

Photos provided by GCIS.



BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

VOTE 36

WATER AND SANITATION



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

25 February 2015



ISBN: 978-0-621-43285-5

RP: 08/2015

The 2015 Estimates of National Expenditure e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

Foreword

Some of the tough economic conditions occasioned by the 2008 to 2009 global financial crisis continue to plague most parts of the world: Economic growth remains sluggish, unemployment and inequality levels are elevated, while financial markets tend to reposition themselves substantially at the slightest sign of unsettling news. As an open economy, South Africa is highly susceptible to global economic developments, often disproportionately so. In the face of all of this, the 2015 Medium Term Expenditure Framework (MTEF) response provides for positive real growth in expenditure averaging 2.1 per cent per year. The annual budget reaches R1.6 trillion by 2017/18.

True to the commitment government made in the Medium Term Budget Policy Statement (MTBPS) in October 2014, the budget framework sets out departmental programmes and plans that fit within the broad expenditure envelope published last year. To keep our fiscal accounts firmly on a sustainable path, the MTBPS proposed a fiscal policy package that has trimmed overall spending by R25 billion, which is the combined amount for 2015/16 and 2016/17. Government spending does continue to surpass inflation after these adjustments in both years, but growth is marginally slower. In addition, for 2017/18, R45 billion is placed in an unallocated reserve to cushion our plans against unforeseeable eventualities. Further, to achieve our fiscal objectives, government has had to institute carefully selected tax measures too. These are implemented within the framework of a progressive tax system and have been informed by the work of the Davies Tax Committee. The tax proposals are set out in detail in chapter 4 of the Budget Review.

The process of realigning expenditure in response to the closing of the fiscal space is being actively managed, in the context of government's 2014-2019 medium term strategic framework. Some of our aspirations might take longer to realise. Within government's institutions, more urgent and essential existing programmes are being prioritised above other programmes that are reduced. The implementation of some newly proposed programmes will either be phased in over a longer period or, in some cases, possibly even delayed. Social sector spending and key infrastructure spending, as well as other key areas of spending, continue to grow in real terms.

In addition to the reprioritisation of government programmes, the policy frameworks and implementation methodology of programmes are being re-evaluated, with a focus on service delivery of programmes. In line with the 2013/14 National Treasury instruction on cost containment measures, financing programmes must entail a greater share of goods and services budgets being devoted towards core areas of service delivery. The focus of government programmes is being sharpened, both in terms of spatial distribution, and in terms of their nature and emphasis. Effectiveness and efficiency of expenditure is our guiding mantra.

The spending plans contained in the 2015 Budget do respond to our short term needs for economic growth. However, to achieve our ambition of faster growth, which we unquestionably need for pushing back the frontiers of unemployment, poverty and inequality, we must continue to strive towards shifting the composition of expenditure more towards investment, away from consumption. Institutional spending, as always, is being closely monitored, and the ongoing process of realignment continues. The details of the spending of national government departments and its entities are encompassed in the chapters of this publication.

All the expenditure and service delivery information contained in the chapters of this publication result from a wide ranging intergovernmental consultative process, leading to executive approval of reprioritised and realigned spending allocations. Many people have contributed to making this publication possible, particularly my colleagues in national departments and agencies. Their collaboration and understanding during the budget allocation and document drafting processes has been invaluable. Appreciation is also due to the dedicated team at National Treasury for the publication of this highly valuable resource.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of national Expenditure (ENE) publications provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

The 2015 ENE publications largely retain the scope of information presented in previous years' publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

A separate 2015 ENE Overview e-publication is also available, which contains a description at the main budget non-interest spending level, summarising the ENE publication information across votes. The 2015 ENE Overview contains this narrative explanation and summary tables; a description of the budgeting approach; and also has a write-up on how to interpret the information that is contained in each section of the publications.

Water and Sanitation

**National Treasury
Republic of South Africa**



Contents

Budget summary	1
Vote purpose.....	1
Mandate	1
Selected performance indicators	1
Expenditure analysis.....	2
Expenditure trends	3
Expenditure estimates	5
Personnel information	7
Departmental receipts	7
Programme 1: Administration	8
Programme 2: Water Planning and Information Management	11
Programme 3: Water Infrastructure Development.....	14
Programme 4: Water and Sanitation Services	17
Programme 5: Water Sector Regulation.....	19
Public entities and other agencies	22
Additional tables.....	46

Vote 36

Water and Sanitation

Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 526.2	1 449.6	20.0	56.5	1 686.2	1 744.0
Water Planning and Information Management	808.7	747.3	0.7	60.6	860.0	885.1
Water Infrastructure Development	12 435.8	360.8	6 009.1	6 065.9	13 063.3	14 731.7
Water and Sanitation Services	1 444.6	333.0	63.8	1 047.8	496.8	527.7
Water Sector Regulation	231.3	226.0	1.0	4.3	255.3	316.4
Total expenditure estimates	16 446.5	3 116.8	6 094.6	7 235.1	16 361.5	18 204.8

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

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

Vote purpose

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

Mandate

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

Selected performance indicators

Table 36.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of new strategic partnerships established with countries in Africa per year	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	4	2	0	2	4	4	2
Number of river systems with water quality management systems in place	Water Planning and Information Management	Outcome 10: Protect and enhance our environmental assets and natural resources	-1	-1	-1	-1	5	3	3
Percentage completion of the review of existing water monitoring networks per year	Water Planning and Information Management		-2	-2	10%	25%	60%	100%	-2
Number of new reconciliation strategies developed to ensure water security per year	Water Planning and Information Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2	4	1	3	1	1	1
Total number of gauging sites monitored per year	Water Planning and Information Management	Outcome 10: Protect and enhance our environmental assets and natural resources	1 549	1 515	1 458	500	-3	-3	-3
Number of new bulk infrastructure schemes completed per year	Water Infrastructure Development	Outcome 6: An efficient, competitive and responsive economic infrastructure network	62 ⁴	3	7	10	18	14	44
Percentage completion on construction of Groot Letaba water augmentation project water distribution network and water treatment works as stated in the original and approved project implementation plan	Water Infrastructure Development		-5	8%	25%	55%	100%	-5	-5

