	Construction of water supply and sanitation backlog	Construction	–	7 186	1 154	69 120	502 324	115 000	212 556	180 000

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Accelerated community infrastructure programme	Water supply and sanitation backlog	Construction	–	–	7 728	–	152 508	–	–	–
Community infrastructure: Water supply	Construction of new and refurbishment of existing water infrastructures	Construction	–	51 398	–	–	44 726	–	–	–
Wastewater infrastructure: Refurbishment	Upgrading of existing wastewater treatment works	Construction	–	96 899	–	2 989	123 345	–	–	–
Clanwilliam/Lamberts Bay regional water supply and desalination	Upgrading of existing bulk water scheme	Construction	61 500	59 263	–	–	–	–	–	–
Infrastructure network	Water resource infrastructure monitoring tool	Construction	200 000	189 265	–	23 722	30 968	–	–	–
Chris Hani district municipality bulk water supply: Quthubeni cluster 9	Construction of new bulk water scheme	Construction	207 966	32 900	–	–	–	–	–	–
Hofmeyer groundwater supply (phase 1 completed)	Development of borehole to augment existing bulk water scheme	Construction	47 407	11 977	–	–	–	–	–	–
Middelburg groundwater supply	Development of borehole to augment existing bulk water scheme	Construction	31 105	771	–	–	–	–	–	–
Mohokare bulk water supply	Construction of new bulk water scheme	Construction	170 258	22 022	28 564	–	–	–	–	–
Mantsopa (Tweespruit) and Hobhouse bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	120 000	15 000	–	–	–	–	–	–
Mandlakazi bulk water supply (phase 1 to be completed) and construction of water treatment works phase 2	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	94 000	57 000	–	–	–	–	–	–
Loeriesfontein bulk water supply	Construction of new bulk water scheme	Feasibility	40 043	4 128	–	–	–	–	–	–
Van Wyksvlei groundwater	Construction of new bulk water scheme	Design	97 644	1 793	–	–	–	–	–	–
Eerstehoek/Ekulindeni bulk water supply	Construction of new bulk water supply and upgrading of existing water treatment works	Feasibility	103 611	98 039	–	–	–	–	–	–
Lushuhwane bulk water supply	Construction of new bulk water and sanitation schemes	Design	91 918	76 000	–	–	–	–	–	–
Amsterdam and Sheepmore bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	30 503	26 000	–	–	–	–	–	–
Citrusdal wastewater treatment works	Construction of new wastewater treatment works	Construction	35 603	19 592	–	–	–	–	–	–
Clanwilliam water treatment works	Upgrading of existing bulk water scheme	construction	16 000	912	2 163	–	–	–	–	–
Clanwilliam/Lamberts Bay regional water supply	Upgrading of existing bulk water scheme	Construction	59 524	20 963	913	–	–	–	–	–
Tulbagh bulk water supply (Witzenberg)	Construction of new bulk water scheme	Construction	73 810	8 331	889	–	–	–	–	–

