

Water and Sanitation

Budget summary

R million	2026/27				2027/28	2028/29
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	2 291.9	91.8	156.7	2 540.3	2 606.5	2 662.6
Water Resources Management	966.8	3 651.3	84.1	4 702.2	3 563.6	9 940.6
Water Services Management	900.7	9 248.6	4 565.1	14 714.5	15 125.0	15 266.1
Total expenditure estimates	4 159.4	12 991.7	4 805.9	21 957.1	21 295.1	27 869.3
Executive authority	Minister of Water and Sanitation					
Accounting officer	Director-General of Water and Sanitation					
Website	www.dws.gov.za					

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

Vote purpose

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

Mandate

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

Selected performance indicators

Table 41.1 Performance indicators by programme and related outcome

Indicator	Programme	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Number of river systems with water resources classes and determined resource quality objectives per year	Water Resources Management	A dynamic science, technology and innovation ecosystem for growth	1	0	1	0	1	3	0
Number of water supply systems assessed for compliance with blue drop regulatory requirements per year	Water Services Management	An enabling environment for investment and improved competitiveness through structural reforms	979	958	0	915	1 138	0	1 032
Number of wastewater systems assessed for compliance with green drop regulatory requirements per year	Water Resources Management		0	1 004	0	1 004	0	1 004	0
Number of water services authorities assessed for compliance with the requirements of the no drop regulatory programme per year	Water Services Management		0	144	0	0	144	0	144

Table 41.1 Performance indicators by programme and related outcome(continued)

Indicator	Programme	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
Number of mega regional bulk infrastructure project phases completed per year	Water Services Management	Improved service delivery in the local government sphere	1	0	1	10	6	1	8
Number of large regional bulk infrastructure project phases completed per year	Water Services Management		5	11	8	14	14	7	7
Number of small regional bulk infrastructure project phases completed per year	Water Services Management		5	4	5	7	4	1	0
Number of small water services infrastructure projects completed per year	Water Services Management		102	54	99	163	151	122	101
Number of regional bulk infrastructure project phases supported through the budget facility for infrastructure completed per year	Water Services Management	Increased infrastructure investment, access and efficiency	- ¹	0	1	7	3	2	2

1. No historical data available.

Expenditure overview

Over the medium term, the department will continue to focus on supporting the maintenance of public infrastructure and the delivery of water services, ensuring reliable water access and quality through rigorous regulation and assessments, and optimising water resources and increasing the supply of water through investments in infrastructure and alternative sources.

Expenditure is expected to increase at an average annual rate of 6 per cent, from R23.4 billion in 2025/26 to R27.9 billion in 2028/29. This is mainly due to the rescheduling of an allocation of R3.3 billion for infrastructure for the uMkhomazi water project from 2025/26 to 2028/29, and additional allocations amounting to R2.1 billion over the medium term for implementing the Polokwane regional wastewater treatment works project and R25 million over the same period for installing bulk water meters for municipalities in Mpumalanga.

Reliable water and sanitation services

To ensure the adequate provision of water and sanitation services, over the medium term, the department plans to support municipalities and selected water boards to complete 48 regional bulk infrastructure project phases (15 mega, 28 large and 5 small) and 374 small water infrastructure projects through the *regional bulk infrastructure grant* and *water services infrastructure grant*. The provision of new and refurbished water infrastructure through the *water services infrastructure grant's* total allocation, including the direct and indirect component, amounting to R17.8 billion over the next 3 years is intended to accelerate the provision of water supply and reduce backlogs in rural communities across 27 district municipalities. These municipalities will also continue to construct water and sanitation infrastructure through both the direct and indirect components of the *regional bulk infrastructure grant's* allocation of R21.4 billion over the same period. These grants are funded through the *Water Services Management* programme, which is allocated R45.1 billion over the medium term.

To strengthen its role in regulating, supporting and intervening in municipalities where the delivery of water and sanitation services is inadequate as a result of failing infrastructure, the department will oversee water demand and promote efficient water usage, particularly of non-revenue water, through conservation and performance management. Expenditure for this work is in the *Water Services and Local Management* subprogramme in the *Water Services Management* programme. Spending in the subprogramme is expected to increase at an average annual rate of 1.5 per cent, from R462.3 million in 2025/26 to R483.2 million in 2028/29.

Water quality, access and regulation

The green drop regulation seeks to identify and develop core competencies required for the sector to gradually and sustainably improve wastewater management. As part of the assessment that the department conducts every 2 years, 1 004 wastewater systems are expected to be assessed in 2027/28 for compliance with green drop regulatory requirements at an estimated cost of R667.3 million over the medium term. These funds are allocated in the *Water Resources Regulation* subprogramme in the *Water Resources Management* programme. With funds from the *Water Services Regulation* subprogramme in the *Water Services Management* programme, the department also plans to assess 1 138 water supply systems in 2026/27 and 1 032 in 2028/29 for compliance

with blue drop requirements; and assess all 144 water services authorities for compliance with no drop regulatory requirements in 2026/27 and 2028/29. The blue drop standard relates to drinking water quality and no drop to water losses (non-revenue water) for water use efficiency. The estimated cost of these combined activities is R1.3 billion over the medium term. Spending in the *Water Services Regulation* subprogramme is expected to increase at an average annual rate of 9.4 per cent, from R164.3 million in 2025/26 to R215.4 million in 2028/29.

As part of the department's efforts to create an enabling environment for investment, it plans to improve its finalisation rate of water use licence applications within 90 working days of receipt, aiming to achieve 85 per cent in 2026/27, 90 per cent in 2027/28 and 95 per cent in 2028/29. This will also be funded through the *Water Resources Regulation* subprogramme.

Water resource planning and development

To ensure secure water supply, the development of new and the expansion of existing water resources infrastructure is key to continued socioeconomic development and sustainability. As such, the department will continue to implement 18 strategic infrastructure projects that are scheduled for completion over the medium term. These include: phase 2 of the Vaal Central water board's Welbedacht pipeline in Free State; the refurbishment of the Balkfontein and Virginia water treatment works in Free State; the Sol Plaatje integrated water project in Northern Cape; construction of the Nwamitwa Dam in Limpopo; the Lusikisiki regional water supply scheme in Eastern Cape; the raising of Gcuwa Weir in Eastern Cape; construction of Foxwood Dam in Eastern Cape; the uMkhomazi bulk water supply scheme in KwaZulu-Natal; the raising of the Clanwilliam Dam wall in Western Cape; various phases of the Olifants management model programme for bulk water distribution infrastructure in Limpopo, which includes pipelines, reservoirs and reticulation; and other projects aimed at meeting high water demand for large strategic users such as Eskom, Sasol and Exxaro.

As part of the strategy to diversify the water mix over the medium term by expanding the sustainable use of groundwater, the department will invest in water reuse technologies and accelerate seawater desalination projects. To secure water supply and reduce reliance on surface water, the department also plans to rehabilitate infrastructure across the country that is constructed for transferring water from natural sources to points of use.

A total of R11.4 billion for these projects is provided through transfers to the Water Trading Entity as part of the allocation to the *Water Resources Infrastructure Management* subprogramme in the *Water Resources Management* programme. Spending in this subprogramme is expected to increase at an average annual rate of 20.5 per cent, from R5 billion in 2025/26 to R8.8 billion in 2028/29, due to the rescheduling of allocations from the budget facility for infrastructure to 2028/29.

Expenditure trends and estimates

Table 41.2 Vote expenditure trends by programme and economic classification¹

Programmes											
1. Administration											
2. Water Resources Management											
3. Water Services Management											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28		
R million					2022/23 - 2025/26					2025/26 - 2028/29	2026/27 - 2028/29
Programme 1	1 957.3	1 987.5	2 054.0	2 319.2	5.8%	9.6%	2 540.3	2 606.5	2 662.6	4.7%	11.0%
Programme 2	3 781.2	4 234.7	6 473.8	6 030.8	16.8%	23.8%	4 702.2	3 563.6	9 940.6	18.1%	25.6%
Programme 3	11 954.9	15 109.4	15 288.1	15 032.7	7.9%	66.6%	14 714.5	15 125.0	15 266.1	0.5%	63.4%
Subtotal	17 693.4	21 331.6	23 815.8	23 382.7	9.7%	100.0%	21 957.1	21 295.1	27 869.3	6.0%	100.0%
Total	17 693.4	21 331.6	23 815.8	23 382.7	9.7%	100.0%	21 957.1	21 295.1	27 869.3	6.0%	100.0%
Change to 2025 Budget estimate				-			(3 042.5)	(1 967.7)	4 293.6		

Table 41.2 Vote expenditure trends by programme and economic classification¹ (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Current payments	3 643.5	3 552.4	3 615.6	3 891.5	2.2%	17.1%	4 159.4	4 388.5	4 516.5	5.1%	18.4%
Compensation of employees	1 812.9	1 832.6	1 890.3	2 047.6	4.1%	8.8%	2 195.1	2 294.4	2 365.7	4.9%	9.6%
Goods and services ¹	1 830.6	1 719.8	1 725.3	1 843.9	0.2%	8.3%	1 964.3	2 094.1	2 150.8	5.3%	8.7%
of which:											
Computer services	127.4	134.7	152.8	199.6	16.2%	0.7%	204.9	222.5	236.6	5.8%	0.9%
Consultants: Business and advisory services	209.6	275.3	293.6	156.6	-9.3%	1.1%	204.1	213.4	214.6	11.1%	0.9%
Infrastructure and planning services	79.6	145.4	173.0	262.8	48.9%	0.8%	265.8	280.5	293.6	3.8%	1.2%
Operating leases	534.8	514.9	518.4	544.2	0.6%	2.4%	549.9	597.2	624.1	4.7%	2.5%
Property payments	119.1	109.3	118.7	136.0	4.5%	0.6%	147.3	156.9	160.8	5.7%	0.7%
Travel and subsistence	266.7	254.8	259.9	236.8	-3.9%	1.2%	231.3	239.1	248.8	1.7%	1.0%
Interest and rent on land	0.0	-	0.0	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Transfers and subsidies¹	10 799.4	13 280.3	15 776.4	14 892.8	11.3%	63.5%	12 991.7	11 959.6	18 243.7	7.0%	60.7%
Provinces and municipalities	6 357.1	6 879.0	7 665.4	7 976.3	7.9%	33.5%	8 291.6	8 429.8	8 355.9	1.6%	35.3%
Departmental agencies and accounts	2 608.8	3 272.7	5 482.3	4 997.7	24.2%	19.0%	3 021.0	1 731.3	7 793.0	16.0%	17.6%
Foreign governments and international organisations	250.8	46.6	72.1	51.9	-40.8%	0.5%	64.2	66.7	69.2	10.1%	0.3%
Public corporations and private enterprises	1 547.0	3 042.9	2 511.8	1 828.6	5.7%	10.4%	1 531.1	1 689.1	1 981.7	2.7%	7.3%
Non-profit institutions	1.5	2.4	1.6	2.0	11.0%	0.0%	3.1	3.2	3.2	16.1%	0.0%
Households	34.2	36.7	43.1	36.3	2.0%	0.2%	80.8	39.4	40.6	3.8%	0.2%
Payments for capital assets	3 249.5	4 498.8	4 388.5	4 598.4	12.3%	19.4%	4 805.9	4 947.1	5 109.1	3.6%	20.9%
Buildings and other fixed structures	3 135.7	4 349.9	4 229.1	4 371.7	11.7%	18.7%	4 583.0	4 758.6	4 906.5	3.9%	20.0%
Machinery and equipment	67.4	84.2	75.0	147.3	29.8%	0.4%	119.5	107.2	124.7	-5.4%	0.5%
Software and other intangible assets	46.4	64.7	84.4	79.4	19.6%	0.3%	103.4	81.2	77.8	-0.7%	0.4%
Payments for financial assets	1.0	0.0	35.3	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Total	17 693.4	21 331.6	23 815.8	23 382.7	9.7%	100.0%	21 957.1	21 295.1	27 869.3	6.0%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 41.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R thousand											
Households											
Social benefits											
Current	12 667	9 426	14 410	6 411	-20.3%	0.1%	49 557	6 736	6 448	0.2%	0.1%
Employee social benefits	12 667	9 426	14 410	6 411	-20.3%	0.1%	7 039	6 736	6 448	0.2%	0.0%
Early retirement and voluntary exit programmes	-	-	-	-	-	-	42 518	-	-	-	0.1%
Other transfers to households											
Current	21 521	27 289	28 679	29 868	11.5%	0.2%	31 236	32 704	34 172	4.6%	0.2%
Employee social benefits	-	2	-	-	-	-	-	-	-	-	-
Bursaries for non-employees	21 521	27 287	28 679	29 868	11.5%	0.2%	31 236	32 704	34 172	4.6%	0.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	294 491	289 812	345 068	353 533	6.3%	2.3%	385 459	383 747	397 119	4.0%	2.7%
Energy and Water Sector	3 350	3 427	4 388	6 383	24.0%	-	7 206	7 590	7 727	6.6%	0.1%
Education and Training Authority											
Water Trading Entity	291 141	286 385	-	-	-100.0%	1.1%	16 597	-	-	-	0.0%
Vaal-Orange Catchment Management Agency	-	-	43 189	28 328	-	0.1%	78 854	82 246	85 524	44.5%	0.6%
Breede-Olifants Catchment Management Agency	-	-	63 738	66 594	-	0.2%	69 285	72 035	74 281	3.7%	0.5%
Pongola-Umzimkulu Catchment Management Agency	-	-	27 248	22 524	-	0.1%	32 527	33 866	35 054	15.9%	0.2%
Mzimvubu-Tsitsikamma Catchment Management Agency	-	-	22 222	22 524	-	0.1%	32 527	33 866	35 054	15.9%	0.2%
Limpopo-Olifants Catchment Management Agency	-	-	88 199	69 069	-	0.3%	69 474	72 426	75 212	2.9%	0.5%
Inkomati-Usuthu Catchment Management Agency	-	-	96 084	138 111	-	0.4%	78 989	81 718	84 267	-15.2%	0.6%

Table 41.3 Vote transfers and subsidies trends and estimates (continued)

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R thousand											
Capital	2 317 638	2 986 276	5 141 665	4 650 578	26.1%	27.6%	2 642 727	1 355 185	7 403 638	16.8%	26.4%
Water Trading Entity	2 317 638	2 986 276	5 141 665	4 650 578	26.1%	27.6%	2 617 727	1 355 185	7 403 638	16.8%	26.3%
Inkomati-Usuthu Catchment Management Agency: Installation of bulk water meters	-	-	-	-	-	-	25 000	-	-	-	0.1%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	130 011	7 007	56 249	-	-100.0%	0.4%	10	-	-	-	0.0%
Communication licences	11	7	7	-	-100.0%	-	10	-	-	-	0.0%
Magalies Water	21 200	2 000	27 800	-	-100.0%	0.1%	-	-	-	-	-
Bloem Water	108 800	-	-	-	-100.0%	0.2%	-	-	-	-	-
Vaal Central Water	-	5 000	28 442	-	-	0.1%	-	-	-	-	-
Capital	1 413 686	3 032 510	2 451 194	1 822 177	8.8%	15.9%	1 523 840	1 681 505	1 974 011	2.7%	12.0%
Magalies Water	109 284	1 780 000	1 430 194	1 165 000	120.1%	8.2%	-	-	-	-100.0%	-
uMngeni-uThukela Water	738 673	269 000	315 000	151 468	-41.0%	2.7%	157 618	163 908	169 003	3.7%	1.1%
Sedibeng Water	143 729	-	-	-	-100.0%	0.3%	-	-	-	-	-
Lepelle Northern Water	422 000	633 000	317 000	-	-100.0%	2.5%	-	-	-	-	-
Vaal Central Water	-	350 510	350 850	505 709	-	2.2%	786 222	817 597	843 008	18.6%	5.7%
Overberg Water	-	-	38 150	-	-	0.1%	-	-	-	-	-
Development Bank of Southern Africa: Infrastructure fund: Olifants management model programme phase 2D and 2F	-	-	-	-	-	-	580 000	700 000	-	-	3.0%
Development Bank of Southern Africa: Infrastructure fund: uMkhomazi Water Project	-	-	-	-	-	-	-	-	962 000	-	2.2%
Non-profit institutions											
Current	1 485	2 447	1 634	2 033	11.0%	-	3 084	3 159	3 185	16.1%	0.0%
Strategic Water Partners Network	500	547	772	598	6.1%	-	625	654	683	4.5%	0.0%
South African Youth Water Prize	469	19	207	21	-64.5%	-	22	23	24	4.6%	0.0%
Various institutions: 2020 vision for water education programme	516	1 881	655	1 414	39.9%	-	2 437	2 482	2 478	20.6%	0.0%
Foreign governments and international organisations											
Current	250 754	46 566	72 076	51 912	-40.8%	0.8%	64 163	66 742	69 219	10.1%	0.5%
Orange-Senqu River Commission	1 526	1 550	1 404	1 619	2.0%	-	2 142	2 251	2 352	13.3%	0.0%
African Ministers' Council on Water	-	200	183	209	-	-	219	229	239	4.6%	0.0%
Limpopo Watercourse Commission	950	1 070	912	1 250	9.6%	-	1 307	1 366	1 427	4.5%	0.0%
Incomati and Maputo Watercourse Commission	-	3 336	3 600	3 940	-	-	3 600	3 763	3 932	-0.1%	0.0%
Komati Basin Water Authority	248 278	40 410	55 977	34 894	-48.0%	0.7%	46 895	49 133	50 820	13.4%	0.3%
World Bank	-	-	10 000	10 000	-	-	10 000	10 000	10 449	1.5%	0.1%
Provinces and municipalities											
Provincial agencies and funds											
Current	460	470	356	787	19.6%	-	823	856	870	3.4%	0.0%
Vehicle licences	460	470	356	787	19.6%	-	823	856	870	3.4%	0.0%
Municipal bank accounts											
Capital	6 356 687	6 878 489	7 665 056	7 975 491	7.9%	52.7%	8 290 798	8 428 923	8 355 060	1.6%	58.1%
Regional bulk infrastructure grant	2 655 668	3 258 828	3 627 383	3 756 930	12.3%	24.3%	3 901 746	3 864 717	3 649 002	-1.0%	26.4%
Water services infrastructure grant	3 701 019	3 619 661	4 037 673	4 218 561	4.5%	28.5%	4 389 052	4 564 206	4 706 058	3.7%	31.6%
Total	10 799 400	13 280 292	15 776 387	14 892 790	11.3%	100.0%	12 991 697	11 959 557	18 243 722	7.0%	100.0%

Personnel information

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

Programmes																			
1. Administration																			
2. Water Resources Management																			
3. Water Services Management																			
Number of posts estimated for 31 March 2026		Number and cost ² of personnel posts filled/planned for on funded establishment													Average growth rate (%)	Average: Salary level/ Total (%)			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2024/25		2025/26		2026/27		2027/28		2028/29		2025/26 - 2028/29	2026/27 - 2028/29						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Water and Sanitation																			
Salary level	4 875	572	3 001	1 890.3	0.6	2 578	1 989.1	0.8	2 680	2 195.1	0.8	2 643	2 294.4	0.9	2 580	2 365.7	0.9	0.0%	100.0%
1 – 6	1 544	118	991	303.7	0.3	800	404.9	0.5	847	466.1	0.6	820	481.5	0.6	800	496.4	0.6	-0.0%	31.2%
7 – 10	2 195	286	1 189	848.7	0.7	1 029	848.2	0.8	1 069	940.2	0.9	1 059	981.7	0.9	1 029	1 005.7	1.0	-0.0%	39.9%
11 – 12	954	160	651	529.8	0.8	588	528.9	0.9	598	565.0	0.9	598	595.6	1.0	586	615.3	1.1	-0.1%	22.5%
13 – 16	178	8	167	201.7	1.2	157	200.4	1.3	162	217.2	1.3	162	229.0	1.4	162	241.6	1.5	1.1%	6.1%
Other	4	–	3	6.4	2.1	4	6.6	1.7	4	6.6	1.7	4	6.7	1.7	4	6.7	1.7	-0.0%	0.2%
Programme	4 875	572	3 001	1 890.3	0.6	2 578	1 989.1	0.8	2 680	2 195.1	0.8	2 643	2 294.4	0.9	2 580	2 365.7	0.9	0.0%	100.0%
Programme 1	2 197	296	1 551	874.2	0.6	1 310	941.0	0.7	1 383	1 049.8	0.8	1 360	1 097.3	0.8	1 327	1 131.4	0.9	0.4%	51.5%
Programme 2	1 831	183	990	637.6	0.6	827	628.7	0.8	830	670.4	0.8	822	700.7	0.9	802	722.5	0.9	-1.0%	31.1%
Programme 3	847	93	460	378.6	0.8	441	419.4	1.0	467	475.0	1.0	461	496.4	1.1	452	511.9	1.1	0.8%	17.5%