Table 36.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of additional people provided with access to water per year	Water Infrastructure Development	Outcome 9: Responsive, accountable, effective and efficient developmental local government	598 766	695 600	1 000 000	1 000 000	120 000 ⁶	90 000 ⁶	56 000 ⁶
Number of municipalities supported to implement water conservation and water demand management per year	Water Infrastructure Development		68	34	61	35	- ⁷	- ⁷	- ⁷
Number of accelerated community infrastructure projects implemented per year	Water Infrastructure Development		4	14	8	19	71	50	48
Percentage completed on construction of Inyaka water treatment works as stated in the original and approved project implementation plan	Water Infrastructure Development	Outcome 6: An efficient, competitive and responsive economic infrastructure network	98%	99%	100%	- ⁸	- ⁸	- ⁸	- ⁸
Percentage completion on construction of Nandoni water distribution network and water treatment works as stated in the original and approved project implementation plan	Water Infrastructure Development		58%	79%	97%	100%	- ⁹	- ⁹	- ⁹
Percentage completion on construction of Nandoni distribution replacement of glass reinforced plastic pipeline as stated in the original and approved project implementation plan	Water Infrastructure Development		27%	65%	95%	100%	- ⁹	- ⁹	- ⁹
Percentage completion on construction of Hluhluwe regional water scheme as stated in the original and approved project implementation plan	Water Infrastructure Development		92%	100%	- ¹⁰	- ¹⁰	- ¹⁰	- ¹⁰	- ¹⁰
Number of additional resource poor farmers supported with access to water per year	Water and Sanitation Services		4 174	1 787	1 589	744	692	253	886
Number of rainwater harvesting tanks installed for access to water and food production per year	Water and Sanitation Services	Outcome 7: Comprehensive rural development and land reform	8 068	4 068	2 204	2 400	1 660	1 730	1 685
Number of existing bucket sanitation systems in formal settlements replaced with adequate sanitation services per year	Water and Sanitation Services		- ¹¹	- ¹¹	- ¹¹	131 092	142 205	- ¹¹	- ¹¹
Number of households served through the rural household infrastructure grant to eradicate sanitation backlogs per year	Water and Sanitation Services	Outcome 8: Sustainable human settlements and improved quality of household life	27 686	37 852	11 858	12 596	13 148	13 844	13 078
Number of new catchment areas in which compulsory water use licensing processes have been completed per year	Water Sector Regulation		- ¹²	2	1	- ¹³	- ¹³	- ¹³	- ¹³
Percentage of water use authorisation applications finalised as per the water use authorisation guidelines per year	Water Sector Regulation	Outcome 10: Protect and enhance our environmental assets and natural resources	- ¹⁴	- ¹⁴	- ¹⁴	48%	80%	80%	80%
Total number of wastewater treatment collector systems assessed for compliance with effluent standards per year	Water Sector Regulation		831	963	967	1 028	963	963	963
Total number of water treatment supply systems assessed for compliance with drinking water quality standards per year	Water Sector Regulation	Outcome 10: Protect and enhance our environmental assets and natural resources	914	931	913	1 084	1 084	1 084	1 084

1. This is a new indicator measured from 2015/16.

2. This indicator was introduced in 2013/14 and replaces the indicator: Total number of gauging sites monitored. The review will be completed in 2016/17.

3. This indicator has been measured up to 2014/15 and is replaced by the indicator: Percentage completion of the review of existing water monitoring networks.

4. As from 2013/14, the indicator only includes completed schemes. The indicator previously measured all the schemes implemented per year. Hence the decrease in 2013/14.

5. This project began in 2012/13 and will be completed in 2015/16.

6. Over the medium term, this indicator is measured as: Households with access to water within the 27 priority district municipalities through the municipal water infrastructure grant infrastructure grant.

7. There are no targets over the medium term as this function has been integrated and reported under the indicator: Number of accelerated community infrastructure projects implemented.

8. This project was completed in 2013/14.

9. This project will be completed in 2014/15.

10. This project was completed in 2012/13.

11. This indicator was introduced in 2014/15 and the project is expected to be completed in 2015/16.

12. This indicator had not been introduced yet, thus no historical data is available.

13. This indicator was measured up to 2013/14. It has been streamlined to be part of water use authorisation as the end result will be to issue a licence for water use. It has therefore been replaced by the indicator: Percentage of water use authorisation applications finalised as per the water use authorisation guidelines.

14. This indicator was introduced in 2014/15.

Expenditure analysis

The vision outlined in the national development plan to ensure water security for economic growth and to increase households' access to water is operationalised in outcome 6 (an efficient, competitive and responsive

economic infrastructure network) and outcome 9 (responsive, accountable, effective and efficient local government system) of government's 2014-2019 medium term strategic framework.

The Department of Water and Sanitation's funded posts have increased because of the shift of the sanitation functions in October 2014 from the Department of Human Settlements. The department now has 4 992 funded posts, of which 4 233 are filled. 4 447 posts are expected to have been filled by 2017/18. Expenditure on compensation of employees is thus expected to increase to R1.7 billion in 2017/18.

Bulk water supply

The department has 229 funded bulk water supply and wastewater infrastructure projects in various stages of the project lifecycle. The projects are aimed at increasing and securing the provision of water, and at eradicating service delivery backlogs. The projects provide mostly pipelines and treatment plants to connect dams with local reticulation systems. This infrastructure investment will be funded in the *Water Infrastructure Development* programme, which is expected to grow by 16.7 per cent over the medium term.

21 of the 229 projects are mega infrastructure projects (total project cost of at least R1 billion), 10 of which are in the construction phase. Projected expenditure is R9.1 billion over the MTEF period, and approximately 1 million people are expected to benefit.

There are 60 large infrastructure projects (total project cost of at least R250 million but less than R1 billion), of which 34 are in the construction phase. The projects are expected to benefit over 2 million people, and expenditure is projected at R10.9 billion over the MTEF period.

Of the department's 148 small infrastructure projects (total project cost of less than R250 million), 50 are in the construction phase. Expenditure on these projects is estimated at R7.1 billion over the MTEF period.

The focus over the medium term will be on completing 76 new regional bulk water supply schemes.

Interim and basic water services

The department plans to provide interim and basic water services to 266 000 households over the medium term. Interim and basic water services include providing water from tankers, boreholes, standpipes and pipelines, and refurbishing water treatment works that are no longer working, among other such services. Costs are projected at R9.2 billion over the medium term through the municipal water infrastructure grant.

Sanitation

The department plans to eradicate buckets in formal areas by 2015/16. It also plans to provide 40 070 households with sanitation services over the medium term at a projected cost of R353.2 million through the rural households infrastructure grant in the *Water and Sanitation Services* programme. Spending in the programme is expected to decrease over the MTEF period, at an average annual rate of 22.6 per cent as buckets are eradicated.

Expenditure trends

Table 36.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Water Planning and Information Management														
3. Water Infrastructure Development														
4. Water and Sanitation Services														
5. Water Sector Regulation														
Programme														
	Annual budget			Annual budget			Annual budget			Annual budget			Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
	Adjusted appropriation	Audited outcome	Adjusted appropriation	Audited outcome	Adjusted appropriation	Audited outcome	Adjusted appropriation	Audited outcome	Adjusted appropriation	Revised estimate	2011/12 - 2014/15			
R million	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15
Programme 1	1 275.2	1 373.5	1 203.8	1 383.1	1 351.4	1 391.6	1 536.7	1 703.8	1 717.3	-	1 511.8	1 499.8	138.6%	97.8%
Programme 2	477.5	684.1	661.1	698.4	617.2	656.9	731.6	721.5	396.5	-	861.9	855.1	134.7%	89.1%
Programme 3	5 413.6	5 407.3	5 362.9	6 030.7	6 170.8	6 165.7	6 624.0	6 673.6	7 462.8	-	9 734.4	9 268.5	156.4%	101.0%
Programme 4	2 461.0	1 310.2	1 022.3	492.1	636.0	488.7	1 080.1	1 063.3	732.2	-	1 349.4	1 136.4	83.8%	77.5%
Programme 5	308.9	253.3	200.6	208.4	217.7	205.1	214.6	213.4	197.1	-	189.9	179.9	107.0%	89.5%
Total	9 936.2	9 028.3	8 450.7	8 812.7	8 993.2	8 907.9	10 187.0	10 375.6	10 505.9	-	13 647.4	12 939.7	141.0%	97.1%
Change to 2014 Budget estimate										13 647.4				