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Drakenstein wastewater treatment works	Upgrading existing wastewater treatment works	Handed over	29 000	21 034	-	-	-	-	-	-
Stellenbosch wastewater treatment works	Upgrading existing wastewater treatment works	Construction	110 962	10 000	18 025	-	-	-	-	-
Williston bulk water supply	Construction of new bulk water scheme	Feasibility	47 000	44 795	-	-	-	-	-	-
Matatiele bulk water supply	Construction of new bulk water scheme	Construction	182 344	25 755	-	-	-	-	-	-
Petrus Steyn outfall sewer	Construction of outfall sewer	Construction	27 058	-	-	-	-	-	-	-
Memel refurbishment wastewater treatment works and sewer	Refurbishment of a sewer	Construction	3 500	-	-	-	-	-	-	-
Tweeling sewer pump station	Construction of sewer pump station	Construction	7 459	-	-	-	-	-	-	-
Ficksburg outfall sewer	Construction of outfall sewer	Construction	1 685	-	-	-	-	19 349	-	-
Arlington grey water package plant	construction of rising main	Construction	7 610	-	-	-	-	65 000	-	-
Dewetsdorp outfall sewer line	Construction of outfall sewer	Construction	3 141	-	-	-	-	-	-	-
Heilbron sewer and pump station	Construction of sewer and pump station	Construction	9 938	-	-	-	-	-	-	-
Hertzogville outfall sewer pump station	Construction of outfall sewer	Construction	3 000	-	-	-	-	3 000	-	-
Louisvale pump station	Construction of new pump station	Construction	8 200	-	-	-	-	-	-	-
Louisvale pump station Prefab	Refurbishment of pump station	Construction	4 400	-	-	-	-	-	-	-
Breipaal pump station	Construction of new pump station	Construction	4 400	-	-	-	-	-	-	-
Calitzdorp and Ladysmith W	Upgradings of wastewater treatment works	Feasibility	77 459	-	-	-	-	15 000	30 000	30 000
Northern Cape water services infrastructure grant	Sanitation backlog	Construction	96 852	-	-	175 793	-	96 852	-	-
Gauteng Region water services infrastructure grant	Sanitation backlog	Construction	20 000	-	-	-	-	20 000	55 000	70 000
Nama Khoi	Construction of bulk bucket	Construction	171	-	-	-	-	171	-	-
Britstown	Construction of bulk bucket	Construction	195	-	-	-	-	195	-	-
Marydale	Construction of bulk bucket	Construction	5 948	-	-	-	-	5 948	-	-
Breipaal	Construction of bulk bucket	Construction	311	-	-	-	-	311	-	-
Campbell	Construction of bulk bucket	Construction	29 487	-	-	-	-	29 487	-	-
Griekwastad	Construction of bulk bucket	Construction	3 600	-	-	-	-	3 600	-	-
Petrusville	Construction of bulk bucket	Construction	592	-	-	-	-	592	-	-
Victoria West	Construction of bulk bucket	Construction	13 970	-	-	-	-	13 970	-	-
Kalksloot	Construction of bulk bucket	Construction	1 644	-	-	-	-	1 644	-	-
Pabalello	Construction of bulk bucket	Construction	1 553	-	-	-	-	1 553	-	-
Rosedale	Construction of bulk bucket	Construction	9 013	-	-	-	-	9 013	-	-
Maranteng	Construction of bulk bucket	Construction	4 242	-	-	-	-	4 242	-	-
Postdene	Construction of bulk bucket	Construction	3 087	-	-	-	-	3 087	-	-

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Olifants River water resources development project: De Hoop Dam phase 2A	Supply of water to new mining developments; and augmentation of domestic water supplies to urban and rural users in the middle of the Olifants River catchment area, and to various communities on the Nebo plateau and Sekhukhune	Handed over	3 074 000	19 540	17 867	3 180	10 000	-	-	-
Olifants River water resources development project phases 2B and 2G	Construction of Flag Boshielo to Mokopane pipeline and second pipeline between Flag Boshielo to Mokopane	Design	13 114 000	-	-	-	-	-	-	-
Olifants River water resources development project phase 2C	Supply of water to new mining developments; and augmentation of domestic water supplies to urban and rural users in the middle of the Olifants River catchment area and to various communities on the Nebo plateau and Sekhukhune	Construction	2 267 000	-	154 232	49 460	80 000	-	-	-
Olifants River water resources development project phase 2D	Construction of second pipeline between Steelpoort weir and Mooihoek	Tender	2 000 000	-	-	26 070	-	181 203	308 622	419 605
Olifants River water resources development project phases 2E and 2F	Construction of second pipeline parallel to Lebalelo scheme and Lebalelo scheme to Olifantspoort	Design	3 115 900	-	-	-	53 119	-	19 320	63 287
Groot Letaba River water development project: Nwamitwa Dam	Meeting of projected growing primary supply requirements for 2025, improvement of water availability for the riverine ecosystem and building of Nwamitwa Dam	Design	3 761 000	25 580	177 074	25 969	84 935	-	86 328	96 262
Dam safety rehabilitation programme	Rehabilitation of assets and improvement of dam safety	Design	2 800 000	169 989	-	33 921	110 000	150 000	175 000	200 000
Water resources project: Raising of Clanwilliam Dam	Upgrading of existing dam to stabilise distortion and augmentation of agricultural water supply to meet increasing demands	Tender	3 300 000	196 223	-	5 383	-	268 076	377 568	427 051
Mokolo-Crocodile water augmentation project phase 2A	Augmentation of domestic and industrial water supply to the new Eskom/independent power producer power stations to extend associated mining activities and accommodate growing population in the area	Feasibility	11 984 600	-	-	-	142 960	250 000	263 750	278 256
Acid mine drainage	Construction of water treatment works	Feasibility	-	-	683 785	200 000	349 999	300 000	300 000	300 000