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

2. Rand million.

Departmental receipts

Table 41.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2022/23	2023/24	2024/25					2025/26	2026/27	2027/28		
	R thousand											
Departmental receipts	26 709	3 852	39 902	4 418	4 500	-44.8%	100.0%	6 695	7 333	7 500	18.6%	100.0%
Sales of goods and services produced by department	1 700	1 732	1 719	1 707	1 659	-0.8%	9.1%	2 692	2 725	3 037	22.3%	39.3%
Sales by market establishments	598	571	472	524	515	-4.9%	2.9%	910	921	923	21.5%	12.8%
of which:												
Market establishment: Rental dwelling	389	365	472	524	318	-6.5%	2.1%	600	600	600	23.6%	8.4%
Market establishment: Non-residential building	–	4	–	–	15	–	–	300	310	311	174.7%	4.3%
Market establishment: Rental parking	209	202	–	–	182	-4.5%	0.8%	10	11	12	-59.6%	0.2%
Administrative fees	59	59	50	50	52	-4.1%	0.3%	73	78	84	17.3%	1.1%
of which:												
Services rendered: Transport fees	55	53	50	50	50	-3.1%	0.3%	65	70	75	14.5%	1.0%
Sales: Maps	–	–	–	–	–	–	–	5	5	5	–	0.1%
Replacement of security cards	4	6	–	–	2	-20.6%	–	3	3	4	26.0%	–
Other sales	1 043	1 102	1 197	1 133	1 092	1.5%	5.9%	1 709	1 726	2 030	23.0%	25.4%
of which:												
Rental capital assets	100	39	22	5	5	-63.2%	0.2%	200	205	210	247.6%	2.9%
Sales: Departmental publications and production	6	7	10	6	10	18.6%	–	4	4	5	-20.6%	0.1%
Services rendered: Commission on insurance and garnishee	828	841	665	900	883	2.2%	4.3%	1 200	1 210	1 500	19.3%	18.2%
Sales: Meals and refreshments	70	100	300	120	105	14.5%	0.8%	135	137	140	10.1%	1.9%
Services rendered: Boarding service	29	106	200	100	89	45.3%	0.6%	165	165	170	24.1%	2.3%
Sales: Assets less than R5 000	10	9	–	2	–	-100.0%	–	5	5	5	–	0.1%

Table 41.5 Departmental receipts by economic classification (continued)

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2022/23	2023/24	2024/25					2025/26	2026/27	2027/28		
R thousand												
Sales of scrap, waste, arms and other used current goods	14	96	43	11	8	-17.0%	0.2%	3	3	7	-4.4%	0.1%
of which:												
Sales: Scrap	14	85	42	5	5	-29.1%	0.2%	3	3	4	-7.2%	-
Sales: Wastepaper	-	11	1	6	3	-	-	-	-	3	-	-
Fines, penalties and forfeits	3 270	450	1 050	-	-	-100.0%	6.4%	-	-	-	-	-
Interest, dividends and rent on land	1 146	128	6 069	300	165	-47.6%	10.0%	1 000	1 205	800	69.3%	14.0%
Interest	1 146	128	6 069	300	165	-47.6%	10.0%	1 000	1 205	800	69.3%	14.0%
Sales of capital assets	162	145	241	400	367	31.3%	1.2%	500	600	456	7.5%	7.2%
Transactions in financial assets and liabilities	20 417	1 301	30 780	2 000	2 301	-51.7%	73.1%	2 500	2 800	3 200	11.6%	39.5%
Total	26 709	3 852	39 902	4 418	4 500	-44.8%	100.0%	6 695	7 333	7 500	18.6%	100.0%

Programme 1: Administration

Programme purpose

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

Objective

- Establish and sustain stakeholder engagements and partnerships in the water and sanitation sector by implementing an annual stakeholder management and partnership programme.

Subprogrammes

- *Ministry* provides administrative and logistical support to the minister, the deputy minister(s) and their support staff, and provides 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, organisational planning, performance monitoring and the development of organisational structures.
- *Corporate Services* provides enterprise-wide support comprising human resources, legal services, communications, and funds for the learning and development academy.
- *Financial Management* ensures the efficient management of daily financial operations, processes and systems.
- *Office Accommodation* makes payments for rental charges on all leased office space occupied by the department, and for municipal services such as electricity, water, sewage and waste removal.
- *Provincial and Entity Governance and International Cooperation* coordinates entity oversight, the development of the sector partnerships, the transformation agenda and international relations with neighbouring countries.

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Ministry	59.8	69.0	62.2	58.7	-0.6%	3.0%	48.4	51.0	52.8	-3.5%	1.9%
Departmental Management	142.5	137.9	152.4	181.3	8.4%	7.4%	202.5	213.3	219.6	6.6%	8.1%
Corporate Services	815.9	855.8	925.5	1 049.6	8.8%	43.8%	1 111.2	1 134.9	1 161.2	3.4%	43.6%
Financial Management	255.8	266.9	256.9	292.2	4.5%	12.9%	400.4	373.3	360.7	7.3%	14.5%
Office Accommodation	587.8	563.6	567.6	604.2	0.9%	27.9%	614.4	667.0	697.0	4.9%	25.3%
Provincial and Entity Governance, International Coordination	95.5	94.3	89.3	133.3	11.8%	5.0%	163.5	167.0	171.3	8.7%	6.4%
Total	1 957.3	1 987.5	2 054.0	2 319.2	5.8%	100.0%	2 540.3	2 606.5	2 662.6	4.7%	100.0%
Change to 2025							29.2	5.7	(43.3)		
Budget estimate											
Economic classification											
Current payments	1 849.6	1 845.6	1 887.2	2 112.6	4.5%	92.5%	2 291.9	2 424.1	2 479.9	5.5%	92.1%
Compensation of employees	849.9	868.3	874.2	962.1	4.2%	42.7%	1 049.8	1 097.3	1 131.4	5.5%	42.0%
Goods and services	999.7	977.3	1 013.0	1 150.5	4.8%	49.8%	1 242.1	1 326.8	1 348.6	5.4%	50.2%
of which:											
Audit costs: External	35.7	49.2	28.1	35.9	0.2%	1.8%	72.3	74.2	52.2	13.3%	2.5%
Computer services	75.0	89.3	137.1	166.9	30.6%	5.6%	176.4	189.1	195.8	5.5%	7.2%
Consultants: Business and advisory services	3.1	6.5	11.8	24.0	98.4%	0.5%	48.4	44.0	43.9	22.3%	1.7%
Operating leases	534.8	514.9	518.4	544.1	0.6%	25.4%	549.6	596.9	623.7	4.7%	22.7%
Property payments	103.3	106.3	116.7	133.7	9.0%	5.5%	144.0	153.5	157.2	5.5%	5.8%
Travel and subsistence	90.2	97.3	96.6	82.7	-2.8%	4.4%	78.5	83.2	85.7	1.2%	3.2%
Interest and rent on land	0.0	-	-	-	-100.0%	0.0%	-	-	-	-	-
Transfers and subsidies	33.7	41.1	48.1	46.4	11.2%	2.0%	91.8	51.5	53.2	4.6%	2.5%
Provinces and municipalities	0.0	0.0	0.0	0.1	146.6%	0.0%	0.1	0.1	0.1	-2.3%	0.0%
Departmental agencies and accounts	3.4	3.4	4.4	6.4	24.0%	0.2%	7.2	7.6	7.7	6.6%	0.3%
Foreign governments and international organisations	2.5	6.2	6.1	7.0	41.5%	0.3%	7.3	7.6	8.0	4.2%	0.3%
Public corporations and private enterprises	0.0	0.0	-	-	-100.0%	0.0%	-	-	-	-	-
Non-profit institutions	0.5	0.5	0.8	0.6	6.1%	0.0%	0.6	0.7	0.7	4.5%	0.0%
Households	27.4	30.9	36.8	32.3	5.7%	1.5%	76.6	35.5	36.7	4.3%	1.9%
Payments for capital assets	73.4	100.8	106.4	160.2	29.7%	5.3%	156.7	130.9	129.5	-6.8%	5.3%
Machinery and equipment	27.1	36.3	22.9	80.8	44.0%	2.0%	53.3	49.7	51.7	-13.8%	2.0%
Software and other intangible assets	46.4	64.5	83.5	79.3	19.6%	3.3%	103.4	81.2	77.8	-0.7%	3.4%
Payments for financial assets	0.5	0.0	12.4	-	-100.0%	0.2%	-	-	-	-	-
Total	1 957.3	1 987.5	2 054.0	2 319.2	5.8%	100.0%	2 540.3	2 606.5	2 662.6	4.7%	100.0%
Proportion of total programme expenditure to vote expenditure	11.1%	9.3%	8.6%	9.9%	-	-	11.6%	12.2%	9.6%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	5.9	3.6	8.1	2.5	-25.2%	0.2%	45.3	2.8	2.5	0.9%	0.6%
Employee social benefits	5.9	3.6	8.1	2.5	-25.2%	0.2%	2.8	2.8	2.5	0.9%	0.1%
Early retirement and voluntary exit programmes	-	-	-	-	-	-	42.5	-	-	-	0.5%
Other transfers to households											
Current	21.5	27.3	28.7	29.9	11.5%	1.3%	31.2	32.7	34.2	4.6%	1.3%
Bursaries for non-employees	21.5	27.3	28.7	29.9	11.5%	1.3%	31.2	32.7	34.2	4.6%	1.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3.4	3.4	4.4	6.4	24.0%	0.2%	7.2	7.6	7.7	6.6%	0.3%
Energy and Water Sector Education and Training Authority	3.4	3.4	4.4	6.4	24.0%	0.2%	7.2	7.6	7.7	6.6%	0.3%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-
Communication licences	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-
Non-profit institutions											
Current	0.5	0.5	0.8	0.6	6.1%	-	0.6	0.7	0.7	4.5%	0.0%
Strategic Water Partners Network	0.5	0.5	0.8	0.6	6.1%	-	0.6	0.7	0.7	4.5%	0.0%
Foreign governments and international organisations											
Current	2.5	6.2	6.1	7.0	41.5%	0.3%	7.3	7.6	8.0	4.2%	0.3%
Orange-Senqu River Commission	1.5	1.6	1.4	1.6	2.0%	0.1%	2.1	2.3	2.4	13.3%	0.1%
African Ministers' Council on Water	-	0.2	0.2	0.2	-	-	0.2	0.2	0.2	4.6%	0.0%
Limpopo Watercourse Commission	1.0	1.1	0.9	1.3	9.6%	0.1%	1.3	1.4	1.4	4.5%	0.1%
Incomati and Maputo Watercourse Commission	-	3.3	3.6	3.9	-	0.1%	3.6	3.8	3.9	-0.1%	0.1%
Provinces and municipalities											
Provincial agencies and funds											
Current	0.0	0.0	0.0	0.1	146.6%	-	0.1	0.1	0.1	-2.3%	0.0%
Vehicle licences	0.0	0.0	0.0	0.1	146.6%	-	0.1	0.1	0.1	-2.3%	0.0%

Personnel information

Table 41.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026		Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)	
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2024/25			2025/26			2026/27			2027/28			2028/29			2025/26 - 2028/29	2026/27 - 2028/29	
Administration		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	2 197	296	1 551	874.2	0.6	1 310	941.0	0.7	1 383	1 049.8	0.8	1 360	1 097.3	0.8	1 327	1 131.4	0.9	0.4%	100.0%
1 – 6	807	23	577	141.5	0.2	446	208.5	0.5	468	225.8	0.5	449	233.6	0.5	443	244.0	0.6	-0.2%	33.4%
7 – 10	1 027	170	659	433.3	0.7	573	421.9	0.7	609	482.3	0.8	605	503.9	0.8	587	517.9	0.9	0.8%	44.2%
11 – 12	274	99	231	193.5	0.8	210	204.2	1.0	220	223.7	1.0	220	235.8	1.1	211	238.9	1.1	0.2%	16.0%
13 – 16	85	4	81	99.6	1.2	77	99.7	1.3	82	111.3	1.4	82	117.3	1.4	82	123.8	1.5	2.1%	6.0%
Other	4	–	3	6.4	2.1	4	6.6	1.7	4	6.6	1.7	4	6.7	1.7	4	6.7	1.7	–	0.3%

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

2. Rand million.

Programme 2: Water Resources Management

Programme purpose

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

Objectives

- Effectively manage water demand and supply on an ongoing basis by:
 - maintaining 6 water information systems on water quality and quantity
 - identifying climate adaptation options for water management areas.
- Ensure the sustainable and effective management of water resources on an ongoing basis by allocating and monitoring funds provided to the Water Trading Entity.
- Accelerate social and economic development over the medium term by ensuring equitable water allocation through the timely finalisation of 85 per cent of high-risk water use licence applications within 16 working days.
- Drive the protection and restoration of ecological infrastructure by:
 - overseeing compliance to gazetted resource quality objectives by the 6 catchment management agencies on an ongoing basis
 - finalising the implementation plan for the mine water management policy to address water pollution caused by mining activities by 31 March 2027.
- Assess the effectiveness of catchment management agencies in monitoring and enforcing water user compliance to ensure adherence to water use regulations, strengthen governance and promote the sustainable management of water resources on an ongoing basis.

Subprogrammes

- Water Resources Management Support* provides strategic leadership, management and support services to the programme and makes provision for associated salaries.
- National Water Resources Planning* develops comprehensive plans for the availability of adequate water resources to guide infrastructure development, systems and services management in the water sector.
- Water Ecosystems Management* develops and implements measures to protect water resources through determining measures to manage water resources and developing guidelines and protocols for pollution control and rehabilitation.

- *National Water Resources Information and Management* ensures the development and maintenance of data and information management systems to enable informed decisions in the water sector.
- *Water Resources Infrastructure Management* develops, rehabilitates and refurbishes bulk raw water resources infrastructure to meet South Africa's socioeconomic and environmental needs.
- *Water Resources Policy, Strategy and Evaluation* develops, monitors and reviews policies and procedures for the management of water resources.
- *Water Resources Regulation* develops, implements, monitors and reviews regulations on water resources, particularly the regulation of raw water pricing, the authorisation of water use, compliance monitoring and enforcement, dam safety, resource protection and waste.
- *Water Resources Institutional Oversight* augments water resource management functions devolved to catchment management agencies that cannot be fully recovered from water users.

Expenditure trends and estimates

Table 41.8 Water Resources 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 (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Water Resources Management Support	6.3	4.2	5.1	5.6	-3.8%	0.1%	6.5	6.7	6.9	7.3%	0.1%
National Water Resources Planning	69.5	80.1	77.5	75.8	3.0%	1.5%	107.6	112.6	117.1	15.6%	1.9%
Water Ecosystems Management	69.8	62.7	59.7	64.9	-2.4%	1.3%	53.0	58.2	58.0	-3.7%	0.9%
National Water Resources Information and Management	535.6	513.1	529.6	596.8	3.7%	10.6%	630.3	639.4	674.7	4.2%	10.7%
Water Resources Infrastructure Management	2 857.1	3 313.1	5 538.3	5 032.6	20.8%	81.6%	3 647.9	2 480.5	8 805.9	20.5%	82.0%
Water Resources Policy, Strategy and Evaluation	2.6	5.5	9.5	10.1	56.8%	0.1%	14.6	17.0	18.9	23.3%	0.3%
Water Resources Regulation	201.8	214.0	217.2	214.2	2.0%	4.1%	215.7	221.3	230.4	2.4%	3.7%
Water Resources Institutional Oversight	38.6	42.1	36.7	30.7	-7.4%	0.7%	26.6	27.9	28.8	-2.1%	0.5%
Total	3 781.2	4 234.7	6 473.8	6 030.8	16.8%	100.0%	4 702.2	3 563.6	9 940.6	18.1%	100.0%
Change to 2025 Budget estimate				-			(3 695.9)	(2 706.0)	4 110.1		
Economic classification	868.4	879.3	875.7	916.6	1.8%	17.3%	966.8	1 010.3	1 046.1	4.5%	16.6%
Current payments											
Compensation of employees	593.2	618.9	637.6	640.7	2.6%	12.1%	670.4	700.7	722.5	4.1%	11.5%
Goods and services	275.2	260.4	238.1	275.9	0.1%	5.1%	296.4	309.6	323.6	5.5%	5.1%
of which:											
Computer services	39.7	33.4	15.8	32.7	-6.3%	0.6%	28.5	31.5	38.7	5.7%	0.5%
Consultants: Business and advisory services	50.0	44.0	40.0	72.9	13.4%	1.0%	75.1	78.8	76.5	1.6%	1.3%
Infrastructure and planning services	33.4	35.0	37.7	30.5	-2.9%	0.7%	56.0	58.3	60.6	25.7%	1.0%
Fleet services (including government motor transport)	2.7	3.3	3.1	4.5	17.7%	0.1%	6.1	8.6	9.1	26.8%	0.1%
Consumable supplies	15.9	20.6	16.9	19.7	7.3%	0.4%	17.9	18.9	19.5	-0.4%	0.3%
Travel and subsistence	106.8	96.1	99.0	82.0	-8.4%	1.9%	72.7	71.5	75.4	-2.8%	1.2%
Interest and rent on land	-	-	0.0	-	-	0.0%	-	-	-	-	-
Transfers and subsidies	2 860.8	3 316.7	5 542.7	5 035.9	20.7%	81.7%	3 651.3	2 484.1	8 809.5	20.5%	82.1%
Provinces and municipalities	0.5	0.5	0.4	0.7	14.6%	0.0%	0.7	0.8	0.8	4.2%	0.0%
Departmental agencies and accounts	2 608.8	3 272.7	5 482.3	4 997.7	24.2%	79.7%	3 021.0	1 731.3	7 793.0	16.0%	68.9%
Foreign governments and international organisations	248.3	40.4	56.0	34.9	-48.0%	1.8%	46.9	49.1	50.8	13.4%	0.8%
Public corporations and private enterprises	0.0	0.0	0.0	-	-100.0%	0.0%	580.0	700.0	962.0	-	12.3%
Households	3.3	3.2	4.0	2.6	-7.6%	0.1%	2.7	2.9	2.9	3.3%	0.0%
Payments for capital assets	51.8	38.7	55.3	78.3	14.8%	1.1%	84.1	69.2	85.0	2.8%	1.3%
Buildings and other fixed structures	21.6	-	10.8	26.3	6.8%	0.3%	33.9	27.9	28.8	3.1%	0.5%
Machinery and equipment	30.1	38.5	43.5	52.0	20.0%	0.8%	50.3	41.2	56.2	2.6%	0.8%
Software and other intangible assets	0.1	0.2	1.0	0.0	-25.7%	0.0%	-	-	-	-100.0%	-
Payments for financial assets	0.3	0.0	0.1	-	-100.0%	0.0%	-	-	-	-	-
Total	3 781.2	4 234.7	6 473.8	6 030.8	16.8%	100.0%	4 702.2	3 563.6	9 940.6	18.1%	100.0%
Proportion of total programme expenditure to vote expenditure	21.4%	19.9%	27.2%	25.8%	-	-	21.4%	16.7%	35.7%	-	-