Table 36.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million														
Current payments	4 005.2	2 919.3	2 488.8	2 636.0	2 471.2	2 348.6	2 694.4	2 707.4	2 465.2	-	3 058.5	3 029.7	110.7%	92.6%
Compensation of employees	1 195.4	1 095.6	949.4	1 084.2	1 058.3	1 055.5	1 227.2	1 181.5	1 139.7	-	1 388.0	1 366.3	128.6%	95.5%
Goods and services	2 809.7	1 823.0	1 535.4	1 549.9	1 410.5	1 289.6	1 465.1	1 525.7	1 325.4	-	1 670.3	1 663.3	99.8%	90.4%
of which:														
Administrative fees	10.7	10.6	9.1	11.1	11.1	13.5	13.4	11.7	6.6	-	11.6	11.6	116.0%	90.8%
Advertising	30.3	28.8	29.0	17.4	13.9	20.6	21.5	23.9	20.7	-	35.1	35.1	152.3%	103.6%
Assets less than the capitalisation threshold	27.2	26.0	8.9	25.2	25.1	9.9	16.3	13.8	4.2	-	14.6	14.6	54.8%	47.3%
Audit costs: External	0.5	0.5	17.4	-	-	24.9	0.0	0.6	22.5	-	38.8	38.8	19 886.6%	260.2%
Bursaries: Employees	10.5	10.4	2.7	4.6	3.6	1.9	4.7	4.7	2.5	-	4.1	4.1	56.9%	49.1%
Catering: Departmental activities	7.6	8.4	8.5	12.6	10.9	9.3	13.1	14.1	9.1	-	13.1	13.1	119.9%	86.1%
Communication	21.5	21.5	44.2	32.8	27.3	43.5	36.7	13.7	32.2	-	44.2	44.2	180.2%	153.8%
Computer services	57.8	54.4	129.5	94.6	93.8	109.2	130.3	145.1	143.0	-	148.7	148.3	187.4%	119.9%
Consultants and professional services: Business and advisory services	468.7	394.7	238.7	177.0	199.2	180.6	174.1	198.6	158.1	-	225.3	220.7	97.4%	78.4%
Consultants and professional services: Infrastructure and planning	280.1	519.9	150.7	351.3	275.7	133.6	170.5	184.6	188.6	-	182.7	181.5	81.6%	56.3%
Consultants and professional services: Laboratory services	3.5	3.5	5.1	7.8	7.4	2.9	6.7	6.6	0.7	-	5.0	5.0	76.0%	60.8%
Consultants and professional services: Legal costs	8.2	7.0	5.9	6.7	2.7	4.1	6.4	6.4	8.8	-	7.2	7.2	122.3%	110.9%
Contractors	44.2	44.0	221.2	53.4	52.9	64.4	144.0	147.5	129.4	-	154.1	154.1	235.7%	142.8%
Agency and support / outsourced services	1 229.4	136.1	117.7	78.2	66.0	70.2	53.1	58.0	27.1	-	73.7	73.7	21.2%	86.5%
Entertainment	1.9	1.9	0.1	2.2	0.8	0.2	1.3	1.3	0.6	-	1.8	1.8	49.9%	46.9%
Fleet services (including government motor transport)	0.0	0.0	-	4.0	4.0	0.3	0.0	0.3	0.4	-	1.5	1.5	53.6%	37.6%
Housing	0.0	0.0	-	1.0	1.0	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	0.5	1.6	-	2.0	2.0	-	139.2%
Inventory: Food and food supplies	0.4	0.4	2.4	0.3	0.3	2.0	1.9	1.9	1.5	-	1.4	1.4	284.1%	182.7%
Inventory: Fuel, oil and gas	2.8	2.8	4.4	6.8	6.8	4.2	5.2	5.6	0.7	-	5.0	5.0	96.6%	70.5%
Inventory: Learner and teacher support material	1.3	0.6	0.1	0.8	0.8	0.0	1.3	1.2	0.5	-	0.7	0.7	37.9%	37.1%
Inventory: Materials and supplies	2.9	3.1	11.3	8.7	8.7	7.4	7.8	7.2	0.9	-	7.1	7.1	138.2%	102.5%
Inventory: Medical supplies	0.5	0.5	0.1	0.5	0.5	0.1	1.1	1.1	0.0	-	0.2	0.2	19.5%	17.8%
Inventory: Medicine	-	-	-	-	-	-	0.0	0.0	-	-	0.0	0.0	66.7%	40.0%
Inventory: Other supplies	-	-	8.7	-	-	5.5	12.2	11.2	11.5	-	16.4	16.4	346.3%	152.2%
Consumable supplies	13.4	13.3	0.5	18.7	18.7	4.4	0.1	1.7	4.9	-	7.6	7.6	53.9%	42.1%
Consumables: Stationery, printing and office supplies	79.6	25.6	21.2	26.2	26.2	18.8	25.5	22.5	19.1	-	25.7	25.2	64.3%	84.4%
Operating leases	54.1	51.6	188.1	29.1	17.6	1.0	13.0	16.0	229.5	-	272.9	272.9	719.1%	193.1%
Property payments	215.3	207.9	85.4	343.8	336.2	284.7	368.7	370.2	64.3	-	81.0	81.0	55.6%	51.8%
Transport provided: Departmental activity	9.3	1.2	2.2	3.1	3.0	0.1	2.0	2.3	0.2	-	0.7	0.7	21.9%	44.1%
Travel and subsistence	150.8	171.2	173.7	171.2	143.9	227.0	173.0	181.9	186.3	-	222.4	222.1	163.5%	112.5%
Training and development	31.5	31.2	17.9	31.9	22.4	17.5	30.7	33.2	20.2	-	31.6	31.6	92.6%	73.6%
Operating payments	26.6	26.6	9.3	10.8	10.8	14.3	10.1	14.2	12.7	-	16.2	16.2	110.6%	77.4%
Venues and facilities	19.2	19.2	19.3	18.3	20.7	13.3	17.0	19.0	15.5	-	15.1	15.1	116.0%	85.4%
Rental and hiring	-	-	2.0	-	(1.6)	0.4	3.5	4.9	1.6	-	2.6	2.6	189.0%	110.9%
Interest and rent on land	-	0.7	4.0	1.9	2.4	3.5	2.1	0.2	0.1	-	0.1	0.1	192.1%	218.2%

Table 36.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million														
Transfers and subsidies	3 767.2	3 512.4	3 486.1	2 913.4	2 909.4	2 932.7	3 916.4	3 918.1	4 020.6	-	4 563.9	4 520.9	141.2%	100.4%
Provinces and municipalities	1 011.5	993.1	992.5	562.6	562.6	562.8	1 024.0	1 024.1	1 129.8	-	1 033.7	990.3	141.5%	101.7%
Departmental agencies and accounts	2 503.5	2 280.5	2 259.0	2 144.4	2 140.4	2 107.9	2 431.5	2 431.5	2 437.1	-	2 737.8	2 737.8	134.8%	99.5%
Foreign governments and international organisations	180.6	180.6	179.7	180.6	180.6	180.6	188.6	188.6	182.3	-	185.2	185.2	132.4%	99.0%
Public corporations and private enterprises	-	-	-	-	-	49.4	250.0	250.0	244.1	-	580.0	580.0	349.4%	105.2%
Non-profit institutions	-	-	-	-	-	0.5	-	0.7	1.2	-	1.5	1.9	-	159.1%
Households	71.5	58.2	54.9	25.8	25.8	31.6	22.2	23.1	26.2	-	25.7	25.7	115.8%	104.2%
Payments for capital assets	2 163.9	2 596.6	2 450.4	3 263.2	3 612.5	3 601.2	3 576.2	3 750.0	3 968.1	-	6 025.0	5 389.1	171.1%	96.4%
Buildings and other fixed structures	2 088.6	2 509.2	2 370.2	3 171.5	3 512.7	3 527.4	3 475.6	3 642.1	3 731.4	-	5 926.7	5 301.4	170.9%	95.8%
Machinery and equipment	60.6	72.7	60.1	68.5	84.7	64.8	93.2	100.3	236.0	-	92.2	83.4	199.8%	127.0%
Software and other intangible assets	14.7	14.7	20.1	23.2	15.2	8.9	7.3	7.6	0.7	-	6.2	4.3	75.0%	77.9%
Payments for financial assets	-	-	25.5	-	-	25.4	-	-	52.0	-	-	-	-	-
Total	9 936.2	9 028.3	8 450.7	8 812.7	8 993.2	8 907.9	10 187.0	10 375.6	10 505.9	-	13 647.4	12 939.7	141.0%	97.1%