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
OR Tambo, Mthatha, King Sabata and Dalindyebo district municipality bulk water supply and sanitation	Augmentation of existing bulk water scheme	Construction	3 001 534	457 520	350 454	325 000	334 533	246 398	–	–
Vaal Gamagara bulk water supply phase 1	Upgrading of existing bulk water scheme	Construction	18 000 000	53 800	215 625	350 000	350 000	137 517	110 000	–
Polokwane wastewater treatment works	Upgrading of existing wastewater treatment works	Design	1 043 836	–	–	90 000	128 462	530 997	644 490	297 118
Polokwane bulk water supply	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	1 832 000	–	130 159	119 676	158 462	100 000	–	–
Umgeni water board: Lower Thukela bulk water supply scheme	Construction of new bulk water scheme	Construction	1 043 968	279 140	213 069	209 602	41 290	–	–	–
Umshwathi bulk water supply scheme	Construction of new bulk water scheme	Tender	2 308 734	–	209 935	142 048	350 852	160 001	305 532	552 419
Greater Mthonjaneni bulk water supply phases 2	Construction of new bulk water scheme	Construction	1 228 190	211 786	182 227	36 410	50 000	30 000	30 000	37 316
Ngcebo bulk water supply (iLembe)	Construction of new bulk water scheme	Construction	1 420 678	106 499	156 094	145 000	90 000	35 000	30 000	70 000
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Groot Letaba River water development project: Raising of Tzaneen Dam	Meeting of projected growing primary supply requirements for 2025, improvement of water availability for the riverine ecosystem and raising of Tzaneen Dam	Design	600 000	15 208	–	26 656	121 880	208 930	154 297	21 000
Mdloti River development project: Raising of Hazelmere Dam	Augmentation of water supply to Umgeni Water for treatment, for KwaZulu-Natal north coast	Construction	620 000	188 198	217 340	128 258	110 000	110 000	35 000	–
Mopani district municipality emergency works	Refurbishment of dilapidated infrastructure	Construction	80 000	100 709	–	–	–	–	–	–
Taung/Naledi bulk water supply phase 2	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	733 754	63 731	69 339	55 000	30 000	60 000	69 660	107 728
Namakwa bulk water supply phase 1	Upgrading of existing bulk water scheme	Construction	648 312	149 748	63 375	83 159	19 719	75 000	135 000	–
Pilanesberg south bulk water supply phase 2	Upgrading of existing bulk water scheme and construction of new bulk water scheme	Construction	796 631	150 000	142 769	58 385	–	65 373	70 000	60 301
Amatola Water: Refurbishment of 6 existing plants and downstream infrastructure	Upgrading of existing bulk water scheme	Construction	500 000	169 060	–	88 554	92 386	–	–	–
Refurbishment of Greater Mamusa bulk water supply phase 1	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	444 288	46 763	55 000	101 000	90 000	61 693	60 000	76 791