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

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 (%)	
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28			2028/29
	2025/26	2026/27 - 2025/26	2026/27				2027/28	2028/29	2025/26 - 2028/29			2026/27 - 2028/29
R million												
Households												
Social benefits												
Current	3.3	3.2	4.0	2.6	-7.6%	0.1%	2.7	2.9	2.9	3.3%	0.0%	
Employee social benefits	3.3	3.2	4.0	2.6	-7.6%	0.1%	2.7	2.9	2.9	3.3%	0.0%	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	291.1	286.4	340.7	347.2	6.0%	6.2%	378.3	376.2	389.4	3.9%	6.3%	
Water Trading Entity	291.1	286.4	-	-	-100.0%	2.8%	16.6	-	-	-	0.1%	
Vaal-Orange Catchment Management Agency	-	-	43.2	28.3	-	0.3%	78.9	82.2	85.5	44.5%	1.4%	
Breede-Olifants Catchment Management Agency	-	-	63.7	66.6	-	0.6%	69.3	72.0	74.3	3.7%	1.2%	
Pongola-Umzimkulu Catchment Management Agency	-	-	27.2	22.5	-	0.2%	32.5	33.9	35.1	15.9%	0.6%	
Mzimvubu-Tsitsikamma Catchment Management Agency	-	-	22.2	22.5	-	0.2%	32.5	33.9	35.1	15.9%	0.6%	
Limpopo-Olifants Catchment Management Agency	-	-	88.2	69.1	-	0.8%	69.5	72.4	75.2	2.9%	1.2%	
Inkomati-Usuthu Catchment Management Agency	-	-	96.1	138.1	-	1.1%	79.0	81.7	84.3	-15.2%	1.3%	
Capital	2 317.6	2 986.3	5 141.7	4 650.6	26.1%	73.6%	2 642.7	1 355.2	7 403.6	16.8%	62.6%	
Water Trading Entity	2 317.6	2 986.3	5 141.7	4 650.6	26.1%	73.6%	2 617.7	1 355.2	7 403.6	16.8%	62.5%	
Inkomati-Usuthu Catchment Management Agency	-	-	-	-	-	-	25.0	-	-	-	0.1%	
Public corporations and private enterprises												
Other transfers to public corporations												
Current	0.0	0.0	0.0	-	-100.0%	-	0.0	-	-	-	0.0%	
Communication licences	0.0	0.0	0.0	-	-100.0%	-	0.0	-	-	-	0.0%	
Capital	-	-	-	-	-	-	580.0	700.0	962.0	-	12.3%	
Development Bank of Southern Africa: Infrastructure fund: Olifants management model programme phase 2D and 2F	-	-	-	-	-	-	580.0	700.0	-	-	7.0%	
Development Bank of Southern Africa: Infrastructure fund: uMkhomazi Water Project	-	-	-	-	-	-	-	-	962.0	-	5.3%	
Foreign governments and international organisations												
Current	248.3	40.4	56.0	34.9	-48.0%	1.8%	46.9	49.1	50.8	13.4%	0.8%	
Komati Basin Water Authority	248.3	40.4	56.0	34.9	-48.0%	1.8%	46.9	49.1	50.8	13.4%	0.8%	
Provinces and municipalities												
Provincial agencies and funds												
Current	0.5	0.5	0.4	0.7	14.6%	-	0.7	0.8	0.8	4.2%	0.0%	
Vehicle licences	0.5	0.5	0.4	0.7	14.6%	-	0.7	0.8	0.8	4.2%	0.0%	

Personnel information

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

Number of funded posts	Number of posts estimated for 31 March 2026		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/ Total (%)			
	Number of posts additional to the establishment	Number of posts	Actual			Revised estimate			Medium-term expenditure estimate										
			2024/25	Unit cost	2025/26	Unit cost	2026/27	Unit cost	2027/28	Unit cost	2028/29	Unit cost							
Water Resources Management	1 831	183	990	637.6	0.6	827	628.7	0.8	830	670.4	0.8	822	700.7	0.9	802	722.5	0.9	-1.0%	100.0%
1 – 6	598	54	325	100.6	0.3	265	99.2	0.4	264	104.0	0.4	258	106.4	0.4	247	106.7	0.4	-2.3%	31.3%
7 – 10	718	80	313	254.0	0.8	259	270.0	1.0	263	293.6	1.1	261	306.8	1.2	253	313.3	1.2	-0.8%	31.7%
11 – 12	472	45	309	234.3	0.8	265	214.0	0.8	265	224.9	0.8	265	237.1	0.9	264	249.2	0.9	-0.1%	32.4%
13 – 16	43	4	43	48.6	1.1	38	45.5	1.2	38	47.9	1.3	38	50.5	1.3	38	53.2	1.4	-	4.6%

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

2. Rand million.

Programme 3: Water Services Management

Programme purpose

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

Objectives

- Ensure sustainable water availability by developing and managing water services infrastructure while improving access to dignified sanitation by:
 - monitoring the implementation of the water and sanitation reliability plans of 44 district and 8 metropolitan municipalities over the medium term
 - monitoring the completion of 48 regional bulk infrastructure project phases by municipalities over the medium term
 - assessing municipal strategic self-assessments across all water services authorities annually.
- Ensure financial management and accountability by transferring funds to municipalities and monitoring their performance on the *regional bulk infrastructure grant* and *water services infrastructure grant* in accordance with the annual Division of Revenue Act.

Subprogrammes

- *Water Services Management Support* provides strategic leadership, management and support services to the programme, and makes provision for associated salaries, including the salaries of provincial heads.
- *Water Services and Local Management* develops comprehensive plans that guide the provision and management of water and sanitation services across the value chain. This subprogramme also promotes efficient water use, and supports and capacitates water and sanitation services institutions in providing planning and management frameworks.
- *Regional Bulk Infrastructure Grant* provides for the development of new infrastructure, the refurbishment, upgrading and replacing of ageing infrastructure, and the servicing of extensive areas across municipal boundaries.
- *Water Services Regulation* develops, implements, monitors and reviews water services regulations, particularly the compliance of water services authorities with water supply regulations.
- *Water and Sanitation Services Policy, Strategy and Evaluation* develops and reviews water services policies, procedures, norms and standards, and monitors their implementation.
- *Water Services Infrastructure Grant* provides for the construction of new infrastructure and the rehabilitation of existing water and sanitation infrastructure through the grant transfer for water services schemes to water services institutions.
- *Water Services Interventions* determines and implements priority interventions to improve poor service delivery in water services authorities. This subprogramme incorporates the construction management unit, which implements water services projects.

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27			2027/28
R million												
Water Services Management Support	32.7	39.2	73.8	8.2	-36.9%	0.3%	8.5	9.1	9.6	5.4%	0.1%	
Water Services and Local Management	359.1	280.1	313.9	462.3	8.8%	2.5%	445.5	465.5	483.2	1.5%	3.1%	
Regional Bulk Infrastructure Grant	7 005.6	9 827.2	9 595.9	8 894.8	8.3%	61.6%	8 173.2	8 308.5	8 231.0	-2.6%	54.8%	
Water Services Regulation	42.3	32.7	34.1	164.3	57.2%	0.5%	198.5	207.9	215.4	9.4%	1.4%	
Water and Sanitation Services Policy, Strategy and Evaluation	13.5	11.4	8.2	10.4	-8.2%	0.1%	8.2	8.7	9.4	-3.4%	0.1%	
Water Services Infrastructure Grant	4 481.0	4 899.9	5 236.7	5 467.1	6.9%	35.0%	5 849.7	6 083.4	6 275.4	4.7%	40.4%	
Water Services Interventions	20.8	18.9	25.5	25.5	7.2%	0.2%	30.9	42.0	42.3	18.3%	0.3%	
Total	11 954.9	15 109.4	15 288.1	15 032.7	7.9%	100.0%	14 714.5	15 125.0	15 266.1	0.5%	100.0%	
Change to 2025 Budget estimate				-			624.2	732.6	226.8			
Economic classification												
Current payments	925.5	827.5	852.7	862.3	-2.3%	6.0%	900.7	954.0	990.5	4.7%	6.3%	
Compensation of employees	369.7	345.4	378.6	444.8	6.4%	2.7%	475.0	496.4	511.9	4.8%	3.3%	
Goods and services	555.8	482.1	474.2	417.5	-9.1%	3.4%	425.8	457.6	478.6	4.7%	3.0%	
<i>of which:</i>												
<i>Consultants: Business and advisory services</i>	156.5	224.8	241.8	59.7	-27.5%	1.2%	80.6	90.6	94.1	16.4%	0.6%	
<i>Infrastructure and planning services</i>	45.6	110.4	135.2	232.3	72.1%	0.9%	209.9	222.2	233.0	0.1%	1.5%	
<i>Laboratory services</i>	1.1	1.2	1.8	3.7	52.0%	0.0%	6.1	6.4	7.0	23.0%	0.0%	
<i>Consumable supplies</i>	2.6	3.9	4.5	7.3	40.6%	0.0%	6.2	8.1	8.5	5.3%	0.1%	
<i>Travel and subsistence</i>	69.7	61.5	64.3	72.0	1.1%	0.5%	80.1	84.5	87.7	6.8%	0.6%	
<i>Venues and facilities</i>	7.1	3.4	2.2	6.5	-2.5%	0.0%	5.0	5.2	5.5	-5.8%	0.0%	
Transfers and subsidies	7 904.9	9 922.5	10 185.6	9 810.5	7.5%	65.9%	9 248.6	9 424.0	9 381.1	-1.5%	62.2%	
Provinces and municipalities	6 356.7	6 878.5	7 665.1	7 975.5	7.9%	50.3%	8 290.8	8 428.9	8 355.1	1.6%	55.6%	
Foreign governments and international organisations	-	-	10.0	10.0	-	0.0%	10.0	10.0	10.4	1.5%	0.1%	
Public corporations and private enterprises	1 543.7	3 039.5	2 507.4	1 822.2	5.7%	15.5%	943.8	981.5	1 012.0	-17.8%	6.5%	
Non-profit institutions	1.0	1.9	0.9	1.4	13.4%	0.0%	2.5	2.5	2.5	20.4%	0.0%	
Households	3.5	2.6	2.3	1.4	-27.2%	0.0%	1.5	1.0	1.1	-8.0%	0.0%	
Payments for capital assets	3 124.3	4 359.3	4 226.9	4 359.9	11.7%	28.0%	4 565.1	4 747.0	4 894.6	3.9%	31.5%	
Buildings and other fixed structures	3 114.1	4 349.9	4 218.3	4 345.4	11.7%	27.9%	4 549.2	4 730.7	4 877.7	3.9%	31.4%	
Machinery and equipment	10.2	9.4	8.5	14.5	12.4%	0.1%	16.0	16.3	16.9	5.2%	0.1%	
Payments for financial assets	0.3	0.0	22.8	-	-100.0%	0.0%	-	-	-	-	-	
Total	11 954.9	15 109.4	15 288.1	15 032.7	7.9%	100.0%	14 714.5	15 125.0	15 266.1	0.5%	100.0%	
Proportion of total programme expenditure to vote expenditure	67.6%	70.8%	64.2%	64.3%	-	-	67.0%	71.0%	54.8%	-	-	

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

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 (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
	R million										
Households											
Social benefits											
Current	3.5	2.6	2.3	1.4	-27.2%	-	1.5	1.0	1.1	-8.0%	0.0%
Employee social benefits	3.5	2.6	2.3	1.4	-27.2%	-	1.5	1.0	1.1	-8.0%	0.0%
Other transfers to households											
Current	-	0.0	-	-	-	-	-	-	-	-	-
Employee social benefits	-	0.0	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	130.0	7.0	56.2	-	-100.0%	0.3%	-	-	-	-	-
Magalies Water	21.2	2.0	27.8	-	-100.0%	0.1%	-	-	-	-	-
Bloemwater	108.8	-	-	-	-100.0%	0.2%	-	-	-	-	-
Vaal Central Water	-	5.0	28.4	-	-	0.1%	-	-	-	-	-
Capital	1 413.7	3 032.5	2 451.2	1 822.2	8.8%	15.2%	943.8	981.5	1 012.0	-17.8%	6.5%
Magalies Water	109.3	1 780.0	1 430.2	1 165.0	120.1%	7.8%	-	-	-	-100.0%	-
uMngeni-uThukela Water	738.7	269.0	315.0	151.5	-41.0%	2.6%	157.6	163.9	169.0	3.7%	1.1%
Sedibeng Water	143.7	-	-	-	-100.0%	0.3%	-	-	-	-	-
Lepelle Northern Water	422.0	633.0	317.0	-	-100.0%	2.4%	-	-	-	-	-
Vaal Central Water	-	350.5	350.9	505.7	-	2.1%	786.2	817.6	843.0	18.6%	5.4%
Overberg Water	-	-	38.2	-	-	0.1%	-	-	-	-	-
Non-profit institutions											
Current	1.0	1.9	0.9	1.4	13.4%	-	2.5	2.5	2.5	20.4%	0.0%
South African Youth Water Prize	0.5	0.0	0.2	0.0	-64.5%	-	0.0	0.0	0.0	4.6%	0.0%
Various institutions: 2020 vision for water education programme	0.5	1.9	0.7	1.4	39.9%	-	2.4	2.5	2.5	20.6%	0.0%
Foreign governments and international organisations											
Current	-	-	10.0	10.0	-	-	10.0	10.0	10.4	1.5%	0.1%
World Bank	-	-	10.0	10.0	-	-	10.0	10.0	10.4	1.5%	0.1%
Provinces and municipalities											
Municipal bank accounts											
Capital	6 356.7	6 878.5	7 665.1	7 975.5	7.9%	50.3%	8 290.8	8 428.9	8 355.1	1.6%	55.6%
Regional bulk infrastructure grant	2 655.7	3 258.8	3 627.4	3 756.9	12.3%	23.2%	3 901.7	3 864.7	3 649.0	-1.0%	25.3%
Water services infrastructure grant	3 701.0	3 619.7	4 037.7	4 218.6	4.5%	27.1%	4 389.1	4 564.2	4 706.1	3.7%	30.3%

Personnel information

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

Number of funded posts	Number of posts estimated for 31 March 2026		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/Total (%)			
	Number of posts additional to the establishment	Number of posts	Actual		Revised estimate			Medium-term expenditure estimate											
			2024/25		2025/26			2026/27		2027/28		2028/29							
			Number	Cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Water Services Management	847	93	460	378.6	0.8	441	419.4	1.0	467	475.0	1.0	461	496.4	1.1	452	511.9	1.1	0.8%	100.0%
1 – 6	139	41	89	61.7	0.7	89	97.2	1.1	115	136.2	1.2	113	141.6	1.3	110	145.7	1.3	7.3%	24.5%
7 – 10	450	36	217	161.4	0.7	197	156.3	0.8	197	164.3	0.8	193	171.0	0.9	189	174.4	0.9	-1.4%	42.0%
11 – 12	208	16	111	102.0	0.9	113	110.7	1.0	113	116.4	1.0	113	122.7	1.1	111	127.2	1.1	-0.6%	24.4%
13 – 16	50	-	43	53.5	1.2	42	55.2	1.3	42	58.0	1.4	42	61.2	1.5	42	64.6	1.5	-	9.1%

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

2. Rand million.

Entities

Breede-Olifants Catchment Management Agency

Selected performance indicators

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

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Percentage of water registrations finalised per year	Water projects	An enabling environment for investment and improved competitiveness through structural reforms	97.1 % (465/479)	97% (485/500)	95.3% (308/323)	85%	85%	85%	85%
Percentage development of the catchment management strategy per year	Water resources management	Enabling environment for investment and and improved competitiveness through structural reforms	– ¹	– ¹	30%	70%	100%	– ²	– ²
Percentage of pollution incidents responded to within 48 hours of reporting	Water projects	Improved service delivery in the local government sphere	– ¹	– ¹	95% (76/80)	100%	100%	100%	100%
Number of rivers in which the river eco-status monitoring programme is implemented per year	Water projects		– ¹	– ¹	21	21	16	21	21
Number of river systems monitored for the implementation of resource directed measures per year	Water projects		– ¹	– ¹	5	5	5	5	5

1. No historical data available.

2. Development of strategy completed.

Entity overview

The former Breede-Gouritz Catchment Management Agency was established in 2005 in terms of the National Water Act (1998). In November 2022, the agency's boundary and area of operation was extended to form the Breede-Olifants Catchment Management Agency. Its mandate is to protect the use of water resources in its area of operation through allocation, conservation, monitoring, planning, development and operations.

The agency plans to engage with users in its water management area over the medium term to raise awareness about all elements of water use, including conservation and management; finalise 85 per cent of user registrations each year; monitor and authorise water usage; finalise a catchment management strategy by the end of 2026/27 to guide the management of water resources; respond to all incidents of pollution within its area within 48 hours of reporting; and monitor the implementation of the river eco-status programme in 58 rivers and resource-directed measures in 15 rivers. These activities will be funded through the water projects programme, in which spending is set to increase at an average annual rate of 0.3 per cent, from R140.4 million in 2025/26 to R141.7 million in 2028/29.

Total expenditure is expected to increase at an average annual rate of 5.4 per cent, from R207.7 million in 2025/26 to R243.3 million in 2028/29. Spending on compensation of employees is set to account for 61.8 per cent (R427.2 million) of total expenditure, increasing at an average annual rate of 6.1 per cent, to accommodate cost-of-living adjustments and the filling of critical positions.

The agency is set to derive 53.4 per cent (R369.3 million) of its revenue over the medium term through charges for the management of water resources, wastewater charges and interest income. Transfers from the department are expected to account for 46.6 per cent (R322.5 million) of total revenue, increasing at an average annual rate of 7.3 per cent, from R91.8 million in 2025/26 to R113.4 million in 2028/29, as a result of the agency's expanded service area. Revenue is set to increase in line with expenditure.

Programmes/Objectives/Activities

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

	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28		
R million												
Administration	45.9	46.2	181.7	49.4	2.5%	48.1%	70.9	74.9	79.1	17.0%	32.5%	
Water projects	35.0	38.9	86.5	140.4	58.9%	44.8%	127.1	134.2	141.7	0.3%	58.3%	
Public participation	9.3	9.5	10.6	17.9	24.5%	7.0%	20.1	21.2	22.4	7.9%	9.2%	
Total	90.2	94.6	278.9	207.7	32.1%	100.0%	218.1	230.4	243.3	5.4%	100.0%	

Statements of financial performance, cash flow and financial position

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

Statement of financial performance												
	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28		
R million												
Revenue												
Non-tax revenue	64.5	73.4	227.6	115.9	21.6%	66.9%	116.5	123.0	129.9	3.9%	53.4%	
Sale of goods and services other than capital assets	48.8	53.8	205.8	102.6	28.1%	57.1%	113.4	119.8	126.5	7.2%	52.0%	
Other sales	48.8	53.8	205.8	102.6	28.1%	57.1%	113.4	119.8	126.5	7.2%	52.0%	
Other non-tax revenue	15.8	19.6	21.8	13.3	-5.5%	9.8%	3.0	3.2	3.4	-36.8%	1.4%	
Transfers received	40.2	42.2	63.7	91.8	31.7%	33.1%	101.7	107.4	113.4	7.3%	46.6%	
Total revenue	104.7	115.6	291.3	207.7	25.7%	100.0%	218.1	230.4	243.3	5.4%	100.0%	
Expenses												
Current expenses	90.2	94.6	278.9	207.7	32.1%	100.0%	218.1	230.4	243.3	5.4%	100.0%	
Compensation of employees	55.1	59.3	99.4	125.7	31.6%	50.6%	134.7	142.3	150.2	6.1%	61.8%	
Goods and services	35.0	33.8	179.5	81.9	32.8%	49.2%	83.4	88.1	93.0	4.3%	38.2%	
Depreciation	-	1.5	-	-	-	0.2%	-	-	-	-	-	
Total expenses	90.2	94.6	278.9	207.7	32.1%	100.0%	218.1	230.4	243.3	5.4%	100.0%	
Surplus/(Deficit)	14.5	21.0	12.4	-	-100.0%		-	-	-	-	-	
Cash flow statement												
Cash flow from operating activities	15.4	23.8	152.1	2.6	-44.7%	100.0%	3.5	7.7	8.1	45.8%	100.0%	
Receipts												
Non-tax receipts	49.5	64.8	227.6	105.1	28.5%	65.3%	116.2	122.7	129.5	7.2%	55.3%	
Sales of goods and services other than capital assets	43.6	54.1	205.8	102.6	33.0%	59.3%	113.4	119.8	126.5	7.2%	54.0%	
Other sales	43.6	54.1	205.8	102.6	33.0%	59.3%	113.4	119.8	126.5	7.2%	54.0%	
Other tax receipts	6.0	10.7	21.8	2.6	-24.6%	6.0%	2.7	2.9	3.0	5.6%	1.3%	
Transfers received	40.2	42.2	63.7	91.8	31.7%	34.7%	96.1	98.3	103.8	4.2%	44.7%	
Total receipts	89.7	107.0	291.3	196.9	30.0%	100.0%	212.2	221.0	233.3	5.8%	100.0%	
Payment												
Current payments	74.3	83.2	139.2	194.3	37.8%	100.0%	208.7	213.3	225.2	5.0%	100.0%	
Compensation of employees	55.2	60.6	99.4	127.0	32.0%	69.7%	134.0	149.4	157.8	7.5%	68.2%	
Goods and services	19.1	22.6	39.8	67.3	52.2%	30.3%	74.7	63.9	67.5	0.1%	31.8%	
Total payments	74.3	83.2	139.2	194.3	37.8%	100.0%	208.7	213.3	225.2	5.0%	100.0%	
Net cash flow from investing activities	(2.1)	(3.4)	(9.3)	(2.6)	8.4%	100.0%	(2.1)	(2.3)	(2.3)	-4.9%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(1.1)	(3.1)	(8.1)	(2.0)	21.8%	81.7%	(1.6)	(1.7)	(1.7)	-4.9%	75.0%	
Acquisition of software and other intangible assets	(1.0)	(0.3)	(1.3)	(0.7)	-12.3%	18.3%	(0.5)	(0.6)	(0.6)	-4.9%	25.0%	
Net increase/(decrease) in cash and cash equivalents	13.4	20.3	142.8	(0.0)	-102.7%	100.0%	1.4	5.4	5.9	-2 922.9%	100.0%	
Statement of financial position												
Carrying value of assets of which:	4.1	1.8	6.5	6.5	16.6%	2.2%	6.5	6.5	6.5	-	2.6%	
Acquisition of assets	(1.1)	(3.1)	(8.1)	(2.0)	21.8%	100.0%	(1.6)	(1.7)	(1.7)	-4.9%	100.0%	
Receivables and prepayments	56.3	57.0	44.5	44.5	-7.5%	23.3%	44.5	44.5	44.5	-	17.4%	
Cash and cash equivalents	126.0	112.6	204.3	204.3	17.5%	74.5%	204.3	204.3	204.3	-	80.0%	
Total assets	186.4	171.4	255.4	255.4	11.1%	100.0%	255.4	255.4	255.4	-	100.0%	
Accumulated surplus/(deficit)	172.8	157.9	203.7	203.7	5.6%	85.0%	203.7	203.7	203.7	-	79.8%	
Trade and other payables	3.7	4.0	48.5	48.5	136.1%	12.0%	48.5	48.5	48.5	-	19.0%	
Provisions	3.3	3.7	3.2	3.2	-1.0%	1.6%	3.2	3.2	3.2	-	1.3%	
Derivatives financial instruments	6.6	5.8	-	-	-100.0%	1.4%	-	-	-	-	-	
Total equity and liabilities	186.4	171.4	255.4	255.4	11.1%	100.0%	255.4	255.4	255.4	-	100.0%	