Expenditure estimates

Table 36.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Water Planning and Information Management									
3. Water Infrastructure Development									
4. Water and Sanitation Services									
5. Water Sector Regulation									
Programme	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)	
				2014/15	2011/12 - 2014/15	2015/16			2016/17
R million									
Programme 1	1 499.8	3.0%	14.2%	1 526.2	1 686.2	1 744.0	5.2%	10.1%	
Programme 2	855.1	7.7%	6.3%	808.7	860.0	885.1	1.2%	5.3%	
Programme 3	9 268.5	19.7%	69.3%	12 435.8	13 063.3	14 731.7	16.7%	77.4%	
Programme 4	1 136.4	-4.6%	8.3%	1 444.6	496.8	527.7	-22.6%	5.6%	
Programme 5	179.9	-10.8%	1.9%	231.3	255.3	316.4	20.7%	1.5%	
Total	12 939.7	12.7%	100.0%	16 446.5	16 361.5	18 204.8	12.1%	100.0%	
Change to 2014 Budget estimate				(822.5)	(1 046.3)	(91.1)			
Economic classification									
Current payments	3 029.7	1.2%	25.3%	3 116.8	3 316.4	3 484.5	4.8%	20.2%	
Compensation of employees	1 366.3	7.6%	11.1%	1 492.1	1 634.6	1 666.2	6.8%	9.6%	
Goods and services	1 663.3	-3.0%	14.2%	1 624.6	1 681.8	1 818.4	3.0%	10.6%	
<i>of which:</i>									
Administrative fees	11.6	3.1%	0.1%	11.0	12.8	12.8	3.2%	0.1%	
Advertising	35.1	6.8%	0.3%	35.0	36.7	39.0	3.6%	0.2%	
Assets less than the capitalisation threshold	14.6	-17.6%	0.1%	14.1	15.7	15.6	2.2%	0.1%	
Audit costs: External	38.8	322.2%	0.3%	6.6	33.2	20.4	-19.2%	0.2%	
Bursaries: Employees	4.1	-26.4%	0.0%	3.2	3.4	3.8	-3.1%	0.0%	
Catering: Departmental activities	13.1	16.1%	0.1%	11.8	12.7	11.8	-3.5%	0.1%	
Communication	44.2	27.2%	0.4%	52.7	50.2	63.1	12.6%	0.3%	
Computer services	148.3	39.7%	1.3%	127.8	152.6	167.4	4.1%	0.9%	
Consultants and professional services: Business and advisory services	220.7	-17.6%	2.0%	161.7	183.1	180.2	-6.5%	1.2%	

Table 36.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
		2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
R million								
Consultants and professional services: Infrastructure and planning	181.5	-29.6%	1.6%	190.5	205.2	212.1	5.3%	1.2%
Consultants and professional services: Laboratory services	5.0	11.8%	0.0%	7.9	7.8	7.5	14.8%	0.0%
Consultants and professional services: Scientific and technological services	-	-	-	2.2	1.6	5.0	-	0.0%
Consultants and professional services: Legal costs	7.2	0.9%	0.1%	6.2	6.6	6.7	-2.5%	0.0%
Contractors	154.1	51.8%	1.4%	207.1	146.2	159.8	1.2%	1.0%
Agency and support / outsourced services	73.7	-18.5%	0.7%	71.6	61.0	76.7	1.3%	0.4%
Entertainment	1.8	-1.1%	0.0%	1.5	1.7	1.8	-0.9%	0.0%
Fleet services (including government motor transport)	1.5	693.2%	0.0%	0.7	0.6	0.8	-20.1%	0.0%
Inventory: Clothing material and accessories	2.0	-	0.0%	1.8	1.6	1.7	-5.5%	0.0%
Inventory: Farming supplies	0.0	-	0.0%	0.2	0.2	0.2	96.0%	0.0%
Inventory: Food and food supplies	1.4	52.0%	0.0%	0.3	0.3	0.3	-37.0%	0.0%
Inventory: Fuel, oil and gas	5.0	21.2%	0.0%	7.3	8.0	7.9	16.3%	0.0%
Inventory: Learner and teacher support material	0.7	5.1%	0.0%	0.9	1.0	1.5	28.7%	0.0%
Inventory: Materials and supplies	7.1	32.7%	0.1%	8.7	9.4	8.9	7.7%	0.1%
Inventory: Medicine	0.0	-	0.0%	0.2	0.1	0.2	125.2%	0.0%
Inventory: Other supplies	16.4	-	0.1%	3.1	5.0	9.8	-15.8%	0.1%
Consumable supplies	7.6	-17.0%	0.0%	14.1	15.1	19.7	37.4%	0.1%
Consumables: Stationery, printing and office supplies	25.2	-0.4%	0.2%	25.5	36.6	25.2	-0.1%	0.2%
Operating leases	272.9	74.3%	1.7%	295.4	311.3	328.4	6.4%	1.9%
Property payments	81.0	-27.0%	1.3%	73.2	76.3	94.5	5.3%	0.5%
Transport provided: Departmental activity	0.7	-15.5%	0.0%	1.7	7.9	4.7	86.7%	0.0%
Travel and subsistence	222.1	9.1%	2.0%	206.7	207.2	250.9	4.1%	1.4%
Training and development	31.6	0.4%	0.2%	37.2	32.9	43.4	11.1%	0.2%
Operating payments	16.2	-15.2%	0.1%	17.8	20.7	16.6	0.8%	0.1%
Venues and facilities	15.1	-7.7%	0.2%	15.1	15.8	15.8	1.6%	0.1%
Rental and hiring	2.6	-	0.0%	2.1	2.3	2.6	0.4%	0.0%
Interest and rent on land	0.1	-42.3%	0.0%	-	-	-	-100.0%	0.0%
Transfers and subsidies	4 520.9	8.8%	36.7%	6 094.6	5 796.4	7 089.2	16.2%	36.7%
Provinces and municipalities	990.3	-0.1%	9.0%	2 305.4	1 765.4	2 400.3	34.3%	11.7%
Departmental agencies and accounts	2 737.8	6.3%	23.4%	2 566.8	2 852.3	3 704.6	10.6%	18.5%
Higher education institutions	-	-	-	0.6	0.6	0.6	-	0.0%
Foreign governments and international organisations	185.2	0.8%	1.8%	189.2	188.4	197.7	2.2%	1.2%
Public corporations and private enterprises	580.0	-	2.1%	1 000.0	955.2	751.5	9.0%	5.1%
Non-profit institutions	1.9	-	0.0%	1.9	2.7	2.0	1.3%	0.0%
Households	25.7	-23.8%	0.3%	30.7	31.7	32.5	8.1%	0.2%
Payments for capital assets	5 389.1	27.6%	37.8%	7 235.1	7 248.8	7 631.0	12.3%	43.0%
Buildings and other fixed structures	5 301.4	28.3%	36.6%	7 134.7	7 102.1	7 474.0	12.1%	42.2%
Machinery and equipment	83.4	4.7%	1.1%	74.0	124.7	123.5	14.0%	0.6%
Land and sub-soil assets	-	-	-	-	-	28.7	-	0.0%
Software and other intangible assets	4.3	-33.7%	0.1%	26.5	22.0	4.9	4.5%	0.1%
Total	12 939.7	12.7%	100.0%	16 446.5	16 361.5	18 204.8	12.1%	100.0%