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Chris Hani district municipality Ncora bulk water supply cluster 4	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	421 727	72 641	68 303	45 000	40 000	40 000	85 000	110 900
Chris Hani district municipality Ngcobo bulk water supply cluster 6	Construction of new bulk water scheme and spring protection	Construction	321 727	47 957	63 262	35 000	7 000	35 329	72 012	85 000
Xonxa Dam bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	443 998	68 284	58 013	26 000	7 000	–	80 000	–
Mhlabatshane bulk water supply	Construction of new bulk water scheme	Construction	483 482	8 834	12 776	–	–	–	–	–
Greytown bulk water supply phase 2	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	950 000	93 644	106 377	98 933	60 000	20 000	13 497	–
Middelburg bulk water supply	Construction of new water treatment works	Construction	340 000	24 070	78 997	30 000	54 830	61 519	50 000	50 000
Greater Bulwer bulk water supply phase 2	Upgrading of existing water treatment works	Construction	343 337	14 035	60 000	90 000	100 000	20 000	25 506	60 000
Nongoma bulk water supply	Construction of new bulk water scheme	Construction	529 134	131 779	110 357	70 000	65 170	73 775	33 775	–
Dukuduku resettlement bulk water supply	Construction of new bulk water scheme	Construction	266 382	15 037	15 247	–	–	–	–	–
Greater Mpofana regional bulk water supply phases 1-3	Construction of new bulk water scheme	Feasibility	469 293	–	–	86 755	161 569	80 000	100 676	258 530
Driefontein phase 3 (Spioenkop to Ladysmith) bulk water supply	Construction of bulk water scheme	Feasibility	350 000	–	–	–	100 000	–	100 000	400 000
Maphumulo bulk water supply	Construction of bulk water scheme	Feasibility	294 621	–	–	80 000	100 000	80 000	104 621	–
Chris Hani district municipality bulk water supply: Quthubeni cluster 9 (phase 1)	Construction of new bulk water scheme	Construction	208 000	32 900	15 000	95 000	75 000	–	85 000	–
Middelburg groundwater supply	Development of borehole to augment existing bulk water scheme	Construction	32 505	771	6 390	6 000	3 000	30 000	–	–
Masilonyana bulk water supply phase 1	Upgrading of existing bulk water scheme	Design	304 941	41 934	6 864	15 000	30 000	–	–	–
Driefontein Indaka bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	378 529	20 801	64 000	75 052	–	10 000	39 399	–
Mandlakazi bulk water supply phase 5	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	94 000	57 000	27 654	40 000	89 713	90 000	100 000	200 000
Balf/Siyat/Greyll/Willem/Nthor bulk water supply	Construction of new bulk water scheme	Various	590 709	7 695	36 605	42 007	31 328	70 000	85 000	100 000
Msukaligwa regional water supply phase 1	Construction of new bulk water scheme	Design	407 000	–	–	3 000	10 000	25 000	68 407	58 119
Empuluzi and Methula bulk water supply	Upgrading of existing bulk water scheme	Feasibility	291 021	–	–	5 000	41 879	65 000	100 000	96 872

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Kagisano Molopo bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	350 000	18 000	9 000	26 000	37 000	-	-	-
Stellenbosch wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Construction	304 256	48 128	32 809	-	-	-	-	-
Nooitgedagt bulk water supply	Construction of new bulk water scheme	Construction	390 287	-	-	-	-	185 000	-	-
Goedertrouw transfer scheme	Construction of new bulk water scheme	Construction	350 000	-	-	301 210	350 000	170 000	-	-
Lady Grey bulk water supply	Construction of new bulk water scheme	Feasibility	95 000	-	-	-	-	-	20 000	75 000
Financial management/project support	Funding of financial management and support		1 716 844	-	-	-	-	535 016	572 963	608 865
Small projects (total project cost of less than R250 million over the project life cycle)										
Bushbuckridge water treatment plant, pipelines and reservoirs	Supply of water to Bushbuckridge area	Handed over	144 501	-	-	-	-	-	-	-
Zeerust water treatment plant, pipelines and reservoirs	Supply of water to Zeerust area	Handed over	14 204	-	-	-	-	-	-	-
Mzimvubu water project	Construction of 2 large dams and bulk distribution system in the Eastern Cape	Design	20 000 000	-	-	-	100 000	-	-	-
Abaqulusi, Nongoma and Jozini water intervention projects	Supply of water	Construction	100 000	-	-	55 000	-	-	-	-
Free State region	Construction of new bulk water scheme	Feasibility	128 533	2 491	10 445	83 159	10 000	-	-	-
Sterkspruit bulk water supply	Construction of new bulk water scheme	Feasibility	50 000	-	2 500	52 231	13 000	-	20 000	77 748
Coffee bay wastewater treatment works	Upgrading of existing water treatment works	Feasibility	130 000	-	12 729	88 554	7 000	-	15 000	60 000
Setsoto bulk water supply phases 1 and 2	Construction of new bulk water scheme	Construction	147 644	40 570	45 716	101 000	20 000	70 121	92 108	80 000
Rouxville/Smithfield/Zastron Mohokare bulk water supply phase 1	Construction of new bulk water scheme	Construction	180 258	44 136	31 821	45 000	30 000	30 000	5 000	-
Mantsopa bulk water supply phase 1	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	250 000	13 376	8 319	35 000	20 000	5 000	-	-
Ngwathe bulk water supply phase 2	Construction of new bulk water scheme	Construction	250 000	6 762	2 346	26 000	30 000	38 000	52 500	77 836
Lushuhwane bulk water scheme	Construction of new bulk water and sanitation schemes	Design	91 918	-	25 389	-	36 450	57 000	-	-