Personnel information

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

Number of posts estimated for 31 March 2026			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: salary level/ Total (%)
Number of funded posts	Number of approved establishment	Number of posts on funded establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2024/25			2025/26			2026/27			2027/28			2028/29			2025/26 - 2028/29	2026/27 - 2028/29
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Breede-Olifants Catchment Management Agency																			
Salary level	159	159	142	99.4	0.7	159	125.7	0.8	165	134.7	0.8	165	142.3	0.9	165	150.2	0.9	1.2%	100.0%
1 – 6	6	6	6	2.1	0.3	6	3.0	0.5	7	3.1	0.4	7	3.2	0.5	7	3.3	0.5	5.3%	4.2%
7 – 10	108	108	102	58.1	0.6	108	68.4	0.6	108	72.2	0.7	108	76.7	0.7	108	81.0	0.7	–	65.5%
11 – 12	26	26	15	14.8	1.0	26	27.0	1.0	26	30.5	1.2	26	31.3	1.2	26	33.1	1.3	–	15.8%
13 – 16	19	19	19	24.5	1.3	19	27.4	1.4	24	28.9	1.2	24	31.1	1.3	24	32.8	1.4	8.1%	14.5%

1. Rand million.

Consolidated water boards

Selected performance indicators

Table 41.16 Consolidated water boards performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Volume ¹ of bulk water sales by Amatola Water per year	Bulk activities	Improved service delivery in the local government sphere	29 905	28 147	30 918	29 591	29 887	30 186	30 488
Volume ¹ of bulk water sales by Bloem Water per year	Bulk activities		85 719	– ²	– ²	– ²	– ²	– ²	– ²
Volume ¹ of bulk water sales by Lepelle Northern Water per year	Bulk activities		98 028	109 724	105 291	120 358	120 358	120 358	121 918
Volume ¹ of bulk water sales by Magalies Water per year	Bulk activities		106 719	108 852	121 371	166 175	139 109	149 484	151 534
Volume ¹ of bulk water sales by Mhlathuze Water per year	Bulk activities		57 332	– ³	– ³	– ³	– ³	– ³	– ³
Volume ¹ of bulk water sales by Overberg Water per year	Bulk activities		3 756	3 405	3 299	4 543	4 815	5 103	3 358
Volume ¹ of bulk water sales by Rand Water per year	Bulk activities		1 721 658	1 744 088	1 737 841	1 755 666	1 782 606	1 809 977	1 837 786
Volume ¹ of bulk water sales by uMngeni Water per year	Bulk activities		580 265	– ³	– ³	– ³	– ³	– ³	– ³
Volume ¹ of bulk water sales by uMngeni-uThukela Water per year	Bulk activities		– ³	648 864	639 380	548 814	545 773	547 955	546 357
Volume ¹ of bulk water sales by Vaal Central Water per year	Bulk activities		– ²	183 533	181 111	191 981	193 851	195 739	197 647

1. Measured in megalitres.

2. On 3 July 2023, Bloem Water was renamed Vaal Central Water in terms of section 28 (1) (b) of the Water Services Act (1997).

3. Mhlathuze Water was dissolved on 30 June 2023 in terms of section 28 of the Water Services Act (1997) and merged with uMngeni Water to form uMngeni-uThukela Water.

Entity overview

In terms of the Water Services Act (1997), the water boards are mandated to provide bulk industrial water services to industries and bulk potable water services to municipalities within their areas of operation. The water boards vary in size, activity, customer mix, revenue base and capacity. The two largest boards are Rand Water and uMngeni-uThukela Water, whose combined bulk sales are set to account for an estimated 83.3 per cent (R120.7 billion) of total sales over the medium term.

Consolidated expenditure is expected to increase at an average annual rate of 8.4 per cent, from R37.4 billion in 2025/26 to R47.7 billion in 2028/29, with goods and services (mainly materials and supplies) constituting an estimated 75.3 per cent (R98.6 billion) of this spending over the medium term. The water boards' main cost drivers are the rising costs of raw water due to increased water demand, higher energy tariffs imposed by Eskom and higher chemical costs attributable to increased turbidity levels in raw water. Revenue, derived mainly from

the sale of water, is set to increase at an average annual rate of 8.8 per cent, from R44.2 billion in 2025/26 to R56.8 billion in 2028/29.

Programmes/Objectives/Activities

Table 41.17 Consolidated water boards 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 (%)
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28		
R million												
Administration	7 190.1	7 816.7	8 922.5	9 582.3		10.0%	24.2%	9 588.9	10 417.7	11 341.7	5.8%	23.9%
Bulk activities	22 801.0	26 169.3	28 259.1	27 826.3		6.9%	75.8%	30 418.4	32 773.9	36 366.7	9.3%	76.1%
Total	29 991.1	33 986.0	37 181.6	37 408.5		7.6%	100.0%	40 007.3	43 191.5	47 708.3	8.4%	100.0%

Statements of financial performance, cash flow and financial position

Table 41.18 Consolidated water boards statements of financial performance, cash flow and financial position

Statement of financial performance

	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28		
R million												
Revenue												
Non-tax revenue	34 573.0	39 832.8	42 411.0	43 299.0		7.8%	95.0%	47 168.3	51 306.3	56 795.6	9.5%	99.0%
Sale of goods and services other than capital assets	30 419.8	34 246.9	36 520.0	41 075.9		10.5%	84.4%	45 266.1	49 412.1	55 221.5	10.4%	95.6%
<i>of which:</i>												
<i>Administrative fees</i>	24.3	18.2	20.1	16.6		-11.9%	-	18.1	19.7	21.5	9.0%	0.0%
<i>Management fees</i>	24.3	18.2	20.1	16.6		-11.9%	-	18.1	19.7	21.5	9.0%	0.0%
<i>Sales by market establishments</i>	30 394.2	34 227.4	36 498.6	41 057.9		10.5%	84.3%	45 246.6	49 391.0	55 198.4	10.4%	95.6%
<i>Water sales</i>	28 777.2	32 584.2	34 700.8	39 273.5		10.9%	80.3%	43 790.7	47 772.9	53 347.2	10.7%	92.4%
<i>Wastewater</i>	379.4	748.9	1 024.1	1 213.0		47.3%	2.0%	1 308.8	1 440.7	1 617.8	10.1%	2.8%
<i>Other activities</i>	1 237.6	894.3	773.8	571.4		-22.7%	2.1%	147.1	177.4	233.5	-25.8%	0.4%
<i>Other sales</i>	1.3	1.2	1.4	1.3		1.0%	-	1.4	1.4	1.5	4.2%	0.0%
Other non-tax revenue	4 153.2	5 585.9	5 891.0	2 223.1		-18.8%	10.6%	1 902.2	1 894.1	1 574.1	-10.9%	3.4%
Transfers received	1 215.3	1 599.4	4 799.6	855.0		-11.1%	5.0%	1 500.0	-	-	-100.0%	1.0%
Total revenue	35 788.3	41 432.1	47 210.6	44 154.0		7.3%	100.0%	48 668.3	51 306.3	56 795.6	8.8%	100.0%
Expenses												
Current expenses	29 991.1	33 986.0	37 181.6	37 408.5		7.6%	100.0%	40 007.3	43 191.5	47 708.3	8.4%	100.0%
Compensation of employees	5 707.1	6 509.7	7 044.2	7 092.8		7.5%	19.0%	7 378.5	7 820.6	8 296.6	5.4%	17.9%
Goods and services	22 270.4	24 944.0	27 628.8	27 921.5		7.8%	74.2%	30 022.4	32 427.6	36 114.2	9.0%	75.3%
Depreciation	1 881.2	1 949.2	2 065.2	2 287.6		6.7%	5.9%	2 459.1	2 764.8	3 103.1	10.7%	6.4%
Interest, dividends and rent on land	132.4	583.1	443.4	106.6		-7.0%	0.9%	147.3	178.5	194.4	22.2%	0.4%
Total expenses	29 991.1	33 986.0	37 181.6	37 408.5		7.6%	100.0%	40 007.3	43 191.5	47 708.3	8.4%	100.0%
Surplus/(Deficit)	5 797.2	7 446.2	10 029.0	6 745.5		5.2%		8 661.1	8 114.8	9 087.2	10.4%	

Table 41.18 Consolidated water boards statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
	R million									2025/26 - 2028/29	2026/27 - 2028/29
Cash flow from operating activities	4 997.5	10 902.2	11 163.1	9 977.8	25.9%	100.0%	11 756.5	11 044.8	13 133.5	9.6%	100.0%
Receipts											
Non-tax receipts	32 367.7	37 239.8	40 941.0	43 215.1	10.1%	95.0%	47 091.2	50 655.5	56 387.1	9.3%	100.0%
Sales of goods and services other than capital assets	30 646.6	33 720.6	37 190.8	41 561.7	10.7%	88.4%	45 752.3	49 414.1	55 443.5	10.1%	97.7%
<i>of which:</i>											
Administrative fees	17.5	26.2	–	–	-100.0%	–	–	–	–	–	–
Management fees	17.5	26.2	–	–	-100.0%	–	–	–	–	–	–
Sales by market establishment	30 478.7	33 609.6	37 077.4	41 424.5	10.8%	88.1%	45 602.9	49 259.4	55 283.2	10.1%	97.4%
Water sales	29 347.1	32 059.5	35 352.3	39 745.7	10.6%	84.3%	44 238.4	47 741.0	53 540.6	10.4%	94.4%
Wastewater	587.6	726.1	951.4	1 213.0	27.3%	2.1%	1 217.4	1 341.0	1 509.1	7.6%	2.6%
Other activities	544.1	824.0	773.8	571.4	1.6%	1.7%	147.1	177.4	233.5	-25.8%	0.4%
Other sales	150.4	84.8	113.4	137.2	-3.0%	0.3%	149.4	154.7	160.3	5.3%	0.3%
Other tax receipts	1 721.1	3 519.1	3 750.3	1 653.4	-1.3%	6.6%	1 338.9	1 241.4	943.5	-17.1%	2.3%
Transfers received	208.7	3 341.6	2 149.3	1 231.7	80.7%	4.3%	1.7	2.1	–	-100.0%	–
Financial transactions in assets and liabilities	197.6	23.2	943.3	13.7	-58.9%	0.7%	14.1	14.4	14.7	2.4%	–
Total receipts	32 773.9	40 604.5	44 033.6	44 460.5	10.7%	100.0%	47 107.0	50 671.9	56 401.8	8.3%	100.0%
Payment											
Current payments	27 776.4	29 702.3	32 870.5	34 482.7	7.5%	100.0%	35 350.5	39 627.1	43 268.3	7.9%	100.0%
Compensation of employees	6 040.6	6 363.8	6 555.4	7 094.7	5.5%	20.9%	7 380.1	7 822.3	8 298.4	5.4%	19.9%
Goods and services	21 528.1	22 744.0	25 840.3	27 252.8	8.2%	78.0%	27 800.2	31 608.1	34 775.5	8.5%	79.7%
Interest and rent on land	207.7	594.5	474.7	135.2	-13.3%	1.1%	170.2	196.8	194.4	12.9%	0.5%
Total payments	27 776.4	29 702.3	32 870.5	34 482.7	7.5%	100.0%	35 350.5	39 627.1	43 268.3	7.9%	100.0%
Net cash flow from investing activities	(6 692.1)	(5 235.6)	(3 943.8)	(7 477.7)	3.8%	100.0%	(15 116.2)	(16 637.2)	(17 311.3)	32.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(4 233.8)	(5 685.7)	(7 153.9)	(9 952.6)	33.0%	115.7%	(15 282.3)	(16 787.8)	(17 582.4)	20.9%	101.2%
Acquisition of software and other intangible assets	(23.6)	(233.6)	(130.6)	(9.1)	-27.3%	1.7%	(5.3)	(2.7)	(3.0)	-30.8%	–
Proceeds from the sale of property, plant, equipment and intangible assets	78.2	13.8	1.7	–	-100.0%	-0.4%	–	–	–	–	–
Other flows from investing activities	(2 512.9)	669.9	3 338.9	2 484.0	-199.6%	-17.0%	171.5	153.3	274.2	-52.0%	-1.2%
Net cash flow from financing activities	1 362.9	(1 165.3)	571.4	(1 171.9)	-195.1%	100.0%	3 696.9	1 257.0	(1 829.1)	16.0%	100.0%
Deferred income	1 288.5	233.9	736.2	0.0	-99.1%	-560.5%	407.5	407.5	407.5	7 314.1%	39.1%
Borrowing activities	(20.0)	(1 266.3)	(45.1)	(805.9)	243.1%	530.4%	3 987.6	1 822.1	(1 125.5)	11.8%	149.9%
Repayment of finance leases	(3.1)	(9.1)	(0.4)	(2.0)	-13.0%	3.6%	(2.4)	(2.1)	(1.9)	-2.7%	-0.2%
Other flows from financing activities	97.4	(123.8)	(119.3)	(363.9)	-255.2%	126.5%	(695.9)	(970.6)	(1 109.3)	45.0%	-88.8%
Net increase/(decrease) in cash and cash equivalents	(331.8)	4 501.3	7 790.6	1 328.3	-258.8%	100.0%	337.2	(4 335.4)	(6 007.0)	-265.4%	100.0%
Statement of financial position											
Carrying value of assets	53 014.5	57 220.2	62 196.6	70 317.4	9.9%	62.7%	83 211.7	96 989.2	110 921.7	16.4%	76.0%
<i>of which:</i>											
Acquisition of assets	(4 233.8)	(5 685.7)	(7 153.9)	(9 952.6)	33.0%	100.0%	(15 282.3)	(16 787.8)	(17 582.4)	20.9%	100.0%
Investments	11 736.5	12 896.0	11 887.5	7 208.5	-15.0%	11.3%	7 916.9	7 313.1	6 847.0	-1.7%	5.8%
Inventory	346.8	465.5	514.9	502.3	13.1%	0.5%	506.4	526.1	540.2	2.5%	0.4%
Loans	8.2	9.1	18.3	1 450.7	460.9%	0.4%	1 529.8	1 440.7	1 342.4	-2.6%	1.1%
Receivables and prepayments	14 984.8	10 469.4	11 309.7	10 788.1	-10.4%	12.3%	10 982.4	11 679.9	12 751.2	5.7%	9.2%
Cash and cash equivalents	7 241.2	10 670.2	18 180.9	13 460.6	23.0%	12.8%	13 196.0	9 902.2	4 350.1	-31.4%	7.2%
Non-current assets held for sale	3.0	2.8	22.9	2.8	-2.2%	–	2.8	2.8	2.8	–	–
Taxation	62.4	39.8	236.9	43.5	-11.3%	0.1%	45.7	48.0	50.4	5.0%	–
Statutory receivables	37.5	–	–	–	-100.0%	–	100.0	300.0	500.0	–	0.2%
Total assets	87 434.9	91 773.0	104 367.6	103 773.9	5.9%	100.0%	117 491.6	128 201.9	137 305.8	9.8%	100.0%
Accumulated surplus/(deficit)	66 834.7	69 389.0	80 043.7	80 806.1	6.5%	76.7%	89 766.4	98 012.5	106 598.3	9.7%	76.9%
Capital and reserves	421.1	274.6	274.6	274.6	-13.3%	0.3%	274.6	274.6	274.6	–	0.2%
Capital reserve fund	375.5	1 522.4	2 686.7	2 079.1	76.9%	1.7%	1 255.4	260.5	295.4	-47.8%	0.5%
Borrowings	4 342.8	4 209.4	3 235.3	3 441.5	-7.5%	3.9%	7 352.9	9 405.4	8 497.1	35.2%	6.6%
Finance lease	2.2	9.2	11.2	9.4	62.0%	–	6.7	5.3	3.9	-25.6%	–
Deferred income	624.5	950.6	737.9	616.1	-0.5%	0.8%	607.4	599.4	591.8	-1.3%	0.5%
Trade and other payables	13 003.1	12 664.1	14 713.2	13 142.3	0.4%	13.8%	14 688.3	15 958.3	17 213.7	9.4%	12.5%
Taxation	249.6	468.9	89.1	580.7	32.5%	0.4%	638.8	694.8	738.2	8.3%	0.5%
Provisions	935.1	1 188.9	1 358.9	1 632.0	20.4%	1.3%	1 690.1	1 760.4	1 842.4	4.1%	1.4%
Derivatives financial instruments	646.4	1 072.5	1 193.7	1 192.2	22.6%	1.1%	1 211.1	1 230.7	1 250.4	1.6%	1.0%
Total equity and liabilities	87 434.9	91 749.4	104 344.2	103 773.9	5.9%	100.0%	117 491.6	128 201.9	137 305.8	9.8%	100.0%

Personnel information

Table 41.19 Consolidated water boards personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: salary level/ Total (%)			
Number of funded posts	Number of approved establishment	Number of posts on establishment	Actual		Revised estimate			Medium-term expenditure estimate						2025/26 - 2028/29			2026/27 - 2028/29		
			2024/25		2025/26			2026/27		2027/28		2028/29							
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Consolidated Water Boards			7 867	7 044.2	0.9	8 083	7 092.8	0.9	7 759	7 378.5	1.0	7 758	7 820.6	1.0	7 758	296.6	1.1		
Salary level	7 912	7 912	7 867	7 044.2	0.9	8 083	7 092.8	0.9	7 759	7 378.5	1.0	7 758	7 820.6	1.0	7 758	296.6	1.1	-1.4%	100.0%
1 – 6	772	772	805	256.0	0.3	799	235.7	0.3	736	234.5	0.3	736	246.6	0.3	736	260.3	0.4	-2.7%	9.5%
7 – 10	5 343	5 343	5 269	3 646.4	0.7	5 468	3 673.3	0.7	5 254	3 812.8	0.7	5 254	4 041.8	0.8	5 254	284.4	0.8	-1.3%	67.7%
11 – 12	799	799	796	1 070.8	1.3	811	1 120.6	1.4	773	1 133.4	1.5	773	1 200.8	1.6	773	273.5	1.6	-1.6%	10.0%
13 – 16	907	907	906	1 734.0	1.9	913	1 710.5	1.9	903	1 813.9	2.0	902	1 923.0	2.1	902	043.6	2.3	-0.4%	11.6%
17 – 22	91	91	91	337.1	3.7	92	352.7	3.8	93	383.9	4.1	93	408.5	4.4	93	434.8	4.7	0.4%	1.2%

1. Rand million.

Inkomati-Usuthu Catchment Management Agency

Selected performance indicators

Table 41.20 Inkomati-Usuthu Catchment Management Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Number of strategic ecological water requirement points monitored for resource quality per year	Protection and use of water resources		23	23	23	25	25	25	25
Percentage of high-risk water use licence applications processed and recommended within 74 working days per year	Protection and use of water resources	Improved service delivery in the local government sphere	102.9% (106/103)	100% (136)	99.3% (136/137)	≥90%	≥90%	≥90%	≥90%
Percentage of planned inspections conducted for related uses in various sectors per year	Protection and use of water resources		100% (48)	100% (48)	100% (96)	≥95%	≥95%	≥95%	≥95%
Number of river systems monitored for the implementation of resource-directed measures per year	Protection and use of water resources	Improved governance and performance of public entities	- ¹	- ¹	- ¹	4	4	4	4

1. No historical data available.

Entity overview

The former Inkomati Catchment Management Agency was established in 2004 in terms of the National Water Act (1998) and its area of operation was extended in May 2014 to form the Inkomati-Usuthu Catchment Management Agency. The agency is mandated to protect the use of water resources in its area of operation through resource allocation, conservation, monitoring, planning, development and operations.