Personnel information

Table 36.4 Vote personnel numbers and cost by salary level and programme¹

Programmes		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of posts estimated for 31 March 2015																	Average growth rate (%)	Salary level/total: Average (%)	
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									2014/15 - 2017/18		
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16			2016/17			2017/18					
Water and Sanitation		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	4 992	209	3 582	1 139.7	0.3	4 233	1 366.3	0.3	4 404	1 492.1	0.3	4 422	1 634.6	0.4	4 447	1 666.2	0.4	1.7%	100.0%
1 – 6	2 308	142	1 788	248.8	0.1	1 901	359.7	0.2	2 019	399.6	0.2	2 011	408.6	0.2	2 019	339.3	0.2	2.0%	45.4%
7 – 10	1 890	46	1 270	462.2	0.4	1 595	504.2	0.3	1 644	548.2	0.3	1 657	641.0	0.4	1 671	660.7	0.4	1.6%	37.5%
11 – 12	612	21	412	275.2	0.7	563	340.9	0.6	577	362.5	0.6	589	402.4	0.7	593	478.0	0.8	1.7%	13.3%
13 – 16	182	–	112	153.6	1.4	174	161.6	0.9	163	181.8	1.1	165	182.5	1.1	164	188.2	1.1	-2.0%	3.8%
Other	–	–	–	–	–	–	–	–	1	–	–	–	–	–	–	–	–	–	0.0%
Programme	4 992	209	3 582	1 139.7	0.3	4 233	1 366.3	0.3	4 404	1 492.1	0.3	4 422	1 634.6	0.4	4 447	1 666.2	0.4	1.7%	100.0%
Programme 1	2 454	126	1 093	553.5	0.5	1 965	634.1	0.3	1 971	714.1	0.4	1 966	760.7	0.4	1 987	748.7	0.4	0.4%	45.1%
Programme 2	1 138	25	315	197.4	0.6	388	383.6	1.0	1 066	382.0	0.4	1 086	410.8	0.4	1 090	435.4	0.4	41.1%	20.7%
Programme 3	391	–	–	184.2	–	391	97.0	0.2	391	115.3	0.3	391	123.4	0.3	391	129.4	0.3	–	8.9%
Programme 4	558	12	2 054	142.8	0.1	1 311	159.2	0.1	681	138.8	0.2	681	186.1	0.3	681	188.8	0.3	-19.6%	19.2%
Programme 5	451	46	120	61.7	0.5	178	92.3	0.5	295	141.9	0.5	298	153.5	0.5	298	164.0	0.6	18.7%	6.1%

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

2. Rand million.

Departmental receipts

Table 36.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2015/16	2016/17		
Departmental receipts	85 637	26 015	65 950	57 020	56 996	-12.7%	100.0%	26 582	28 314	31 683	-17.8%	100.0%
Sales of goods and services produced by department	7 620	2 964	2 774	3 502	3 478	-23.0%	7.2%	3 063	3 295	3 662	1.7%	9.4%
Sales by market establishments	7 001	1 340	1 943	1 292	1 292	-43.1%	4.9%	1 436	1 566	1 819	12.1%	4.3%
of which:												
Dwellings	6 836	1 161	1 788	990	990	-47.5%	4.6%	1 200	1 300	1 500	14.9%	3.5%
Rental parking: Covered and open	165	179	155	290	290	20.7%	0.3%	220	250	300	1.1%	0.7%
List item	–	–	–	12	12	–	–	16	16	19	16.6%	–
Administrative fees	30	25	26	151	127	61.8%	0.1%	45	70	70	-18.0%	0.2%
of which:												
Transport fees	1	1	–	50	50	268.4%	–	30	55	55	3.2%	0.1%
Service rendered: Staff	–	–	–	60	60	–	–	–	–	–	-100.0%	–
Replacement of security guards	2	2	–	4	4	26.0%	–	3	3	3	-9.1%	–
Maps	14	10	12	13	13	-2.4%	–	12	12	12	-2.6%	–
Safe: Water potable	13	12	14	24	–	-100.0%	–	–	–	–	–	–

Table 36.5 Departmental receipts by economic classification

Departmental receipts	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/total: Average (%)	
	2011/12	2012/13	2013/14					2014/15	2015/16	2016/17			2017/18
R thousand													
Other sales	589	1 599	805	2 059	2 059	51.8%	2.2%	1 582	1 659	1 773	-4.9%	4.9%	
of which:													
Rental: Capital assets	–	15	15	24	24	–	–	24	24	26	2.7%	0.1%	
Departmental publication	–	1	240	5	5	–	0.1%	13	15	17	50.4%	–	
Commission insurance	589	1 587	550	1 000	1 000	19.3%	1.6%	697	750	750	-9.1%	2.2%	
Sales: Meals and refreshments	–	32	–	1 000	1 000	–	0.4%	687	700	800	-7.2%	2.2%	
Service rendered: Private boarding	–	(36)	–	30	30	–	–	161	170	180	81.7%	0.4%	
Sales of scrap, waste, arms and other used current goods	–	45	9	18	18	–	–	19	19	21	5.3%	0.1%	
of which:													
Scrap	–	42	6	15	15	–	–	16	16	18	6.3%	–	
Waste paper	–	3	3	3	3	–	–	3	3	3	–	–	
Interest, dividends and rent on land	4 176	(558)	4 612	8 500	8 500	26.7%	7.1%	4 000	4 500	5 000	-16.2%	15.3%	
Interest	4 176	(558)	4 612	8 500	8 500	26.7%	7.1%	4 000	4 500	5 000	-16.2%	15.3%	
Sales of capital assets	12	–	–	–	–	-100.0%	–	–	–	–	–	–	
Transactions in financial assets and liabilities	73 829	23 564	58 555	45 000	45 000	-15.2%	85.7%	19 500	20 500	23 000	-20.0%	75.2%	
Total	85 637	26 015	65 950	57 020	56 996	-12.7%	100.0%	26 582	28 314	31 683	-17.8%	100.0%	

Programme 1: Administration

Programme purpose

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

Objectives

- Improve regional water resources management by:
 - establishing a joint water commission and undertaking international water resource management plans for shared water resources with Mozambique, Botswana and Swaziland on an ongoing basis
 - establishing 10 new strategic partnerships with other African countries by March 2018.
- Strengthen the regulatory function by revising, completing and submitting the National Water Amendment Bill to Parliament by March 2016, and the National Water and Sanitation Bill by March 2018.
- Ensure water ecosystem health by:
 - completing the short term acid mine drainage mitigating measures in the Eastern Basin over the medium term
 - completing the acid mine drainage long-term solution project for Witwatersrand over the medium term.