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Upgrading of Balfour wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Tender	85 455	–	22 970	80 920	15 343	48 000	10 000	–
Bushbuckridge water services (Cunningmore to Newington bulk water supply) phase 1	Construction of new bulk water scheme	Feasibility	190 000	–	40 000	30 000	–	40 000	40 000	–
Eerstehoek/Ekulindeni bulk water supply	Construction of new bulk water supply and Upgrading of existing water treatment works	Feasibility	115 122	–	–	90 000	25 621	25 000	25 000	99 000
Amsterdam wastewater treatment works phase 1	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	30 503	–	12 300	70 000	23 000	40 000	30 000	20 000
Van Wyksvlei groundwater phase 1 (pipeline upgrade)	Construction of new bulk water scheme	Design	94 700	1 793	15 000	–	46 824	–	–	–
Hantam desalination plant (Brandvlei)	Construction of new desalination plant	Construction	66 569	4 128	5 282	86 755	30 000	21 503	7 256	8 000
Loeriesfontein bulk water supply phase 1 (pipeline)	Construction of new bulk water scheme	Construction	95 442	3 639	14 212	–	17 247	–	–	–
Ritchie wastewater treatment works bucket eradication programme	Construction of bulk water supply line and extension of the treatment works as well as associated infrastructure.	Construction	40 423	3 000	–	80 000	10 551	–	–	–
Williston bulk water supply	Construction of new bulk water scheme	Feasibility	47 000	522	–	95 000	30 000	20 000	–	–
Britstown oxidation ponds	Upgrading of existing wastewater treatment works	Design	30 600	–	750	6 000	30 000	3 910	–	–
Danielskuil wastewater treatment works	Upgrading of existing water treatment works	Feasibility	12 644	–	–	15 000	–	12 644	40 000	50 000
Kathu bulk water supply	Construction of new bulk water scheme	Feasibility	90 000	–	–	75 052	21 587	31 000	51 395	46 077
Christiana wastewater treatment works	Upgrading of existing water treatment works	Feasibility	55 500	–	2 660	40 000	–	–	–	–
Citrusdal wastewater treatment works phase 2	Construction of new wastewater treatment works	Construction	52 667	19 592	2 660	42 007	–	–	–	–
Clanwilliam/Lamberts Bay regional water supply	Upgrading of existing bulk water scheme	Construction	61 500	–	14 387	3 000	–	–	–	–
Tulbagh bulk water supply (Witzenberg)	Construction of new bulk water scheme	Construction	76 807	–	27 841	5 000	10 000	19 471	–	–
Clanwilliam water treatment works	Upgrading of existing bulk water scheme	Construction	31 349	–	4 000	26 000	–	–	–	–
Hofmeyer groundwater	Development of borehole to augment existing bulk water scheme	Construction	64 000	11 977	6 848	–	–	–	–	–
Eastern Cape region	Water supply and sanitation backlog	Construction	3 710 392	441 843	503 525	485 500	494 574	520 461	574 620	689 869
Free State region	Water supply and sanitation backlog	Construction	1 795 868	15 000	130 967	247 000	340 325	307 323	380 636	374 617
Gauteng region	Water supply and sanitation backlog	Design	966 951	–	70 000	150 000	175 000	184 891	195 060	192 000
KwaZulu-Natal region	Water supply and sanitation backlog	Construction	6 469 659	803 068	855 622	890 000	1 064 600	903 374	955 645	997 350
Limpopo region	Water supply and sanitation backlog	Construction	3 560 009	130 540	540 273	527 478	605 000	506 650	605 621	644 447