Over the medium term, the agency will continue to focus on implementing effective river operations within the Inkomati-Usuthu water management area to manage floods, droughts, and surface and groundwater resources. This will be achieved by monitoring a targeted 25 strategic ecological water requirement points for resource quality, processing and recommending at least 90 per cent of high-risk water use licence applications within 74 working days, conducting at least 95 per cent of planned inspections for the related uses of various sectors per year, and monitoring 4 river systems per year for the implementation of resource-directed measures. These activities will be carried out in the protection and use of water resources programme, which accounts for an estimated 44.5 per cent (R367 million) of total spending over the next 3 years.

As part of efficiency improvements and measures taken for a just energy transition, the agency will, in 2026/27, install meters and improve the monitoring of approximately 135 abstraction points along the Crocodile River in Mpumalanga at a cost of R25 million. This will provide certainty in use and information on the implications of new water resource application agreements.

Total expenditure is expected to increase at an average annual rate of 11.8 per cent, from R223.9 million in 2025/26 to R313 million in 2028/29. This relative high rate of increase is attributed to the anticipated 21 per cent average annual increase in spending on compensation of employees to safeguard the institutional expertise required for the agency to carry out its primary mandate. As such, compensation of employees constitutes an estimated 70.7 per cent (R582.7 million) of expenditure over the medium term.

The agency is set to derive 66.7 per cent (R550.1 million) of its revenue through transfers from the department and the remaining 33.3 per cent from water resource charges, wastewater discharge charges and interest. Total revenue is set to increase in line with expenditure.

Programmes/Objectives/Activities

Table 41.21 Inkomati-Usuthu Catchment Management Agency expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
Administration	14.1	17.5	16.0	20.2	12.8%	9.0%	19.3	23.9	26.1	8.8%	8.4%
Human resource and business support	47.3	56.5	58.4	70.0	14.0%	31.0%	85.8	96.1	105.7	14.7%	34.9%
Financial sustainability	16.8	26.2	46.2	30.5	22.0%	16.0%	29.8	33.0	38.1	7.7%	12.2%
Protection and use of water resources	66.0	92.4	68.3	103.2	16.1%	44.0%	102.8	121.0	143.2	11.5%	44.5%
Total	144.1	192.6	189.0	223.9	15.8%	100.0%	237.6	274.0	313.0	11.8%	100.0%

Statements of financial performance, cash flow and financial position

Table 41.22 Inkomati-Usuthu Catchment Management Agency statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
Revenue											
Non-tax revenue	48.4	93.2	75.5	75.8	16.1%	38.3%	83.2	91.2	100.1	9.7%	33.3%
Sale of goods and services other than capital assets	43.0	83.6	70.4	71.9	18.7%	35.2%	79.0	86.9	95.6	9.9%	31.7%
<i>of which:</i>											
Administrative fees	43.0	83.6	70.4	71.9	18.7%	35.2%	79.0	86.9	95.6	9.9%	31.7%
Water Trading Entity	38.9	71.5	61.2	62.1	16.9%	30.6%	68.2	75.0	82.5	9.9%	27.4%
Interest received from trade debtors	4.1	12.2	9.1	—	-100.0%	3.3%	—	—	—	—	—
Waste discharge charge	—	—	—	9.8	—	1.3%	10.8	11.9	13.1	10.0%	4.3%
Other non-tax revenue	5.3	9.6	5.1	3.9	-10.1%	3.1%	4.3	4.4	4.5	5.1%	1.6%
Transfers received	133.7	93.9	96.1	148.1	3.5%	61.7%	154.4	182.8	212.9	12.9%	66.7%
Total revenue	182.1	187.1	171.6	223.9	7.1%	100.0%	237.6	274.0	313.0	11.8%	100.0%
Expenses											
Current expenses	144.1	192.6	189.0	223.9	15.8%	100.0%	236.8	273.2	312.1	11.7%	99.7%
Compensation of employees	107.7	114.9	110.9	128.6	6.1%	61.7%	161.9	192.9	227.9	21.0%	70.7%
Goods and services	36.4	76.8	74.9	95.2	37.7%	37.8%	74.8	80.1	84.0	-4.1%	29.0%
Depreciation	—	1.0	2.6	—	—	0.5%	0.2	0.2	0.2	—	0.1%
Interest, dividends and rent on land	—	0.0	0.5	—	—	0.1%	—	—	—	—	—
Transfers and subsidies	—	—	—	—	—	—	0.8	0.8	0.9	—	0.3%
Total expenses	144.1	192.6	189.0	223.9	15.8%	100.0%	237.6	274.0	313.0	11.8%	100.0%
Surplus/(Deficit)	37.9	(5.5)	(17.3)	—	-100.0%	—	—	—	—	—	—

Table 41.22 Inkomati-Usuthu Catchment Management Agency statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Cash flow from operating activities	14.2	(21.0)	(10.5)	15.6	3.3%	100.0%	22.8	21.9	24.1	15.5%	100.0%
Receipts											
Non-tax receipts	46.8	76.4	72.4	75.8	17.5%	37.5%	83.2	91.2	100.1	9.7%	33.3%
Sales of goods and services other than capital assets	41.6	69.5	67.6	71.9	20.0%	34.6%	79.0	86.9	95.6	9.9%	31.7%
<i>of which:</i>											
<i>Administrative fees</i>	41.6	69.5	67.6	71.9	20.0%	34.6%	79.0	86.9	95.6	9.9%	31.7%
<i>Water Trading Entity</i>	37.5	57.3	58.4	62.1	18.3%	29.7%	68.2	75.0	82.5	9.9%	27.4%
<i>Interest received from trade debtors</i>	4.1	12.2	9.1	–	-100.0%	3.5%	–	–	–	–	–
<i>Waste discharge charge</i>	–	–	–	9.8	–	1.4%	10.8	11.9	13.1	10.0%	4.3%
Other tax receipts	5.1	6.9	4.8	3.9	-8.8%	2.9%	4.3	4.4	4.5	5.1%	1.6%
Transfers received	111.9	93.9	96.1	148.1	9.8%	62.1%	154.4	182.8	212.9	12.9%	66.7%
Financial transactions in assets and liabilities	0.1	2.5	0.3	–	-100.0%	0.4%	–	–	–	–	–
Total receipts	158.8	172.7	168.8	223.9	12.1%	100.0%	237.6	274.0	313.0	11.8%	100.0%
Payment											
Current payments	144.6	193.8	179.3	208.3	12.9%	100.0%	214.0	251.3	288.1	11.4%	99.7%
Compensation of employees	107.4	112.3	109.4	128.6	6.2%	63.1%	161.9	192.9	227.9	21.0%	77.1%
Goods and services	37.2	81.4	69.9	79.6	28.8%	36.9%	52.1	58.4	60.1	-8.9%	22.6%
Transfers and subsidies	–	–	–	–	–	–	0.8	0.8	0.9	–	0.3%
Total payments	144.6	193.8	179.3	208.3	12.9%	100.0%	214.8	252.2	289.0	11.5%	100.0%
Net cash flow from investing activities	(1.0)	(1.8)	(1.5)	(3.2)	49.9%	100.0%	(2.9)	(1.0)	(0.9)	-34.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1.0)	(1.8)	(1.5)	(3.2)	49.9%	100.0%	(2.9)	(1.0)	(0.9)	-34.1%	100.0%
Net cash flow from financing activities	0.1	0.0	(0.2)	–	-100.0%	100.0%	–	–	–	–	–
Repayment of finance leases	0.1	0.0	(0.2)	–	-100.0%	100.0%	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	13.3	(22.8)	(12.2)	12.4	-2.4%	100.0%	19.9	20.9	23.1	23.2%	100.0%
Statement of financial position											
Carrying value of assets	8.3	9.4	7.8	10.7	8.7%	13.6%	11.0	11.1	11.7	3.1%	13.3%
<i>of which:</i>											
<i>Acquisition of assets</i>	<i>(1.0)</i>	<i>(1.8)</i>	<i>(1.5)</i>	<i>(3.2)</i>	<i>49.9%</i>	<i>100.0%</i>	<i>(2.9)</i>	<i>(1.0)</i>	<i>(0.9)</i>	<i>-34.1%</i>	<i>100.0%</i>
Investments	0.2	0.0	0.0	0.3	9.8%	0.2%	0.4	0.4	0.4	5.0%	0.4%
Receivables and prepayments	2.6	20.8	23.3	14.2	77.3%	22.9%	15.0	15.5	16.4	4.8%	18.5%
Cash and cash equivalents	63.0	40.1	28.0	37.0	-16.3%	63.2%	56.2	56.2	59.6	17.3%	67.8%
Total assets	74.1	70.4	59.1	62.2	-5.7%	100.0%	82.6	83.1	88.1	12.3%	100.0%
Accumulated surplus/(deficit)	61.9	60.5	43.2	26.3	-24.9%	72.2%	–	–	–	-100.0%	–
Capital and reserves	–	–	–	0.1	–	0.1%	0.1	0.1	0.2	4.4%	0.2%
Capital reserve fund	–	–	–	–	–	–	5.0	5.4	5.7	–	6.4%
Finance lease	0.3	0.3	0.1	0.1	-42.6%	0.3%	0.1	0.1	0.1	9.8%	0.1%
Deferred income	–	–	–	0.7	–	0.3%	–	–	–	-100.0%	–
Trade and other payables	4.9	2.9	7.7	5.3	2.5%	7.8%	5.3	5.4	5.7	2.3%	6.4%
Taxation	–	0.1	–	–	–	0.1%	–	–	–	–	–
Provisions	–	–	–	29.7	–	11.2%	72.1	72.1	76.4	37.0%	86.9%
Derivatives financial instruments	7.0	6.5	8.0	–	-100.0%	8.1%	–	–	–	–	–
Total equity and liabilities	74.1	70.4	59.1	62.2	-5.7%	100.0%	82.6	83.1	88.1	12.3%	100.0%

Personnel information

Table 41.23 Inkomati-Usuthu Catchment Management Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026			Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: salary level/ Total (%)					
Number of funded posts	Number of approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2024/25		2025/26		2026/27		2027/28		2028/29		2025/26 - 2028/29	2026/27 - 2028/29					
Inkomati-Usuthu Catchment Management Agency			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	109	137	113	110.9	1.0	109	128.6	1.2	109	161.9	1.5	109	192.9	1.8	109	227.9	2.1	-	100.0%
1 – 6	6	15	-	-	-	6	2.9	0.5	6	3.6	0.6	6	4.3	0.7	6	5.1	0.8	-	5.5%
7 – 10	39	46	-	-	-	39	29.8	0.8	39	37.5	1.0	39	44.7	1.1	39	52.8	1.4	-	35.8%
11 – 12	43	51	51	31.4	0.6	43	54.3	1.3	43	68.3	1.6	43	81.4	1.9	43	96.1	2.2	-	39.4%
13 – 16	21	25	62	79.6	1.3	21	41.7	2.0	21	52.5	2.5	21	62.6	3.0	21	73.9	3.5	-	19.3%

1. Rand million.

Rand Water

Selected performance indicators

Table 41.24 Rand Water performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Avoidable water loss as a percentage of total non-revenue water produced per year	Bulk water	Improved service delivery in the local government sphere	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
			(6 940/147 039)	(7 062/149 612)	(7 185/152 230)	(7 311/154 894)			
Volume of water sold per year (megalitres)	Bulk water		1 628 386	1 633 138	1 737 841	1 755 666	1 782 606	1 809 977	1 837 786
Cost per kilolitre per year	Bulk water		R11.62	R12.68	R13.31	R15.21	R16.84	R17.96	R19.94

Entity overview

Rand Water was established in terms of the Water Services Act (1997). It serves an estimated 14 million people, providing bulk potable water in Gauteng and parts of Mpumalanga, Free State and North West. The entity stores, treats and delivers water to municipalities, mines, industries, farmers and households. It will continue to focus on meeting projected demand over the medium term by selling an estimated 4 627 megalitres of water per day, refurbishing infrastructure and maintaining the loss of non-revenue water at 6.5 per cent. Given the projected increase in water demand from 4 627 megalitres per day in 2025/26 to a projected 5 500 megalitres per day by 2030, Rand Water will focus on refurbishing and augmenting its infrastructure through projects such as pipeline renewals and the construction of reservoirs at an estimated cost of R41.1 billion over the medium term. In line with these investments, spending is expected to increase at an average annual rate of 9.5 per cent, from R22.4 billion in 2025/26 to R29.4 billion in 2028/29.

Bulk water sales constitute an estimated 96.7 per cent (R96.4 billion) of total revenue over the medium term, increasing at an average annual rate of 11.1 per cent, from R26 billion in 2025/26 to R35.6 billion in 2028/29. Total revenue is expected to increase at an average annual rate of 10.1 per cent, from R27.4 billion in 2025/26 to R36.5 billion in 2028/29, driven by increased demand for the water board's products and services.

Programmes/Objectives/Activities**Table 41.25 Rand Water 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 (%)	
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28			2028/29
R million													
Administration	3 595.8	3 182.0	3 960.5	4 438.8		7.3%	19.5%	4 488.6	4 848.2	5 139.2		5.0%	18.0%
Bulk water activities	13 514.4	15 360.5	15 904.3	17 872.3		9.8%	80.4%	20 023.2	21 549.7	24 179.6		10.6%	81.8%
Secondary activities	3.1	63.9	4.6	46.8		147.5%	0.2%	55.8	57.7	59.8		8.5%	0.2%
Total	17 113.2	18 606.4	19 869.4	22 357.9		9.3%	100.0%	24 567.6	26 455.6	29 378.5		9.5%	100.0%

Statements of financial performance, cash flow and financial position**Table 41.26 Rand Water statements of financial performance, cash flow and financial position**

Statement of financial performance													
	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28			2028/29
R million													
Revenue													
Non-tax revenue	20 648.4	23 167.9	24 513.3	27 362.8		9.8%	100.0%	30 402.7	32 788.8	36 482.2		10.1%	100.0%
Sale of goods and services other than capital assets	19 529.5	21 753.8	22 849.5	25 985.0		10.0%	94.2%	29 154.7	31 582.1	35 630.6		11.1%	96.7%
<i>of which:</i>													
<i>Sales by market establishments</i>	19 529.5	21 753.8	22 849.5	25 985.0		10.0%	94.2%	29 154.7	31 582.1	35 630.6		11.1%	96.7%
<i>Water sales</i>	19 529.5	21 753.8	22 849.0	25 985.0		10.0%	94.2%	29 154.7	31 582.1	35 630.6		11.1%	96.7%
Other non-tax revenue	1 118.9	1 414.1	1 663.8	1 377.9		7.2%	5.8%	1 248.0	1 206.7	851.5		-14.8%	3.3%
Total revenue	20 648.4	23 167.9	24 513.3	27 362.8		9.8%	100.0%	30 402.7	32 788.8	36 482.2		10.1%	100.0%
Expenses													
Current expenses	17 113.2	18 606.4	19 869.4	22 357.9		9.3%	100.0%	24 567.6	26 455.6	29 378.5		9.5%	100.0%
Compensation of employees	3 036.5	3 371.4	3 625.5	3 471.2		4.6%	17.3%	3 649.3	3 847.4	4 062.3		5.4%	14.4%
Goods and services	13 341.4	14 486.4	15 476.5	18 122.1		10.7%	78.8%	19 989.5	21 461.1	23 926.2		9.7%	81.3%
Depreciation	654.1	697.2	719.5	764.6		5.3%	3.6%	928.8	1 147.1	1 390.0		22.0%	4.3%
Interest, dividends and rent on land	81.3	51.4	48.0	-		-100.0%	0.2%	-	-	-		-	-
Total expenses	17 113.2	18 606.4	19 869.4	22 357.9		9.3%	100.0%	24 567.6	26 455.6	29 378.5		9.5%	100.0%
Surplus/(Deficit)	3 535.2	4 561.5	4 643.9	5 004.9		12.3%		5 835.1	6 333.2	7 103.6		12.4%	
Cash flow statement													
Cash flow from operating activities	2 442.9	4 359.0	5 075.3	5 842.9		33.7%	100.0%	8 267.9	7 490.4	8 612.8		13.8%	100.0%
Receipts													
Non-tax receipts	20 648.4	23 167.9	24 513.4	27 362.8		9.8%	100.0%	30 402.7	32 788.8	36 482.2		10.1%	100.0%
Sales of goods and services other than capital assets	19 675.5	21 836.5	22 960.2	26 119.2		9.9%	94.7%	29 301.0	31 733.4	35 787.4		11.1%	97.1%
<i>of which:</i>													
<i>Sales by market establishment</i>	19 529.5	21 753.8	22 849.0	25 985.0		10.0%	94.2%	29 154.7	31 582.1	35 630.6		11.1%	96.7%
<i>Water sales</i>	19 529.5	21 753.8	22 849.0	25 985.0		10.0%	94.2%	29 154.7	31 582.1	35 630.6		11.1%	96.7%
Other sales	145.9	82.7	111.2	134.3		-2.7%	0.5%	146.3	151.3	156.7		5.3%	0.5%
Other tax receipts	972.9	1 331.4	1 553.2	1 243.6		8.5%	5.3%	1 101.7	1 055.4	694.8		-17.6%	2.9%
Total receipts	20 648.4	23 167.9	24 513.4	27 362.8		9.8%	100.0%	30 402.7	32 788.8	36 482.2		10.1%	100.0%
Payment													
Current payments	18 205.5	18 808.8	19 438.1	21 519.9		5.7%	100.0%	22 134.8	25 298.4	27 869.3		9.0%	100.0%
Compensation of employees	3 036.5	3 371.4	3 114.3	3 471.2		4.6%	16.7%	3 649.3	3 847.4	4 062.3		5.4%	15.4%
Goods and services	15 087.7	15 386.0	16 275.9	18 048.7		6.2%	83.1%	18 485.5	21 451.0	23 807.0		9.7%	84.6%
Interest and rent on land	81.3	51.4	48.0	-		-100.0%	0.2%	-	-	-		-	-
Total payments	18 205.5	18 808.8	19 438.1	21 519.9		5.7%	100.0%	22 134.8	25 298.4	27 869.3		9.0%	100.0%
Net cash flow from investing activities	(2 457.7)	(1 676.2)	101.8	(4 868.4)		25.6%	100.0%	(8 416.6)	(10 565.8)	(12 582.7)		37.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1 245.1)	(1 538.0)	(2 132.5)	(3 678.0)		43.5%	96.6%	(8 069.3)	(10 103.8)	(12 164.3)		49.0%	96.1%
Proceeds from the sale of property, plant, equipment and intangible assets	12.5	1.3	1.5	-		-100.0%	-0.2%	-	-	-		-	-
Other flows from investing activities	(1 225.0)	(139.5)	2 232.8	(1 190.4)		-0.9%	3.6%	(347.3)	(462.0)	(418.4)		-29.4%	3.9%
Net cash flow from financing activities	(4.3)	(1 236.5)	(16.1)	(586.0)		413.6%	100.0%	-	(579.0)	(1 439.0)		34.9%	100.0%
Borrowing activities	-	(1 231.0)	(9.9)	(586.0)		-	99.1%	-	(579.0)	(1 439.0)		34.9%	100.0%
Repayment of finance leases	(0.3)	(5.5)	(6.2)	-		-100.0%	0.7%	-	-	-		-	-
Other flows from financing activities	(4.0)	-	-	-		-100.0%	0.2%	-	-	-		-	-
Net increase/(decrease) in cash and cash equivalents	(19.0)	1 446.4	5 161.0	388.5		-373.2%	100.0%	(148.7)	(3 654.4)	(5 408.9)		-340.6%	100.0%

Table 41.26 Rand Water statements of financial performance, cash flow and financial position (continued)