Subprogrammes

- *Ministry* provides for administrative and logistical support to the minister, deputy minister and their support staff, and makes provision for their salaries.
- *Departmental Management* provides policy and strategic direction for water and sanitation management, including enterprise wide support services comprising administrative support to the director general, corporate planning, and monitoring and evaluation, as well as the provisions for salaries and operational budgets of the department's regional office heads.
- *Internal Audit* provides independent, objective assurance and advisory services designed to add value and improve the department's operations.
- *Corporate Services* provides enterprise wide support services comprising human resources, legal services, communications, the learning and development academy, and transformation policy and coordination.
- *Financial Management* ensures the efficient management of daily financial operations, processes and systems.

- *Office Accommodation* makes payments for rental charges on all leased office space occupied by the department, as well as for municipal services such as electricity, water, and sewage and waste removal.
- *Programme Management Unit* provides for improving coordination and governance in the management of departmental projects, including the management of mine water in South Africa (with specific emphasis on acid mine management).
- *International Water Support* strategically coordinates, promotes and manages international relations on water and sanitation between countries through bilateral and multilateral cooperation instruments and organisations in line with legislative provisions. This subprogramme also pursues national interests at African and global multilateral organisations and forums.

Expenditure trends and estimates

Table 36.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Ministry	48 482	47 051	45 310	49 493	0.7%	3.3%	49 636	43 300	56 932	4.8%	3.1%
Departmental Management	226 217	204 151	188 108	192 966	-5.2%	13.9%	182 647	194 913	216 830	4.0%	12.2%
Internal Audit	19 496	16 864	18 236	26 439	10.7%	1.4%	26 073	27 768	32 517	7.1%	1.7%
Corporate Services	526 054	516 512	560 930	652 389	7.4%	38.7%	686 603	698 282	736 074	4.1%	42.9%
Financial Management	157 683	177 968	240 446	246 312	16.0%	14.1%	203 591	276 383	231 651	-2.0%	14.8%
Office Accommodation	205 172	249 274	259 308	311 775	15.0%	17.6%	335 600	355 878	373 797	6.2%	21.3%
Programme Management Unit	–	156 785	378 048	–	–	9.2%	4 860	48 885	55 458	–	1.7%
International Water Support	20 934	22 970	26 953	32 456	15.7%	1.8%	37 157	40 780	40 692	7.8%	2.3%
Total	1 204 038	1 391 575	1 717 339	1 511 830	7.9%	100.0%	1 526 167	1 686 189	1 743 951	4.9%	100.0%
Change to 2014				(10 992)			(110 902)	(165 579)	(120 594)		
Budget estimate											
Economic classification											
Current payments	1 138 488	1 184 656	1 243 571	1 458 040	8.6%	86.3%	1 449 615	1 563 477	1 616 898	3.5%	94.1%
Compensation of employees	453 698	516 525	553 549	646 146	12.5%	37.3%	714 081	760 741	748 694	5.0%	44.4%
Goods and services	683 050	666 799	689 965	811 830	5.9%	49.0%	735 534	802 736	868 204	2.3%	49.8%
of which:											
Administrative fees	4 649	5 457	3 972	5 172	3.6%	0.3%	4 810	6 426	5 149	-0.1%	0.3%
Advertising	17 237	15 453	15 341	27 799	17.3%	1.3%	26 445	28 453	29 383	1.9%	1.7%
Assets less than the capitalisation threshold	3 939	2 594	2 271	5 028	8.5%	0.2%	4 023	4 615	2 606	-19.7%	0.3%
Audit costs: External	17 413	24 921	22 122	37 416	29.0%	1.7%	6 575	33 237	20 410	-18.3%	1.5%
Bursaries: Employees	2 726	1 860	2 493	4 139	14.9%	0.2%	3 106	3 235	3 472	-5.7%	0.2%
Catering: Departmental activities	4 100	4 439	5 291	6 340	15.6%	0.3%	5 519	5 845	3 810	-15.6%	0.3%
Communication	33 773	32 207	25 989	27 772	-6.3%	2.1%	35 752	31 017	40 921	13.8%	2.1%
Computer services	85 157	79 913	102 186	104 323	7.0%	6.4%	58 352	84 998	100 007	-1.4%	5.4%
Consultants and professional services:	52 636	45 623	38 128	35 493	-12.3%	3.0%	27 417	39 737	29 213	-6.3%	2.0%
Business and advisory services											
Consultants and professional services: Infrastructure and planning	8 125	3 093	288	1 245	-46.5%	0.2%	2 028	614	2 274	22.2%	0.1%
Consultants and professional services: Laboratory services	–	–	2	(1 124)	–	–	–	–	–	-100.0%	–
Consultants and professional services: Legal costs	5 855	4 112	8 774	7 245	7.4%	0.4%	6 247	6 463	6 703	-2.6%	0.4%
Contractors	27 139	11 616	17 576	35 996	9.9%	1.6%	35 104	23 859	30 518	-5.4%	1.9%