Table 36.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Mpumalanga region	Water supply and sanitation backlog	Construction	2 728 595	263 740	398 707	393 773	300 000	510 000	402 375	460 000
Northern Cape region	Water supply and sanitation backlog	Construction	1 631 732	87 713	140 984	260 500	225 000	308 620	290 975	317 940
North West region	Water supply and sanitation backlog	Construction	1 961 587	62 028	204 904	320 986	334 557	328 000	346 040	365 072
Western Cape region	Water supply and sanitation backlog	Construction	390 000	–	–	30 000	20 000	100 000	120 000	120 000
Total			231 047 146	12 518 879	11 897 533	11 309 712	12 437 913	12 373 403	13 055 292	13 967 362

Table 36.C Detail split of direct grants and indirect grants to municipalities

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Water services infrastructure grant							
Direct grants							
Transfers and subsidies	2 305 029	2 844 982	3 305 237	3 769 139	3 669 319	3 870 972	4 161 295
Provinces and municipalities	2 305 029	2 844 982	3 305 237	3 769 139	3 669 319	3 870 972	4 161 295
Indirect grants							
Current payments	142 098	164 547	311 862	134 667	162 806	173 841	184 523
Compensation of employees	76 491	88 932	86 476	97 010	104 402	112 222	119 516
Goods and services	65 607	75 615	213 842	37 657	58 404	61 619	65 007
Interest and rent on land	–	–	11 544	–	–	–	–
Transfers and subsidies	1 250	1 300	1 817	1 758	–	–	–
Households	1 250	1 300	1 817	1 758	–	–	–
Payments for capital assets	548 669	311 545	820 268	1 626 642	646 536	681 392	732 420
Machinery and equipment	2 413	2 736	852	4 460	2 451	2 586	2 728
Buildings and other fixed structures	546 256	308 809	819 416	1 622 182	644 085	678 806	729 692
Total	2 997 046	3 322 374	4 439 184	5 532 206	4 478 661	4 726 205	5 078 238
Regional bulk infrastructure grant: Allocation-in-kind							
Direct grants							
Transfers and subsidies	801 748	2 694 773	2 851 351	2 651 175	2 849 251	3 005 834	3 214 755
Provinces and municipalities	–	1 850 000	1 829 002	1 957 000	2 066 360	2 180 005	2 343 505
Transfers to public corporations and private enterprises	801 748	844 773	1 022 349	694 175	782 891	825 829	871 250
Current payments	107 007	85 756	269 173	83 660	89 289	95 393	101 284
Compensation of employees	38 188	32 971	31 423	55 748	59 996	64 490	68 682
Goods and services	68 819	52 785	237 750	27 912	29 293	30 903	32 602
Transfers and subsidies	–	–	–	–	–	–	–
Indirect grants							
Payments for capital assets	4 857 588	3 478 829	2 455 150	2 888 396	3 038 107	3 207 449	3 447 945
Buildings and other fixed structures	4 856 588	3 478 829	2 454 957	2 886 922	3 037 523	3 206 832	3 447 295
Machinery and equipment	1 000	–	193	1 474	584	617	650
Total	5 766 343	6 259 358	5 575 674	5 623 231	5 976 647	6 308 676	6 763 984
Bucket eradication programme: Allocation-in-kind							
Indirect grants							
Payments for capital assets	975 399	350 000	–	–	–	–	–
Buildings and other fixed structures	975 399	350 000	–	–	–	–	–
Total	975 399	350 000	–	–	–	–	–



2019 BUDGET

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