Statement of financial position				Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
Audited outcome							2025/26				
R million	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29	
Carrying value of assets	29 819.9	31 233.3	32 953.0	36 691.8	7.2%	63.7%	43 447.3	52 663.7	63 547.9	20.1%	73.6%
of which:											
Acquisition of assets	(1 245.1)	(1 538.0)	(2 132.5)	(3 678.0)	43.5%	100.0%	(8 069.3)	(10 103.8)	(12 164.3)	49.0%	100.0%
Investments	4 940.1	5 393.6	4 484.2	2 829.3	-17.0%	8.6%	3 286.1	3 728.1	4 281.0	14.8%	5.2%
Inventory	174.3	208.1	247.0	214.9	7.2%	0.4%	221.6	229.3	237.5	3.4%	0.3%
Loans	8.2	9.1	18.3	1 450.7	460.9%	0.7%	1 529.8	1 440.7	1 342.4	-2.6%	2.0%
Receivables and prepayments	4 446.7	4 780.6	5 382.4	5 134.3	4.9%	9.6%	5 277.3	5 778.7	6 541.0	8.4%	8.1%
Cash and cash equivalents	4 884.1	6 331.6	12 195.2	11 491.5	33.0%	17.0%	11 398.2	8 176.3	2 815.9	-37.4%	10.3%
Non-current assets held for sale	0.1	-	11.0	-	-100.0%	-	-	-	-	-	-
Statutory receivables	-	-	-	-	-	-	100.0	300.0	500.0	-	0.4%
Total assets	44 273.4	47 956.2	55 291.3	57 812.6	9.3%	100.0%	65 260.3	72 316.8	79 265.7	11.1%	100.0%
Accumulated surplus/(deficit)	35 712.1	40 312.5	45 179.4	50 045.6	11.9%	83.4%	55 880.7	62 213.9	69 378.4	11.5%	86.5%
Borrowings	3 154.8	3 163.5	3 161.3	2 567.2	-6.6%	5.9%	2 567.0	1 987.7	548.7	-40.2%	2.4%
Deferred income	129.0	163.9	169.2	166.5	8.9%	0.3%	171.7	177.6	184.0	3.4%	0.2%
Trade and other payables	5 161.3	4 073.7	6 585.8	4 747.6	-2.7%	10.0%	6 331.3	7 603.4	8 795.4	22.8%	10.5%
Provisions	116.2	132.3	134.9	-	-100.0%	0.2%	-	-	-	-	-
Derivatives financial instruments	-	110.2	60.7	285.8	-	0.2%	309.6	334.1	359.2	7.9%	0.5%
Total equity and liabilities	44 273.4	47 956.2	55 291.3	57 812.6	9.3%	100.0%	65 260.3	72 316.8	79 265.7	11.1%	100.0%

Personnel information

Table 41.27 Rand Water personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average salary level/ Total (%)			
Number of funded posts	Number of approved establishment	Number of posts on	Actual		Revised estimate		Medium-term expenditure estimate						2025/26 - 2028/29	2026/27 - 2028/29					
			2024/25		2025/26		2026/27		2027/28		2028/29								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Rand Water	3 584	3 584	3 572	3 625.5	1.0	3 584	3 471.2	1.0	3 584	3 649.3	1.0	3 584	3 847.4	1.1	3 584	4 062.3	1.1	-	100.0%
1 – 6	8	8	8	9.9	1.2	8	9.4	1.2	8	9.9	1.2	8	10.4	1.3	8	11.0	1.4	-	0.2%
7 – 10	2 677	2 677	2 665	1 825.3	0.7	2 677	1 745.0	0.7	2 677	1 834.5	0.7	2 677	1 934.1	0.7	2 677	2 042.1	0.8	-	74.7%
11 – 12	205	205	205	288.1	1.4	205	274.5	1.3	205	288.6	1.4	205	304.3	1.5	205	321.3	1.6	-	5.7%
13 – 16	632	632	632	1 253.7	2.0	632	1 205.5	1.9	632	1 267.4	2.0	632	1 336.2	2.1	632	1 410.8	2.2	-	17.6%
17 – 22	62	62	62	248.5	4.0	62	236.8	3.8	62	248.9	4.0	62	262.4	4.2	62	277.1	4.5	-	1.7%

1. Rand million.

Trans-Caledon Tunnel Authority

Selected performance indicators

Table 41.28 Trans-Caledon Tunnel Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Percentage of 160km pipeline completed per year	Mokolo-Crocodile water augmentation project	Accelerated growth of strategic industrial and labour-intensive sectors	- ¹	- ¹	3% (4.8km)	7%	25%	45%	90%
Percentage of 6.3km pipeline completed per year	Berg River-Voëlvele augmentation project		- ¹	- ¹	2% (0.12km)	5%	30%	100%	- ²

1. No historical data available.

2. Pipeline completed.

Entity overview

The Trans-Caledon Tunnel Authority is a specialised liability management entity that derives its mandate from the National Water Act (1998). It is responsible for financing and implementing the development of bulk raw water infrastructure and providing treasury management services to the department. The authority will in the

next year merge with the Water Trading Entity to form the National Water Resources Infrastructure Agency, which was proclaimed in 2025.

Over the medium term, the authority will continue to implement the Berg River-Voëlvelei augmentation scheme, which is expected to increase the yield of the Western Cape water supply system by 23 million cubic metres a year; phase 2 of the Mokolo-Crocodile water augmentation project, which is expected to augment bulk raw water supply by 30 million cubic metres per year from the Mokolo Dam to the Medupi and Matimba power stations; and phase 1 of the uMkhomazi water project to increase the yield of the uMngeni system from 394 million cubic metres per year in 2013 to 608 million cubic metres per year by December 2032. Phase 1 of the uMkhomazi water project entails increasing the Smithfield Dam wall by 81 metres. The associated water conveyance infrastructure entails the construction of a 32km, 3.5 metre-diameter tunnel from Smithfield Dam reservoir to the uMlazi River Valley and a 5km, 2.6 metre-diameter raw water pipeline to the proposed uMngeni Water treatment works in the uMlazi River Valley. The project's budget over the next 3 years amounts to R2.9 billion through the authority and R4.6 billion through the Water Trading Entity. The capital expenditure required for the construction of these strategic water resource projects is expected to drive an increase in total expenditure at an average annual rate of 11.8 per cent, from R7.3 billion in 2025/26 to R10.2 billion in 2028/29.

The authority generates revenue through the fees it charges for financing and managing projects. Revenue is expected to increase at an average annual rate of 0.4 per cent, from R8.1 billion in 2025/26 to R8.2 billion in 2028/29.

Programmes/Objectives/Activities

Table 41.29 Trans-Caledon Tunnel Authority expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
Administration	1 314.7	1 535.1	1 427.9	1 874.3	12.5%	42.5%	2 670.4	2 416.5	2 437.5	9.2%	26.2%
Berg water project	31.4	25.7	17.2	16.7	-18.9%	0.6%	26.2	13.4	13.2	-7.6%	0.2%
Vaal River eastern subsystem augmentation project	284.7	268.7	219.1	175.8	-14.8%	6.6%	126.1	97.7	44.5	-36.7%	0.9%
Mooi-Mgeni transfer scheme	53.3	37.8	0.0	2.0	-66.3%	0.6%	2.6	0.5	0.5	-36.1%	-
Olifants River water resource development project	40.8	0.0	0.0	1.4	-67.9%	0.3%	0.7	0.8	0.8	-14.8%	-
Komati water scheme augmentation project	101.2	106.4	105.0	87.2	-4.9%	2.8%	80.6	73.5	64.9	-9.4%	0.8%
Mokolo-Crocodile water augmentation project	186.5	237.5	425.4	4 124.0	180.7%	34.4%	3 099.6	5 353.8	5 151.2	7.7%	47.4%
Acid mine drainage	-	-	414.0	644.9	-	7.3%	792.3	863.5	940.9	13.4%	9.0%
Mzimubu River water project	-	-	25.8	7.3	-	0.2%	94.0	94.5	100.9	140.3%	1.0%
Berg River-Voelwelei augmentation project	16.7	26.8	15.1	20.5	7.0%	0.5%	219.9	429.1	571.3	203.1%	4.3%
Umkhomazi Water Project	19.4	59.8	122.6	387.3	171.2%	4.1%	1 183.5	822.2	923.5	33.6%	10.2%
Total	2 048.8	2 297.8	2 772.1	7 341.3	53.0%	100.0%	8 295.9	10 165.5	10 249.3	11.8%	100.0%

Statements of financial performance, cash flow and financial position

Table 41.30 Trans-Caledon Tunnel Authority statements of financial performance, cash flow and financial position

Statement of financial performance				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2025/26				2022/23 - 2025/26	2026/27	2027/28		
R million	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29	
Revenue											
Non-tax revenue	3 122.6	2 518.1	4 106.8	8 068.9	37.2%	100.0%	6 654.0	8 609.8	8 156.7	0.4%	100.0%
Sale of goods and services other than capital assets	722.4	873.0	1 150.0	4 631.0	85.8%	41.4%	5 125.8	7 043.2	6 610.9	12.6%	80.2%
<i>of which:</i>											
<i>Sales by market establishments</i>	722.4	873.0	1 150.0	4 631.0	85.8%	41.4%	5 125.8	7 043.2	6 610.9	12.6%	80.2%
<i>Construction revenue</i>	138.0	254.6	253.7	3 768.7	201.2%	24.8%	3 634.3	5 502.3	4 965.2	9.6%	60.2%
<i>Revenue from services rendered</i>	267.0	383.1	634.3	609.3	31.7%	10.6%	786.2	857.0	934.1	15.3%	11.0%
<i>Other income</i>	317.5	235.2	261.9	253.1	-7.3%	6.0%	705.3	683.9	711.5	41.1%	9.0%
Other non-tax revenue	2 400.2	1 645.2	2 956.8	3 437.9	12.7%	58.6%	1 528.2	1 566.5	1 545.9	-23.4%	19.8%
Total revenue	3 122.6	2 518.1	4 106.8	8 068.9	37.2%	100.0%	6 654.0	8 609.8	8 156.7	0.4%	100.0%
Expenses											
Current expenses	2 048.8	2 297.8	2 772.1	7 341.3	53.0%	100.0%	8 295.9	10 165.5	10 249.3	11.8%	100.0%
Compensation of employees	303.3	318.5	315.7	351.1	5.0%	8.9%	375.7	394.5	412.2	5.5%	4.1%
Goods and services	397.8	532.8	821.6	5 312.6	137.3%	48.9%	6 053.1	7 837.7	7 517.4	12.3%	74.6%
Depreciation	5.9	15.7	12.7	10.5	21.5%	0.3%	9.9	14.4	15.1	12.7%	0.1%
Interest, dividends and rent on land	1 341.8	1 430.8	1 622.1	1 667.1	7.5%	41.9%	1 857.2	1 918.9	2 304.6	11.4%	21.2%
Total expenses	2 048.8	2 297.8	2 772.1	7 341.3	53.0%	100.0%	8 295.9	10 165.5	10 249.3	11.8%	100.0%
Surplus/(Deficit)	1 073.8	220.4	1 334.7	727.6	-12.2%		(1 641.9)	(1 555.7)	(2 092.5)	-242.2%	
Cash flow statement											
Cash flow from operating activities	2 373.7	(628.7)	(812.0)	(4 032.6)	-219.3%	100.0%	(8 601.1)	(2 637.8)	1 217.4	-167.1%	100.0%
Receipts											
Non-tax receipts	10 817.4	8 985.1	12 705.8	13 252.9	7.0%	100.0%	14 795.7	16 534.3	19 740.8	14.2%	100.0%
Sales of goods and services other than capital assets	10 817.4	8 985.1	12 160.3	13 252.9	7.0%	98.8%	14 795.7	16 534.3	19 740.8	14.2%	100.0%
<i>of which:</i>											
<i>Sales by market establishment</i>	10 817.4	8 985.1	12 160.3	13 252.9	7.0%	98.8%	14 795.7	16 534.3	19 740.8	14.2%	100.0%
<i>Construction revenue</i>	10 817.4	8 985.1	12 160.3	13 252.9	7.0%	98.8%	14 795.7	16 534.3	19 740.8	14.2%	100.0%
<i>Revenue from services rendered</i>	–	–	–	609.3	–	1.3%	–	–	–	-100.0%	–
<i>Other income</i>	–	–	–	253.1	–	0.6%	–	–	–	-100.0%	–
Other tax receipts	–	–	545.6	–	–	1.2%	–	–	–	–	–
Total receipts	10 817.4	8 985.1	12 705.8	13 252.9	7.0%	100.0%	14 795.7	16 534.3	19 740.8	14.2%	100.0%
Payment											
Current payments	8 443.6	9 613.8	13 517.9	17 285.5	27.0%	100.0%	23 396.7	19 172.2	18 523.4	2.3%	100.0%
Compensation of employees	303.3	318.5	315.7	351.1	5.0%	2.6%	375.7	393.4	411.0	5.4%	1.9%
Goods and services	6 860.9	7 902.5	11 882.5	15 440.8	31.0%	86.1%	20 982.1	16 691.2	15 481.5	0.1%	87.0%
Interest and rent on land	1 279.4	1 392.8	1 319.7	1 493.5	5.3%	11.2%	2 038.9	2 087.5	2 630.8	20.8%	11.1%
Total payments	8 443.6	9 613.8	13 517.9	17 285.5	27.0%	100.0%	23 396.7	19 172.2	18 523.4	2.3%	100.0%
Net cash flow from investing activities	(10.8)	(794.8)	(455.6)	(8.2)	-8.8%	100.0%	(19.4)	(7.2)	(7.6)	-2.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(25.3)	(2.3)	(2.6)	(8.2)	-31.4%	3.0%	(19.4)	(7.2)	(7.6)	-2.7%	100.0%
Acquisition of software and other intangible assets	–	–	(1.4)	–	–	0.1%	–	–	–	–	–
Proceeds from the sale of property, plant, equipment and intangible assets	0.1	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Other flows from investing activities	14.4	(792.5)	(451.7)	–	-100.0%	96.9%	–	–	–	–	–
Net cash flow from financing activities	(1 853.1)	(1 561.0)	1 954.7	8 676.2	-267.3%	100.0%	1 414.4	4 642.7	5 065.8	-16.4%	100.0%
Borrowing activities	(1 852.1)	(1 557.8)	1 958.5	8 676.2	-267.3%	100.1%	1 414.4	4 642.7	5 065.8	-16.4%	100.0%
Repayment of finance leases	(0.9)	(3.1)	(3.9)	–	-100.0%	-0.1%	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	509.9	(2 984.5)	687.0	4 635.5	108.7%	100.0%	(7 206.1)	1 997.6	6 275.6	10.6%	100.0%

Table 41.30 Trans-Caledon Tunnel Authority statements of financial performance, cash flow and financial position (continued)

Statement of financial position				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2025/26	2026/27	2027/28		
R million	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29	
Carrying value of assets	23.5	14.7	13.0	14.6	-14.7%	0.1%	24.1	19.4	13.6	-2.3%	-
<i>of which:</i>											
Acquisition of assets	(25.3)	(2.3)	(2.6)	(8.2)	-31.4%	100.0%	(19.4)	(7.2)	(7.6)	-2.7%	100.0%
Investments	23.0	845.1	1 343.1	-	-100.0%	2.2%	-	-	-	-	-
Receivables and prepayments	10 880.9	12 980.0	16 736.6	24 866.5	31.7%	63.8%	34 888.8	36 715.2	41 510.6	18.6%	81.3%
Cash and cash equivalents	9 359.2	6 374.8	7 061.8	12 068.5	8.8%	34.0%	5 104.5	7 205.8	13 585.3	4.0%	18.6%
Finance lease receivable	21.5	16.8	12.1	7.4	-29.8%	0.1%	2.7	-	-	-100.0%	-
Total assets	20 308.2	20 231.4	25 166.6	36 957.0	22.1%	100.0%	40 020.1	43 940.4	55 109.4	14.2%	100.0%
Accumulated surplus/(deficit)	4 806.4	6 145.2	7 479.9	9 222.0	24.3%	26.9%	8 577.2	7 951.3	6 866.3	-9.4%	16.8%
Borrowings	14 301.3	11 857.6	13 836.0	20 631.9	13.0%	59.1%	28 195.1	31 394.5	33 041.3	17.0%	66.6%
Finance lease	18.3	14.4	14.4	9.6	-19.3%	0.1%	3.8	-	-	-100.0%	-
Trade and other payables	1 141.9	2 128.4	2 672.6	7 058.8	83.5%	12.7%	3 204.3	4 553.2	15 158.5	29.0%	16.5%
Provisions	37.2	81.8	48.9	34.8	-2.1%	0.2%	39.6	41.4	43.3	7.5%	0.1%
Derivatives financial instruments	3.2	3.9	1 114.8	-	-100.0%	1.1%	-	-	-	-	-
Total equity and liabilities	20 308.2	20 231.4	25 166.6	36 957.0	22.1%	100.0%	40 020.1	43 940.4	55 109.4	14.2%	100.0%

Personnel information

Table 41.31 Trans-Caledon Tunnel Authority personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026		Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: salary level/ Total (%)						
Number of funded establishment posts	Number of posts on approved establishment	Actual		Revised estimate			Medium-term expenditure estimate												
		2024/25		2025/26			2026/27		2027/28		2028/29	2025/26 - 2028/29	2026/27 - 2028/29						
Trans-Caledon Tunnel Authority		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost						
Salary level	225	225	315.7	1.4	225	351.1	1.6	225	375.7	1.7	225	394.5	1.8	225	412.2	1.8	-	100.0%	
1 – 6	3	3	3	1.0	0.3	3	1.0	0.3	3	1.1	0.4	3	1.2	0.4	3	1.2	0.4	-	1.3%
7 – 10	55	55	55	33.5	0.6	55	35.0	0.6	55	37.4	0.7	55	39.3	0.7	55	41.0	0.7	-	24.4%
11 – 12	46	46	46	46.7	1.0	46	48.8	1.1	46	52.2	1.1	46	54.8	1.2	46	57.3	1.2	-	20.4%
13 – 16	102	102	102	162.7	1.6	102	191.2	1.9	102	204.6	2.0	102	214.8	2.1	102	224.5	2.2	-	45.3%
17 – 22	19	19	19	71.9	3.8	19	75.2	4.0	19	80.4	4.2	19	84.5	4.4	19	88.2	4.6	-	8.4%

1. Rand million.

uMngeni-uThukela Water

Selected performance indicators

Table 41.32 uMngeni-uThukela Water performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Costs per kilolitre per year	Bulk activities	Improved service delivery in the local government sphere	R5.56	R7.13	R8.70	R10.06	R11.31	R12.31	R13.80
Weighted average cost of capital per year	Bulk activities		11%	11.7%	11.1%	11.9%	11.8%	11.8%	11.8%
Volume of water sold (megalitres) per year	Bulk activities		580 265	648 864	639 380	548 814	545 773	547 955	546 357

Entity overview

The former uMngeni water board was established in terms of the Water Services Act (1997) to provide water and sanitation services in mostly rural areas in KwaZulu-Natal and the eThekweni metropolitan area. The entity's area of operation was expanded in May 2023 to incorporate the former Mhlathuze water board's area of operation and the expanded board was named uMngeni-uThukela Water. The entity supplies water and sanitation services to an estimated 12.4 million people.

The entity's total planned expenditure over the medium term is expected to amount to R6.7 billion, an estimated

52 per cent (R3.5 billion) of which is for augmentation schemes and the construction of the potable water component of the uMkhomazi water project and the Lower uMkhomazi project. The remaining expenditure of R3.2 billion is earmarked for key infrastructure projects, including: the implementation of the Stephen Dlamini bulk water supply scheme, which provides 3.1 million cubic metres per year (8.4 megalitres per day), and the Ncwabeni off-channel storage dam project, which will increase the yield of the uMzimkulu River to fulfil the water requirements of Umzumbe municipality; the Impendle bulk water supply scheme; the upgrading of the Thukela-Goedertrouw inter-basin transfer scheme, which is critical for providing raw water security to the Richards Bay area; and 2 rural development projects – phase 1 of the greater Mpofana regional scheme and phase 3 of the Maphumulo bulk water supply scheme.

Total expenditure is expected to increase at an average annual rate of 6.8 per cent, from R7.4 billion in 2025/26 to R9 billion in 2028/29. Revenue is expected to increase at an average annual rate of 9.5 per cent, from R8.1 billion in 2025/26 to R10.6 billion in 2028/29, driven mainly by an anticipated increase in the sale of bulk water. This is due in part to expected annual increases in water tariffs.