Table 36.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand												
<i>Agency and support/outourced services</i>	48 105	13 056	4 839	12 795		-35.7%	1.4%	26 584	18 101	19 873	15.8%	1.2%
<i>Entertainment</i>	72	160	520	1 033		143.0%	-	896	949	967	-2.2%	0.1%
<i>Fleet services (including government motor transport)</i>	-	-	31	14		-	-	15	20	20	12.6%	-
<i>Inventory: Clothing material and accessories</i>	-	-	711	739		-	-	443	477	512	-11.5%	-
<i>Inventory: Farming supplies</i>	-	-	33	(2)		-	-	18	19	20	-315.4%	-
<i>Inventory: Food and food supplies</i>	2 302	1 833	1 488	1 142		-20.8%	0.1%	109	94	114	-53.6%	-
<i>Inventory: Fuel, oil and gas</i>	149	23	55	27		-43.4%	-	191	202	190	91.6%	-
<i>Inventory: Learner and teacher support material</i>	41	6	-	11		-35.5%	-	22	23	24	29.7%	-
<i>Inventory: Materials and supplies</i>	492	819	312	334		-12.1%	-	1 264	1 167	675	26.4%	0.1%
<i>Inventory: Medical supplies</i>	13	14	18	33		36.4%	-	-	1	77	32.6%	-
<i>Inventory: Medicine</i>	-	-	-	-		-	-	124	72	50	-	-
<i>Inventory: Other supplies</i>	3 378	1 463	2	299		-55.4%	0.1%	204	194	6 659	181.3%	0.1%
<i>Consumable supplies</i>	-	1 262	3 987	7 454		-	0.2%	8 799	8 973	9 984	10.2%	0.5%
<i>Consumables: Stationery, printing and office supplies</i>	12 630	10 853	11 987	14 486		4.7%	0.9%	12 533	20 666	11 631	-7.1%	0.9%
<i>Operating leases</i>	185 481	365	228 253	266 580		12.9%	11.7%	290 089	306 070	319 676	6.2%	18.3%
<i>Property payments</i>	43 238	278 462	59 847	74 655		20.0%	7.8%	68 611	70 696	88 214	5.7%	4.7%
<i>Transport provided: Departmental activity</i>	128	13	156	649		71.8%	-	1 365	1 243	1 317	26.6%	0.1%
<i>Travel and subsistence</i>	96 145	101 609	100 434	97 988		0.6%	6.8%	72 679	71 922	96 194	-0.6%	5.2%
<i>Training and development</i>	12 431	10 757	15 369	17 659		12.4%	1.0%	20 737	15 145	25 023	12.3%	1.2%
<i>Operating payments</i>	5 175	6 968	7 105	8 303		17.1%	0.5%	7 154	8 923	4 331	-19.5%	0.4%
<i>Venues and facilities</i>	8 599	7 639	9 183	8 367		-0.9%	0.6%	7 440	8 253	6 966	-5.9%	0.5%
<i>Rental and hiring</i>	1 922	209	1 202	2 420		8.0%	0.1%	879	1 027	1 221	-20.4%	0.1%
<i>Interest and rent on land</i>	1 740	1 332	57	64		-66.7%	0.1%	-	-	-	-100.0%	-
Transfers and subsidies	29 824	21 415	19 886	18 602		-14.6%	1.5%	20 020	21 012	21 481	4.9%	1.3%
Provinces and municipalities	8	4	4	11		11.2%	-	-	20	21	24.1%	-
Departmental agencies and accounts	1 196	6	30	2 669		30.7%	0.1%	3 066	3 232	3 074	4.8%	0.2%
Higher education institutions	-	-	-	-		-	-	600	600	600	-	-
Foreign governments and international organisations	681	592	609	918		10.5%	-	920	920	920	0.1%	0.1%
Non-profit institutions	-	490	818	1 299		-	-	900	900	950	-9.9%	0.1%
Households	27 939	20 323	18 425	13 705		-21.1%	1.4%	14 534	15 340	15 916	5.1%	0.9%
Payments for capital assets	35 689	185 223	401 840	35 188		-0.5%	11.3%	56 532	101 700	105 572	44.2%	4.6%
Buildings and other fixed structures	1 713	157 656	378 048	-		-100.0%	9.2%	-	-	-	-	-
Machinery and equipment	18 000	22 270	23 657	31 392		20.4%	1.6%	31 032	80 653	72 974	32.5%	3.3%
Land and sub-soil assets	-	-	-	896		-	-	-	-	28 652	217.4%	0.5%
Software and other intangible assets	15 976	5 297	135	2 900		-43.4%	0.4%	25 500	21 047	3 946	10.8%	0.8%
Payments for financial assets	37	281	52 042	-		-100.0%	0.9%	-	-	-	-	-
Total	1 204 038	1 391 575	1 717 339	1 511 830		7.9%	100.0%	1 526 167	1 686 189	1 743 951	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	14.2%	15.6%	16.3%	11.1%		-	-	9.3%	10.3%	9.6%	-	-
Details of transfers and subsidies												
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	8	4	4	11		11.2%	-	-	20	21	24.1%	-
Vehicle licences	-	4	-	-		-	-	-	20	21	-	-
Other transfers to households	8	-	4	11		11.2%	-	-	-	-	-100.0%	-
Households												
Social benefits												
Current	15 423	5 718	5 505	412		-70.1%	0.5%	630	670	470	4.5%	-
Employee social benefits	15 423	5 718	5 505	412		-70.1%	0.5%	630	670	470	4.5%	-
Households												
Other transfers to households												
Current	12 516	14 605	12 920	13 293		2.0%	0.9%	13 904	14 670	15 446	5.1%	0.9%
Bursaries for non-employees	2	14 407	12 480	13 293		1780.2%	0.7%	13 904	14 670	15 446	5.1%	0.9%
Other transfers to households	12 514	198	440	-		-100.0%	0.2%	-	-	-	-	-

Table 36.6 Administration expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 196	6	30	2 648	30.3%	0.1%	3 066	3 232	3 074	5.1%	0.2%
Communication	-	-	2	7	-	-	4	4	4	-17.0%	-
Energy Sector Education and Training Authority	1 196	6	28	2 641	30.2%	0.1%	3 062	3 228	3 070	5.1%	0.2%
Foreign governments and international organisations											
Current	681	592	609	918	10.5%	-	920	920	920	0.1%	0.1%
Orange-Senqu River Basin Commission	500	525	510	556	3.6%	-	582	611	638	4.7%	-
African Ministers' Council on Water	181	67	99	98	-18.5%	-	97	102	106	2.7%	-
Limpopo River Basin Commission	-	-	-	264	-	-	241	207	176	-12.6%	-
Non-profit institutions											
Current	-	490	818	1 299	-	-	900	900	950	-9.9%	0.1%
Non-profit institutions	-	490	-	-	-	-	-	-	-	-	-
Women In Water awards	-	-	818	1 299	-	-	900	900	950	-9.9%	0.1%
Higher education institutions											
Current	-	-	-	-	-	-	600	600	600	-	-
University of Western Cape	-	-	-	-	-	-	600	600	600	-	-
Departmental agencies and accounts											
Social security funds											
Current	-	-	-	21	-	-	-	-	-	-100.0%	-
Social security funds	-	-	-	21	-	-	-	-	-	-100.0%	-

Personnel information

Table 36.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	
Administration		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	2 454	126	1 093	553.5	0.5	1 965	634.1	0.3	1 971	714.1	0.4	1 966	760.7	0.4	1 987	748.7	0.4	0.4%	100.0%
1 - 6	1 070	98	551	92.8	0.2	903	158.2	0.2	894	180.3	0.2	883	197.7	0.2	891	169.0	0.2	-0.4%	45.3%
7 - 10	1 027	24	414	286.7	0.7	809	262.6	0.3	819	299.7	0.4	824	316.1	0.4	838	319.8	0.4	1.2%	41.7%
11 - 12	228	4	80	99.5	1.2	171	119.9	0.7	169	123.0	0.7	169	129.3	0.8	169	137.0	0.8	-0.4%	8.6%
13 - 16	129	-	48	74.5	1.6	82	93.4	1.1	88	111.1	1.3	90	117.7	1.3	89	122.9	1.4	2.8%	4.4%
Other	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	0.0%

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

2. Rand million.

Programme 2: Water Planning and Information Management

Programme purpose

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

Objectives

- Ensure efficient water usage by supporting municipalities to implement water conservation and demand management programmes on a continuous basis.

- Maintain a reliable and equitable supply of water by developing new and updating existing reconciliation strategies for the water management areas in Richards Bay by March 2016, Limpopo North by March 2017, and Mahikeng by March 2018.
- Generate information that is used to inform decisions on programmes for water management by improving the monitoring of water resources, through the development of a hydrological water monitoring network system, to enable the review of all existing water monitoring networks by March 2017.
- Ensure the protection of water resources by developing an integrated water quality management strategy to determine resource quality objectives for 11 river systems by March 2018.

Subprogrammes

- *Water Planning, Information Management and Support* provides strategic leadership and overall management to the programme.
- *Integrated Planning* develops comprehensive plans that guide infrastructure development, systems and services management in the water sector. This entails preparing reconciliation strategies, drafting feasibility plans, compiling the integrated hydrological plan, undertaking options analyses, and macro planning.
- *Water Ecosystems* develops and implements measures to protect water resources. This entails determining resource direct measures by classifying water resource systems, determining reserves, conducting resource quality assessments, and determining resource directed measures by developing pollution control guidelines, and rehabilitation measures and protocols.
- *Water Information Management* ensures the development and maintenance of systems and programmes for data and information acquisition and management, and builds the knowledge base on all aspects of water for making informed water management decisions.