Programmes/Objectives/Activities

Table 41.33 uMngeni-uThukela Water expenditure trends and estimates by programme/objective/activity

	Audited outcome				Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2022/23	2023/24	2024/25	2025/26		2022/23 - 2025/26	Average: Expenditure/ Total (%)	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
R million												
Administration	2 628.3	2 976.5	3 542.1	3 572.2	10.8%	49.4%	3 651.3	4 028.9	4 561.4	8.5%	49.6%	
Bulk activities	1 987.4	2 394.1	2 781.2	2 753.8	11.5%	38.5%	2 922.5	3 149.4	3 427.8	7.6%	38.5%	
Wastewater	176.8	312.8	454.3	530.3	44.2%	5.7%	566.6	607.8	655.1	7.3%	7.4%	
Other activities	46.1	446.0	562.5	568.0	131.0%	6.3%	347.5	372.6	403.6	-10.8%	4.6%	
Total	4 838.5	6 129.4	7 340.1	7 424.3	15.3%	100.0%	7 487.9	8 158.7	9 047.9	6.8%	100.0%	

Statements of financial performance, cash flow and financial position

Table 41.34 uMngeni-uThukela Water statements of financial performance, cash flow and financial position

Statement of financial performance												
	Audited outcome				Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2022/23	2023/24	2024/25	2025/26		2022/23 - 2025/26	Average: Expenditure/ Total (%)	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
R million												
Revenue												
Non-tax revenue	6 000.3	7 597.6	8 719.9	8 088.9	10.5%	100.0%	8 572.4	9 649.1	10 623.2	9.5%	100.0%	
Sale of goods and services other than capital assets of which:	5 252.8	6 895.9	7 650.7	7 858.2	14.4%	91.0%	8 483.8	9 565.5	10 546.2	10.3%	99.1%	
<i>Sales by market establishments</i>	5 252.8	6 895.9	7 650.7	7 858.2	14.4%	91.0%	8 483.8	9 565.5	10 546.2	10.3%	99.1%	
<i>Water sales</i>	4 876.5	5 819.3	6 333.4	6 488.4	10.0%	77.3%	7 234.8	8 157.1	8 966.5	11.4%	84.4%	
<i>Wastewater</i>	304.8	680.9	866.5	1 013.4	49.3%	9.4%	1 110.2	1 239.7	1 355.3	10.2%	12.8%	
<i>Other activities</i>	71.6	395.7	450.8	356.4	70.8%	4.2%	138.7	168.8	224.3	-14.3%	1.8%	
Other non-tax revenue	747.5	701.6	1 069.2	230.7	-32.4%	9.0%	88.6	83.6	77.0	-30.6%	0.9%	
Total revenue	6 000.3	7 597.6	8 719.9	8 088.9	10.5%	100.0%	8 572.4	9 649.1	10 623.2	9.5%	100.0%	
Expenses												
Current expenses	4 838.5	6 129.4	7 340.1	7 424.3	15.3%	100.0%	7 487.9	8 158.7	9 047.9	6.8%	100.0%	
Compensation of employees	1 112.2	1 336.5	1 646.3	1 496.1	10.4%	21.7%	1 416.8	1 492.4	1 574.0	1.7%	18.2%	
Goods and services	3 223.0	4 147.5	4 937.4	5 062.7	16.2%	67.5%	5 184.4	5 695.2	6 427.3	8.3%	70.1%	
Depreciation	502.9	642.7	754.4	830.5	18.2%	10.6%	811.6	865.6	925.6	3.7%	10.5%	
Interest, dividends and rent on land	0.5	2.6	1.9	35.0	307.3%	0.2%	75.1	105.6	121.0	51.2%	1.2%	
Total expenses	4 838.5	6 129.4	7 340.1	7 424.3	15.3%	100.0%	7 487.9	8 158.7	9 047.9	6.8%	100.0%	
Surplus/(Deficit)	1 161.8	1 468.2	1 379.9	664.6	-17.0%		1 084.5	1 490.4	1 575.2	33.3%		

Table 41.34 uMngeni-uThukela Water statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26				2026/27	2027/28	2028/29		
	2025/26 - 2022/23	2025/26 - 2023/24	2025/26 - 2024/25	2025/26 - 2025/26				2026/27 - 2027/28	2026/27 - 2028/29	2026/27 - 2028/29		
R million												
Cash flow from operating activities	1 877.0	2 342.4	2 672.6	1 552.0	-6.1%	100.0%	2 089.7	2 613.3	3 033.8	25.0%	100.0%	
Receipts												
Non-tax receipts	5 807.4	7 684.1	8 335.0	8 081.0	11.6%	98.7%	8 564.4	9 641.2	10 615.2	9.5%	99.9%	
Sales of goods and services other than capital assets	5 252.8	6 895.9	7 650.7	7 858.2	14.4%	91.3%	8 483.8	9 565.5	10 546.2	10.3%	99.1%	
<i>of which:</i>												
<i>Sales by market establishment</i>	5 252.8	6 895.9	7 650.7	7 858.2	14.4%	91.3%	8 483.8	9 565.5	10 546.2	10.3%	99.1%	
<i>Water sales</i>	4 876.5	5 819.3	6 333.4	6 488.4	10.0%	77.6%	7 234.8	8 157.1	8 966.5	11.4%	84.4%	
<i>Wastewater</i>	304.8	680.9	866.5	1 013.4	49.3%	9.5%	1 110.2	1 239.7	1 355.3	10.2%	12.8%	
<i>Other activities</i>	71.6	395.7	450.8	356.4	70.8%	4.2%	138.7	168.8	224.3	-14.3%	1.8%	
Other tax receipts	554.6	788.1	684.3	222.8	-26.2%	7.4%	80.6	75.7	69.0	-32.3%	0.8%	
Financial transactions in assets and liabilities	192.9	15.4	165.9	7.9	-65.6%	1.3%	8.0	8.0	8.0	0.4%	0.1%	
Total receipts	6 000.3	7 699.5	8 501.0	8 088.9	10.5%	100.0%	8 572.4	9 649.1	10 623.2	9.5%	100.0%	
Payment												
Current payments	4 123.4	5 357.0	5 828.4	6 536.9	16.6%	100.0%	6 482.6	7 035.9	7 589.4	5.1%	100.0%	
Compensation of employees	1 105.0	1 336.5	1 646.3	1 496.1	10.6%	25.6%	1 416.8	1 492.4	1 574.0	1.7%	21.2%	
Goods and services	3 017.8	4 017.9	4 180.1	5 005.8	18.4%	74.3%	4 990.8	5 437.8	5 894.4	5.6%	77.3%	
Interest and rent on land	0.5	2.6	1.9	35.0	307.3%	0.2%	75.1	105.6	121.0	51.2%	1.4%	
Total payments	4 123.4	5 357.0	5 828.4	6 536.9	16.6%	100.0%	6 482.6	7 035.9	7 589.4	5.1%	100.0%	
Net cash flow from investing activities	(3 129.2)	(2 043.9)	(2 029.5)	(976.5)	-32.2%	100.0%	(3 986.9)	(3 148.8)	(2 890.1)	43.6%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(1 805.9)	(2 608.4)	(3 006.2)	(4 650.4)	37.1%	147.6%	(4 499.2)	(3 763.4)	(3 581.9)	-8.3%	118.1%	
Acquisition of software and other intangible assets	(9.0)	(231.1)	(129.0)	-	-100.0%	4.5%	(2.4)	-	-	-	-	
Proceeds from the sale of property, plant, equipment and intangible assets	1.3	0.2	0.2	-	-100.0%	-	-	-	-	-	-	
Other flows from investing activities	(1 315.5)	795.4	1 105.5	3 673.9	-240.8%	-52.1%	514.7	614.6	691.8	-42.7%	-18.2%	
Net cash flow from financing activities	717.7	69.0	257.9	(587.0)	-193.5%	100.0%	1 896.0	542.7	(141.4)	-37.8%	100.0%	
Deferred income	642.3	233.9	405.6	0.0	-98.8%	280.1%	407.5	407.5	407.5	7 314.1%	53.2%	
Borrowing activities	(24.8)	(35.4)	(35.2)	(222.1)	107.6%	-69.4%	2 185.6	1 106.8	561.1	-236.2%	167.7%	
Repayment of finance leases	(1.2)	(5.7)	6.8	(0.9)	-9.0%	-0.2%	(1.2)	(1.0)	(0.7)	-6.6%	-0.1%	
Other flows from financing activities	101.4	(123.8)	(119.3)	(364.0)	-253.1%	-110.5%	(695.9)	(970.6)	(1 109.3)	45.0%	-120.8%	
Net increase/(decrease) in cash and cash equivalents	(534.5)	367.5	901.1	(11.5)	-72.2%	100.0%	(1.2)	7.3	2.3	-158.3%	100.0%	
Statement of financial position												
Carrying value of assets	9 619.3	12 686.1	15 016.9	18 851.3	25.1%	64.4%	22 146.7	24 635.9	26 747.7	12.4%	85.1%	
<i>of which:</i>												
<i>Acquisition of assets</i>	<i>(1 805.9)</i>	<i>(2 608.4)</i>	<i>(3 006.2)</i>	<i>(4 650.4)</i>	<i>37.1%</i>	<i>100.0%</i>	<i>(4 499.2)</i>	<i>(3 763.4)</i>	<i>(3 581.9)</i>	<i>-8.3%</i>	<i>100.0%</i>	
Investments	6 493.3	6 973.6	6 457.0	2 442.6	-27.8%	25.6%	2 364.3	2 292.4	2 162.6	-4.0%	7.9%	
Inventory	33.0	68.3	80.0	67.6	26.9%	0.3%	67.1	66.7	66.3	-0.6%	0.2%	
Receivables and prepayments	1 189.1	1 398.1	1 758.5	1 563.9	9.6%	6.8%	1 677.8	1 902.0	2 067.9	9.8%	6.5%	
Cash and cash equivalents	290.4	657.9	1 559.0	60.5	-40.7%	2.9%	59.4	66.6	68.9	4.4%	0.2%	
Non-current assets held for sale	2.9	2.8	11.9	2.8	-1.3%	-	2.8	2.8	2.8	-	-	
Total assets	17 628.0	21 786.8	24 883.2	22 988.7	9.3%	100.1%	26 318.2	28 966.5	31 116.2	10.6%	100.0%	
Accumulated surplus/(deficit)	14 441.1	17 602.3	19 018.4	18 958.6	9.5%	80.3%	20 024.0	21 493.5	23 047.4	6.7%	74.7%	
Capital reserve fund	58.2	68.7	998.4	66.9	4.8%	1.4%	193.3	260.5	295.4	64.0%	0.9%	
Borrowings	1 177.9	1 039.0	74.0	874.4	-9.5%	3.6%	2 985.9	4 067.6	4 598.3	73.9%	13.5%	
Finance lease	-	5.5	9.6	5.6	-	-	4.3	3.0	1.5	-35.3%	-	
Deferred income	12.3	15.6	11.6	15.6	8.2%	0.1%	15.6	15.6	15.6	-	0.1%	
Trade and other payables	945.8	1 658.5	3 276.5	1 609.6	19.4%	8.6%	1 591.7	1 575.4	1 557.9	-1.1%	5.5%	
Provisions	477.3	668.7	682.2	796.1	18.6%	3.0%	841.6	889.0	938.6	5.6%	3.1%	
Derivatives financial instruments	515.4	704.8	789.1	661.8	8.7%	3.1%	661.8	661.9	661.3	-	2.3%	
Total equity and liabilities	17 628.0	21 763.2	24 859.8	22 988.7	9.3%	100.0%	26 318.2	28 966.5	31 116.2	10.6%	100.0%	

Personnel information

Table 41.35 uMngeni-uThukela Water personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026	Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: salary level/ Total (%)		
	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2024/25			2025/26			2026/27		2027/28		2028/29						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number			Cost	Unit cost
uMngeni-uThukela Water	1 824	1 824	1 809	1 646.3	0.9	1 824	1 496.1	0.8	1 824	1 416.8	0.8	1 824	1 492.4	0.8	1 824	574.0	0.9		
Salary level																			
1 – 6	446	446	444	143.7	0.3	446	138.5	0.3	446	131.2	0.3	446	138.2	0.3	446	145.8	0.3	–	24.5%
7 – 10	1 065	1 065	1 045	855.2	0.8	1 065	804.6	0.8	1 065	761.9	0.7	1 065	802.6	0.8	1 065	846.5	0.8	–	58.4%
11 – 12	271	271	271	466.1	1.7	271	432.5	1.6	271	409.6	1.5	271	431.5	1.6	271	455.1	1.7	–	14.9%
13 – 16	40	40	47	170.6	3.6	40	98.2	2.5	40	93.0	2.3	40	98.0	2.4	40	103.3	2.6	–	2.2%
17 – 22	2	2	2	10.7	5.3	2	22.3	11.1	2	21.1	10.5	2	22.2	11.1	2	23.4	11.7	–	0.1%

Water Research Commission

Selected performance indicators

Table 41.36 Water Research Commission performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets			
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	
Number of emerging researchers supported for capacity building per year	Research and development	Skills for the economy	432	262	294	250	260	270	270	
Percentage of initiated water quality and health research projects per year	Research and development		– ¹	– ¹	– ¹	25%	25%	25%	25%	
Percentage of initiated water use research projects per year	Research and development	Improved service delivery in local government sphere	– ¹	– ¹	– ¹	40%	40%	40%	40%	
Percentage of initiated water availability research projects per year	Research and development		– ¹	– ¹	– ¹	30%	30%	30%	30%	

1. No historical data available.

Entity overview

The Water Research Commission's legislative mandate is set out in the Water Research Act (1971). Its primary functions include promoting coordination, cooperation and communication in water research and development; establishing water research needs and priorities; enhancing knowledge and building capacity within the water sector; and stimulating and funding priority-based water research.

Over the medium term, the commission will continue to focus on 5 strategic areas: water quality and health, water use, water availability, water advisory support, and knowledge generation. In line with this, the commission's projects over the period ahead will be measured against the percentage of research projects it initiates (25 per cent of projects per year related to water quality and health, 40 per cent per year on water use and 30 per cent per year on water availability, with the remaining 5 per cent allowing for variability in project outcomes). It also plans to support 800 emerging researchers over the MTEF period towards achieving their undergraduate, postgraduate and postdoctoral degrees through a bursary fund. Funding for these activities is through the research and development programme, in which spending is expected to decrease at an average annual rate of 2.2 per cent, from R222.9 million in 2025/26 to R208.6 million in 2028/29. Total expenditure is also expected to decrease, at an average annual rate of 1.2 per cent, from R506 million in 2025/26 to R488.3 million in 2028/29. Both decreases are due to fluctuations in leveraged income and associated research expenditure on projects funded by partners.

The commission is set to generate 78.6 per cent (R1.1 billion) of its revenue over the period ahead through water research levies and the remainder through leveraged income, miscellaneous income (royalties, the recovery of

studies and insurance settlement claims) and interest on investments. Revenue is expected to decrease in line with spending.

Programmes/Objectives/Activities

Table 41.37 Water Research Commission expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28		
Administration	136.5	136.6	154.1	238.9	20.5%	41.9%	263.0	237.9	237.9	-0.1%	50.7%	
Research and development	123.0	204.1	226.3	222.9	21.9%	48.8%	188.3	194.2	208.6	-2.2%	40.6%	
Innovation and impact	71.4	10.5	20.6	44.3	-14.7%	9.2%	44.7	39.9	41.8	-1.9%	8.7%	
Total	331.0	351.2	401.0	506.0	15.2%	100.0%	496.1	472.0	488.3	-1.2%	100.0%	

Statements of financial performance, cash flow and financial position

Table 41.38 Water Research Commission statements of financial performance, cash flow and financial position

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2022/23	2023/24	2024/25	2025/26				2022/23 - 2025/26	2026/27	2027/28		
Revenue												
Non-tax revenue	408.7	451.6	480.7	506.0	7.4%	100.0%	496.1	472.0	488.3	-1.2%	100.0%	
Sale of goods and services other than capital assets	394.3	421.4	448.1	433.4	3.2%	91.9%	415.0	433.4	450.4	1.3%	89.2%	
<i>of which:</i>												
<i>Sales by market establishments</i>	394.3	421.4	448.1	433.4	3.2%	91.9%	415.0	433.4	450.4	1.3%	89.2%	
<i>Water research levies</i>	305.7	323.4	328.0	335.9	3.2%	70.0%	362.7	382.8	399.7	6.0%	78.6%	
<i>Leverage income</i>	87.5	97.5	119.4	94.2	2.5%	21.6%	50.0	50.0	50.0	-19.0%	10.3%	
<i>Miscellaneous income</i>	1.1	0.5	0.7	3.3	43.5%	0.3%	2.2	0.7	0.7	-40.2%	0.2%	
Other non-tax revenue	14.3	30.2	32.6	72.6	71.8%	8.1%	81.1	38.6	37.9	-19.5%	10.8%	
Total revenue	408.7	451.6	480.7	506.0	7.4%	100.0%	496.1	472.0	488.3	-1.2%	100.0%	
Expenses												
Current expenses	331.0	351.2	401.0	506.0	15.2%	100.0%	496.1	472.0	488.3	-1.2%	100.0%	
Compensation of employees	97.3	99.9	111.3	139.2	12.7%	28.2%	157.7	165.1	172.7	7.5%	34.0%	
Goods and services	229.9	250.8	280.4	366.9	16.9%	71.0%	338.3	307.0	315.6	-4.9%	66.0%	
Depreciation	3.4	-	8.6	-	-100.0%	0.8%	-	-	-	-	-	
Interest, dividends and rent on land	0.4	0.5	0.7	-	-100.0%	0.1%	-	-	-	-	-	
Total expenses	331.0	351.2	401.0	506.0	15.2%	100.0%	496.1	472.0	488.3	-1.2%	100.0%	
Surplus/(Deficit)	77.7	100.4	79.7	-	-100.0%		-	-	-	-		
Cash flow statement												
Cash flow from operating activities	84.4	94.0	75.6	0.3	-85.5%	100.0%	(3.2)	0.3	0.3	7.1%	100.0%	
Receipts												
Non-tax receipts	443.0	441.8	463.5	462.7	1.5%	100.0%	442.4	459.5	475.4	0.9%	100.0%	
Sales of goods and services other than capital assets	427.7	411.2	428.5	431.3	0.3%	93.8%	412.7	431.0	447.8	1.3%	93.8%	
<i>of which:</i>												
<i>Sales by market establishment</i>	427.7	411.2	428.5	431.3	0.3%	93.8%	412.7	431.0	447.8	1.3%	93.8%	
<i>Water research levies</i>	361.9	410.6	329.6	333.7	-2.7%	79.3%	360.5	380.3	397.1	6.0%	82.6%	
<i>Leverage income</i>	64.6	-	98.3	94.2	13.4%	14.2%	50.0	50.0	50.0	-19.0%	10.9%	
<i>Miscellaneous income</i>	1.1	0.5	0.5	3.3	43.5%	0.3%	2.2	0.7	0.7	-40.2%	0.3%	
Other tax receipts	15.3	30.6	35.0	31.4	27.0%	6.2%	29.7	28.5	27.6	-4.2%	6.2%	
Total receipts	443.0	441.8	463.5	462.7	1.5%	100.0%	442.4	459.5	475.4	0.9%	100.0%	
Payment												
Current payments	358.6	347.8	387.9	462.4	8.8%	100.0%	445.7	459.2	475.1	0.9%	100.0%	
Compensation of employees	100.8	99.9	110.2	138.8	11.2%	28.9%	157.2	164.5	172.1	7.4%	35.8%	
Goods and services	257.7	247.9	277.4	323.6	7.9%	71.1%	288.5	294.7	303.0	-2.2%	64.2%	
Interest and rent on land	-	-	0.3	-	-	-	-	-	-	-	-	
Total payments	358.6	347.8	387.9	462.4	8.8%	100.0%	445.7	459.2	475.1	0.9%	100.0%	

Table 41.38 Water Research Commission statements of financial performance, cash flow and financial position (continued)

Cash flow statement			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
Audited outcome						2026/27	2027/28	2028/29			
R million	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29	
Net cash flow from investing activities	(1.3)	(2.4)	(4.5)	(33.5)	192.5%	100.0%	(48.7)	(21.4)	(10.7)	-31.6%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1.2)	(2.4)	(1.9)	(16.0)	137.8%	51.7%	(11.6)	(8.4)	(6.0)	-27.8%	32.2%
Acquisition of software and other intangible assets	(0.1)	–	(2.5)	(17.5)	391.7%	48.3%	(37.1)	(13.0)	(4.7)	-35.6%	67.8%
Other flows from investing activities	–	–	0.0	–	–	–	–	–	–	–	–
Net cash flow from financing activities	17.3	4.5	(0.5)	–	-100.0%	100.0%	–	–	–	–	–
Borrowing activities	(0.9)	–	–	–	-100.0%	-4.1%	–	–	–	–	–
Repayment of finance leases	(0.1)	–	–	–	-100.0%	-0.3%	–	–	–	–	–
Other flows from financing activities	18.2	4.5	(0.5)	–	-100.0%	104.4%	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	100.4	96.0	70.6	(33.2)	-169.2%	100.0%	(51.9)	(21.1)	(10.4)	-32.2%	100.0%
Statement of financial position											
Carrying value of assets	8.0	18.6	14.8	39.7	70.7%	3.5%	79.8	92.7	94.8	33.7%	14.3%
<i>of which:</i>											
Acquisition of assets	(1.2)	(2.4)	(1.9)	(16.0)	137.8%	100.0%	(11.6)	(8.4)	(6.0)	-27.8%	100.0%
Investments	1.3	1.4	1.5	1.6	6.6%	0.2%	1.7	1.7	1.8	4.3%	0.3%
Receivables and prepayments	60.4	58.8	52.2	54.4	-3.4%	9.6%	56.7	59.1	61.8	4.3%	9.5%
Cash and cash equivalents	410.8	506.5	574.8	541.6	9.6%	86.7%	489.6	468.5	458.2	-5.4%	75.9%
Total assets	480.5	585.3	643.3	637.2	9.9%	100.0%	627.8	622.1	616.6	-1.1%	100.0%
Accumulated surplus/(deficit)	286.0	400.1	479.7	471.2	18.1%	69.8%	462.6	454.1	445.6	-1.8%	73.0%
Borrowings	0.3	–	–	0.2	-12.0%	–	0.2	0.2	0.2	–	–
Trade and other payables	151.9	170.6	160.0	149.3	-0.6%	26.9%	151.5	153.9	156.5	1.6%	24.7%
Provisions	34.5	8.6	3.6	13.0	-27.8%	2.5%	13.4	13.8	14.3	3.2%	2.2%
Derivatives financial instruments	7.8	6.1	–	3.5	-23.4%	0.7%	–	–	–	-100.0%	–
Total equity and liabilities	480.5	585.3	643.3	637.2	9.9%	100.0%	627.8	622.1	616.6	-1.1%	100.0%

Personnel information

Table 41.39 Water Research Commission personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026		Number and cost ¹ of personnel posts filled/planned for on funded establishment											Average growth rate of personnel posts (%)	Average: salary level/ Total (%)					
Number of approved funded posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2024/25		2025/26		2026/27		2027/28		2028/29		2025/26 - 2028/29	2026/27 - 2028/29						
Water Research Commission		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	122	122	110	111.3	1.0	122	139.2	1.1	140	157.7	1.1	137	165.1	1.2	136	172.7	1.3	3.7%	100.0%
1 – 6	23	23	36	9.5	0.3	23	7.3	0.3	34	10.2	0.3	31	10.1	0.3	32	9.6	0.3	11.6%	23.5%
7 – 10	37	37	20	11.6	0.6	37	20.2	0.5	44	31.5	0.7	44	33.2	0.8	44	35.1	0.8	5.9%	32.0%
11 – 12	17	17	14	14.5	1.0	17	17.4	1.0	17	18.9	1.1	17	19.8	1.2	15	20.8	1.4	-4.1%	11.9%
13 – 16	36	36	31	47.4	1.5	36	62.7	1.7	36	65.7	1.8	36	69.0	1.9	36	72.6	2.0	–	26.2%
17 – 22	9	9	9	28.2	3.1	9	31.6	3.5	9	31.4	3.5	9	32.9	3.7	9	34.5	3.8	–	6.5%

1. Rand million.

Water Trading Entity

Selected performance indicators

Table 41.40 Water Trading Entity performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Number of raw water projects completed per year	Operations, maintenance and refurbishment of national water resources schemes	Increased infrastructure investment, access and efficiency	1	- ¹	- ¹	1	1	- ¹	- ¹
Number of dam safety rehabilitation projects completed per year	Implementation of dam safety projects		- ¹	- ¹	- ¹	1	0	1	1
Percentage of applications for water use authorisation finalised within 90 working days of receipt per year	Implementation of water resources management activities		62.3% (562/ 902)	60.4% (811/ 1 342)	68% (1 243/ 1 819)	80%	85%	90%	95%
Percentage of planned maintenance projects completed per year as per the approved asset management plan	Operations, maintenance and refurbishment of national water resources schemes		45.2% (473/ 1 046)	38.7% (474/ 1 224)	44% (1 098/ 2 503)	70%	70%	70%	70%
Percentage of unscheduled maintenance projects completed per year as a proportion of planned maintenance projects	Operations, maintenance and refurbishment of national water resources schemes		34.8% (364/ 1 046)	10.3% (126/ 1 224)	0	- ²	- ²	- ²	- ²

1. As these are infrastructure projects that take more than 1 year to complete, the department does not commence projects every year.

2. Indicator discontinued.

Entity overview

The Water Trading Entity was established in 1983 to manage water infrastructure and resources and the sale of raw water. It was converted into a trading entity in 2008 in terms of the Public Finance Management Act (1999). Over the MTEF period, the entity will continue to focus on maintaining existing water resource infrastructure, supporting the long-term sustainability of water resources and supplying bulk water to strategic users such as large industrial companies to stimulate and support economic development.

To leverage the entity's assets to finance water resource infrastructure more equitably and efficiently, it is expected to have finalised its merger with the Trans-Caledon Tunnel Authority to form the National Water Resources Infrastructure Agency over the medium term. This will enable the funding of national water resource infrastructure projects from financial markets, including banks, pension funds and development finance institutions to ensure less reliance on the fiscus. The financing and investment in raw water infrastructure programme makes transfers to the authority for the repayment of loans, interest and management fees. Allocations to the programme are set to increase at an average annual rate of 4.3 per cent, from R10.5 billion in 2025/26 to R11.9 billion in 2028/29, to continue to fund the social component of projects and operations over the period. Despite the merger, the agency will remain reliant on government support through fiscal grants over the next 3 years.

The entity plans to complete 70 per cent of planned water infrastructure maintenance projects – including all projects under civil, electrical and mechanical works – per year over the period ahead at a projected cost of R8.7 billion. These costs increase at an average annual rate of 4.3 per cent, from R2.7 billion in 2025/26 to R3 billion in 2028/29.

The entity plans to measure the operational functionality of national water resource infrastructure in relation to bulk water supply agreements for strategic users such as Eskom and Sasol. Spending for this is within the bulk water supply to strategic users' programme, in which allocations are set to increase at an average annual rate of 4.3 per cent, from R3.4 billion in 2025/26 to R3.9 billion in 2028/29.

Allocations through the budget facility for infrastructure amounting to R6.3 billion over the MTEF period will enable the implementation of strategic infrastructure projects. These include the raising of the Clanwilliam Dam wall; the uMkhomazi bulk water supply scheme; and phases 2D and 2F of the Olifants management model programme for water infrastructure for bulk distribution, including pipelines, reservoirs and reticulation.

Total expenditure is expected to amount to R59 billion over the medium term, increasing at an average annual rate of 4.3 per cent, from R18.1 billion in 2025/26 to R20.5 billion in 2028/29. The entity expects to generate 70.3 per cent (R63 billion) of its revenue over the period ahead from the sale of raw water and derive 29 per cent (R25.9 billion) through transfers from the department. Revenue is also expected to increase at an average annual rate of 4.3 per cent, from R27.4 billion in 2025/26 to R31.2 billion in 2028/29.

Programmes/Objectives/Activities

Table 41.41 Water Trading Entity 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 (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Administration	779.6	795.7	3 167.9	1 366.8	20.6%	11.6%	1 423.4	1 485.5	1 552.2	4.3%	7.6%
Implementation of water resources management activities	769.3	785.2	–	–	-100.0%	2.9%	–	–	–	–	–
Operations, maintenance and refurbishment of national water resources schemes	1 509.1	1 740.6	2 020.3	2 654.0	20.7%	15.0%	2 763.8	2 884.3	3 013.8	4.3%	14.7%
Financing and investment in raw water infrastructure	3 409.7	6 169.0	6 356.4	10 474.4	45.4%	50.0%	10 908.0	11 383.6	11 894.7	4.3%	57.9%
Bulk water supply to strategic users	1 812.2	2 136.0	2 713.7	3 420.6	23.6%	19.1%	3 562.2	3 717.5	3 884.4	4.3%	18.9%
Implementation of dam safety projects	104.9	107.2	387.9	162.3	15.7%	1.4%	169.1	176.4	184.4	4.3%	0.9%
Total	8 384.7	11 733.7	14 646.3	18 078.1	29.2%	100.0%	18 826.5	19 647.3	20 529.5	4.3%	100.0%

Statements of financial performance, cash flow and financial position

Table 41.42 Water Trading Entity statements of financial performance, cash flow and financial position

Statement of financial performance											
	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Revenue											
Non-tax revenue	14 599.0	16 404.4	16 790.1	19 499.0	10.1%	79.3%	20 306.3	21 191.6	22 143.1	4.3%	71.0%
Sale of goods and services other than capital assets	12 979.6	14 612.9	15 361.1	19 290.8	14.1%	73.4%	20 089.4	20 965.3	21 906.7	4.3%	70.3%
<i>of which:</i>											
<i>Sales by market establishments</i>	12 979.6	14 612.9	15 361.1	19 290.8	14.1%	73.4%	20 089.4	20 965.3	21 906.7	4.3%	70.3%
<i>Sales of water</i>	12 649.2	14 314.7	15 033.7	18 600.0	13.7%	71.4%	19 370.1	20 214.6	21 122.2	4.3%	67.8%
<i>Construction revenue</i>	328.5	296.2	325.2	422.5	8.8%	1.6%	440.0	459.2	479.8	4.3%	1.5%
<i>Lease revenue earned</i>	0.9	1.0	1.0	268.2	556.5%	0.3%	279.3	291.5	304.6	4.3%	1.0%
<i>Commission earned</i>	1.0	1.0	1.1	–	-100.0%	–	–	–	–	–	–
<i>Other non-tax revenue</i>	1 619.4	1 791.4	1 429.1	208.2	-49.5%	6.0%	216.8	226.3	236.5	4.3%	0.8%
Transfers received	2 268.5	2 845.8	4 471.0	7 946.6	51.9%	20.7%	8 275.6	8 636.4	9 024.2	4.3%	29.0%
Total revenue	16 867.5	19 250.2	21 261.2	27 445.6	17.6%	100.0%	28 581.8	29 828.0	31 167.3	4.3%	100.0%
Expenses											
Current expenses	8 384.7	11 733.7	14 646.3	18 078.1	29.2%	100.0%	18 826.5	19 647.3	20 529.5	4.3%	100.0%
Compensation of employees	860.6	1 609.0	1 511.5	1 773.9	27.3%	10.9%	1 847.4	1 927.9	2 014.5	4.3%	9.8%
Goods and services	2 795.8	3 793.9	10 049.4	5 489.0	25.2%	41.9%	5 716.3	5 965.5	6 233.3	4.3%	30.4%
Depreciation	1 614.8	1 572.8	2 029.8	3 315.4	27.1%	16.1%	3 452.6	3 603.2	3 764.9	4.3%	18.3%
Interest, dividends and rent on land	3 113.5	4 758.1	1 055.5	7 499.8	34.0%	31.1%	7 810.3	8 150.8	8 516.8	4.3%	41.5%
Total expenses	8 384.7	11 733.7	14 646.3	18 078.1	29.2%	100.0%	18 826.5	19 647.3	20 529.5	4.3%	100.0%
Surplus/(Deficit)	8 482.7	7 516.4	6 614.9	9 367.5	3.4%		9 755.3	10 180.7	10 637.8	4.3%	

Table 41.42 Water Trading Entity statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26				2026/27	2027/28	2028/29		
R million												
Cash flow from operating activities	3 279.3	6 390.7	8 148.8	12 160.9		54.8%	100.0%	10 455.6	9 517.4	15 932.4	9.4%	100.0%
Receipts												
Non-tax receipts	13 845.4	14 567.9	13 373.2	14 935.1		2.6%	78.7%	15 553.4	16 231.5	16 960.3	4.3%	81.1%
Sales of goods and services other than capital assets	13 845.4	14 567.9	13 373.2	14 935.1		2.6%	78.7%	15 553.4	16 231.5	16 960.3	4.3%	81.1%
<i>of which:</i>												
<i>Sales by market establishment</i>	<i>13 667.2</i>	<i>14 311.7</i>	<i>13 081.1</i>	<i>14 754.2</i>		<i>2.6%</i>	<i>77.5%</i>	<i>15 365.1</i>	<i>16 035.0</i>	<i>16 754.9</i>	<i>4.3%</i>	<i>80.1%</i>
<i>Sales of water</i>	<i>10 839.6</i>	<i>13 677.0</i>	<i>11 951.3</i>	<i>14 754.2</i>		<i>10.8%</i>	<i>71.1%</i>	<i>15 365.1</i>	<i>16 035.0</i>	<i>16 754.9</i>	<i>4.3%</i>	<i>80.1%</i>
<i>Construction revenue</i>	<i>2 825.7</i>	<i>632.7</i>	<i>1 127.4</i>	<i>422.5</i>		<i>-46.9%</i>	<i>7.0%</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-100.0%</i>	<i>-</i>
<i>Lease revenue earned</i>	<i>1.9</i>	<i>2.0</i>	<i>2.4</i>	<i>268.2</i>		<i>418.2%</i>	<i>0.4%</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-100.0%</i>	<i>-</i>
<i>Other sales</i>	<i>178.1</i>	<i>256.3</i>	<i>292.1</i>	<i>180.8</i>		<i>0.5%</i>	<i>1.3%</i>	<i>188.3</i>	<i>196.5</i>	<i>205.3</i>	<i>4.3%</i>	<i>1.0%</i>
Transfers received	2 268.5	3 272.7	5 141.7	4 650.6		27.0%	21.3%	2 634.3	1 355.2	7 403.6	16.8%	18.9%
Total receipts	16 113.9	17 840.6	18 514.8	19 585.6		6.7%	100.0%	18 187.7	17 586.7	24 363.9	7.5%	100.0%
Payment												
Current payments	12 834.6	11 449.9	10 366.1	7 424.8		-16.7%	100.0%	7 732.1	8 069.3	8 431.6	4.3%	100.0%
Compensation of employees	1 720.0	1 792.5	1 341.5	1 839.1		2.3%	15.9%	1 915.3	1 998.8	2 088.5	4.3%	24.8%
Goods and services	9 914.1	8 345.9	7 704.6	2 906.4		-33.6%	68.6%	3 026.7	3 158.7	3 300.5	4.3%	39.1%
Interest and rent on land	1 200.4	1 311.4	1 320.0	2 679.2		30.7%	15.5%	2 790.1	2 911.8	3 042.5	4.3%	36.1%
Total payments	12 834.6	11 449.9	10 366.1	7 424.8		-16.7%	100.0%	7 732.1	8 069.3	8 431.6	4.3%	100.0%
Net cash flow from investing activities	(2 683.7)	(786.4)	(7 016.7)	(3 509.7)		9.4%	100.0%	(3 655.0)	(3 814.3)	(3 985.6)	4.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2 683.7)	(784.3)	(1 431.8)	(3 509.7)		9.4%	60.1%	(3 655.0)	(3 814.3)	(3 985.6)	4.3%	100.0%
Acquisition of software and other intangible assets	-	(2.1)	(5 584.9)	-		-	39.9%	-	-	-	-	-
Net cash flow from financing activities	(957.4)	(3 558.5)	(2 564.4)	(10 704.0)		123.6%	100.0%	(11 147.1)	(11 633.2)	(12 155.5)	4.3%	100.0%
Borrowing activities	(956.1)	(3 557.2)	(2 562.5)	(10 670.4)		123.5%	99.8%	(11 112.2)	(11 596.7)	(12 117.4)	4.3%	99.7%
Repayment of finance leases	(1.3)	(1.2)	(1.9)	(33.6)		192.5%	0.2%	(35.0)	(36.5)	(38.1)	4.3%	0.3%
Net increase/(decrease) in cash and cash equivalents	(361.9)	2 045.9	(1 432.3)	(2 052.8)		78.3%	100.0%	(4 346.5)	(5 930.0)	(208.7)	-53.3%	100.0%
Statement of financial position												
Carrying value of assets	95 656.1	98 536.3	105 785.4	105 404.3		3.3%	83.2%	110 252.9	116 206.6	121 424.2	4.8%	95.9%
<i>of which:</i>												
<i>Acquisition of assets</i>	<i>(2 683.7)</i>	<i>(784.3)</i>	<i>(1 431.8)</i>	<i>(3 509.7)</i>		<i>9.4%</i>	<i>100.0%</i>	<i>(3 655.0)</i>	<i>(3 814.3)</i>	<i>(3 985.6)</i>	<i>4.3%</i>	<i>100.0%</i>
Inventory	129.4	149.6	170.0	117.2		-3.2%	0.1%	122.6	129.2	135.0	4.8%	0.1%
Receivables and prepayments	18 506.5	22 772.1	28 297.1	3 647.3		-41.8%	15.0%	3 815.1	4 021.1	4 201.7	4.8%	3.3%
Cash and cash equivalents	1 780.1	3 399.1	1 966.9	764.6		-24.6%	1.6%	799.8	842.9	880.8	4.8%	0.7%
Total assets	116 072.1	124 857.1	136 219.4	109 933.5		-1.8%	100.0%	114 990.4	121 199.9	126 641.8	4.8%	100.0%
Accumulated surplus/(deficit)	100 455.4	107 264.6	112 597.0	69 917.3		-11.4%	80.1%	73 133.5	77 082.7	80 543.7	4.8%	63.6%
Capital and reserves	2 549.2	3 256.4	3 389.4	469.2		-43.1%	2.0%	490.8	517.3	540.5	4.8%	0.4%
Borrowings	10 761.8	11 783.2	16 649.8	37 224.3		51.2%	15.7%	38 936.6	41 039.2	42 881.9	4.8%	33.9%
Finance lease	3.0	2.9	4.4	8.1		38.6%	-	8.4	8.9	9.3	4.8%	-
Trade and other payables	1 536.2	1 755.6	2 649.2	1 893.1		7.2%	1.6%	1 980.2	2 087.2	2 180.9	4.8%	1.7%
Provisions	766.5	794.3	929.6	421.5		-18.1%	0.6%	440.9	464.7	485.5	4.8%	0.4%
Total equity and liabilities	116 072.1	124 857.1	136 219.4	109 933.5		-1.8%	100.0%	114 990.4	121 199.9	126 641.8	4.8%	100.0%

Personnel information

Table 41.43 Water Trading Entity personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026			Number and cost ¹ of personnel posts filled/planned for on funded establishment													Average growth rate of personnel posts (%)	Average salary level/Total (%)		
Number of funded posts	Number of posts on approved establishment	2024/25	Actual			Revised estimate			Medium-term expenditure estimate						2025/26 - 2028/29			2026/27 - 2028/29	
									2024/25		2025/26		2026/27			2027/28			2028/29
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost
Water Trading Entity	3 545	3 545	3 545	1 511.6	0.4	3 545	1 773.9	0.5	3 545	1 847.4	0.5	3 545	1 927.9	0.5	3 545	2 014.5	0.6	-	100.0%
1 – 6	1 574	1 574	1 574	353.0	0.2	1 574	414.3	0.3	1 574	431.5	0.3	1 574	450.3	0.3	1 574	470.5	0.3	-	44.4%
7 – 10	1 721	1 721	1 721	808.9	0.5	1 721	949.4	0.6	1 721	988.7	0.6	1 721	1 031.8	0.6	1 721	1 078.1	0.6	-	48.5%
11 – 12	99	99	99	99.0	1.0	99	116.2	1.2	99	121.0	1.2	99	126.3	1.3	99	132.0	1.3	-	2.8%
13 – 16	140	140	140	218.3	1.6	140	256.2	1.8	140	266.8	1.9	140	278.5	2.0	140	291.0	2.1	-	3.9%
17 – 22	11	11	11	32.2	2.9	11	37.8	3.4	11	39.4	3.6	11	41.1	3.7	11	42.9	3.9	-	0.3%

Other entities

The following entities will receive transfers from the department from 1 April 2026 after taking over water resource management functions that were previously carried out by the Water Trading Entity.

- The **Limpopo-Olifants Catchment Management Agency** was established in terms of the National Water Act (1998). It is mandated to protect the use of water resources in the Limpopo-Olifants water management area. Its functions include resource allocation, protection, use, conservation, monitoring, planning, development and operations. As the entity does not yet generate any revenue, it is set to receive transfers from the department amounting to R217.1 million over the next 3 years to cover its operations and expenditure.
- The **Mzimvubu-Tsitsikamma Catchment Management Agency** was established in terms of the National Water Act (1998) with a mandate to protect the use of water resources in the Mzimvubu-Tsitsikamma water management area. Its functions include resource allocation, protection, use, conservation, monitoring, planning, development and operations. As the agency does not yet generate any revenue, it is set to receive transfers from the department amounting to R101.4 million over the MTEF period to cover its operations and expenditure.
- The **Pongola-uMzimkulu Catchment Management Agency** was established in terms of the National Water Act (1998) with a mandate to protect the use of water resources in the Pongola-uMzimkulu water management area. Its functions include resource allocation, protection, use, conservation, monitoring, planning, development and operations. As the agency does not yet generate any revenue, it is set to receive transfers from the department amounting to R101.4 million over the medium term to cover its operations and expenditure.
- The **Vaal-Orange Catchment Management Agency** was established in terms of the National Water Act (1998) with a mandate to protect the use of water resources in the Vaal-Orange water management area. Its functions include resource allocation, protection, use, conservation, monitoring, planning, development and operations. As the entity does not yet generate any revenue, it is set to receive transfers from the department amounting to R246.6 million over the period ahead to cover its operations and expenditure.