Expenditure trends and estimates

Table 36.8 Water Planning and Information Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14	2014/15		2011/12 - 2014/15	Average (%)	2015/16	2016/17	2017/18	2014/15 - 2017/18	Average (%)
R thousand												
Water Planning, Information Management and Support	3 445	3 428	4 667	6 344	22.6%	0.6%	6 985	7 519	7 483	5.7%	0.8%	
Integrated Planning	178 760	162 805	182 209	203 261	4.4%	26.0%	201 813	212 632	221 628	2.9%	24.6%	
Water Ecosystems	35 578	32 069	46 943	59 308	18.6%	6.2%	66 648	71 548	74 970	8.1%	8.0%	
Water Information Management	443 300	458 624	379 341	592 948	10.2%	67.1%	533 209	568 344	580 995	-0.7%	66.6%	
Total	661 083	656 926	613 160	861 861	9.2%	100.0%	808 655	860 043	885 076	0.9%	100.0%	
Change to 2014				29 484			(10 700)	(17 700)	(27 608)			
Budget estimate												
Economic classification												
Current payments	554 925	581 618	481 410	779 963	12.0%	85.9%	747 296	795 556	816 281	1.5%	91.9%	
Compensation of employees	250 548	279 283	197 380	388 010	15.7%	39.9%	382 015	410 781	435 371	3.9%	47.3%	
Goods and services	302 620	300 575	284 030	391 953	9.0%	45.8%	365 281	384 775	380 910	-0.9%	44.6%	
of which:												
Administrative fees	2 098	3 538	1 612	2 333	3.6%	0.3%	2 851	2 876	2 999	8.7%	0.3%	
Advertising	8 130	463	974	758	-54.7%	0.4%	1 815	1 821	1 967	37.4%	0.2%	
Assets less than the capitalisation threshold	4 042	4 807	1 261	5 951	13.8%	0.6%	5 776	6 574	7 090	6.0%	0.7%	
Bursaries: Employees	-	-	-	-	-	-	(7)	-	-	-	-	
Catering: Departmental activities	563	932	518	1 567	40.7%	0.1%	1 408	1 557	1 613	1.0%	0.2%	
Communication	5 974	6 798	2 752	8 349	11.8%	0.9%	8 274	9 206	9 672	5.0%	1.0%	
Computer services	42 436	27 943	75 940	42 537	0.1%	6.8%	54 721	52 093	49 987	5.5%	5.8%	
Consultants and professional services: Business and advisory services	26 982	8 539	8 583	37 142	11.2%	2.9%	27 582	33 474	21 967	-16.1%	3.5%	
Consultants and professional services: Infrastructure and planning	68 482	118 593	125 747	141 347	27.3%	16.3%	132 566	140 430	140 997	-0.1%	16.3%	
Consultants and professional services: Laboratory services	4 096	2 664	991	5 709	11.7%	0.5%	7 888	7 199	7 494	9.5%	0.8%	
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	111	117	2 717	-	0.1%	

Table 36.8 Water Planning and Information Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14	2014/15				2011/12 - 2014/15	2015/16	2016/17		
R thousand												
<i>Consultants and professional services: Legal costs</i>	–	–	–	–	–	–	–	5	5	–	–	–
<i>Contractors</i>	17 977	12 700	3 995	9 018	-20.5%	1.6%	7 737	6 732	8 120	-3.4%	0.9%	–
<i>Agency and support/outsourced services</i>	30 073	14 145	–	28 136	-2.2%	2.6%	3 947	4 469	4 594	-45.3%	1.2%	–
<i>Entertainment</i>	11	7	60	125	124.8%	–	4	10	64	-20.0%	–	–
<i>Fleet services (including government motor transport)</i>	–	–	206	1 007	–	–	179	88	200	-41.7%	–	–
<i>Inventory: Clothing material and accessories</i>	–	–	221	1 266	–	0.1%	752	793	808	-13.9%	0.1%	–
<i>Inventory: Farming supplies</i>	–	–	53	34	–	–	200	206	221	86.6%	–	–
<i>Inventory: Food and food supplies</i>	57	51	–	139	34.6%	–	97	108	146	1.7%	–	–
<i>Inventory: Fuel, oil and gas</i>	4 240	4 049	659	4 461	1.7%	0.5%	6 539	6 763	7 021	16.3%	0.7%	–
<i>Inventory: Learner and teacher support material</i>	8	1	–	34	62.0%	–	10	12	25	-9.7%	–	–
<i>Inventory: Materials and supplies</i>	9 349	6 428	120	6 353	-12.1%	0.8%	6 453	6 640	6 826	2.4%	0.8%	–
<i>Inventory: Medical supplies</i>	94	45	–	137	13.4%	–	1 752	236	250	22.2%	0.1%	–
<i>Inventory: Medicine</i>	–	–	–	14	–	–	–	19	20	12.6%	–	–
<i>Inventory: Other supplies</i>	4 652	3 453	4 183	5 656	6.7%	0.6%	937	993	1 041	-43.1%	0.3%	–
<i>Consumable supplies</i>	3	2 391	461	(952)	-782.1%	0.1%	3 262	5 616	5 814	-282.8%	0.4%	–
<i>Consumables: Stationery, printing and office supplies</i>	4 632	4 419	3 096	4 409	-1.6%	0.6%	6 292	5 632	6 205	12.1%	0.7%	–
<i>Operating leases</i>	591	569	423	3 120	74.1%	0.2%	2 748	2 896	3 004	-1.3%	0.3%	–
<i>Property payments</i>	39 535	2 021	209	3 550	-55.2%	1.6%	1 576	1 272	1 342	-27.7%	0.2%	–
<i>Transport provided: Departmental activity</i>	1 734	4	–	–	-100.0%	0.1%	–	–	6	–	–	–
<i>Travel and subsistence</i>	21 511	67 930	43 839	66 471	45.7%	7.2%	62 659	69 420	70 400	1.9%	7.9%	–
<i>Training and development</i>	2 588	3 451	2 856	6 983	39.2%	0.6%	9 306	9 728	10 017	12.8%	1.1%	–
<i>Operating payments</i>	1 040	3 055	1 995	4 656	64.8%	0.4%	4 582	4 553	4 807	1.1%	0.5%	–
<i>Venues and facilities</i>	1 722	1 547	2 985	1 487	-4.8%	0.3%	2 278	2 191	2 333	16.2%	0.2%	–
<i>Rental and hiring</i>	–	32	291	156	–	–	986	1 046	1 138	93.9%	0.1%	–
<i>Interest and rent on land</i>	1 757	1 760	–	–	-100.0%	0.1%	–	–	–	–	–	–
Transfers and subsidies	1 240	3 380	1 471	11 547	110.4%	0.6%	711	757	798	-59.0%	0.4%	–
Provinces and municipalities	2	274	5	507	532.9%	–	338	361	381	-9.1%	–	–
Departmental agencies and accounts	–	4	–	–	–	–	–	4	5	–	–	–
Public corporations and private enterprises	–	–	81	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	19	23	–	–	23	23	24	1.4%	–	–
Households	1 238	3 102	1 366	11 017	107.2%	0.6%	350	369	388	-67.2%	0.4%	–
Payments for capital assets	104 918	71 928	130 279	70 351	-12.5%	13.5%	60 648	63 730	67 997	-1.1%	7.7%	–
Buildings and other fixed structures	64 871	32 450	31 106	28 500	-24.0%	5.6%	29 376	31 982	33 613	5.7%	3.6%	–
Machinery and equipment	36 387	35 866	98 627	41 353	4.4%	7.6%	30 272	30 844	33 429	-6.8%	4.0%	–
Software and other intangible assets	3 660	3 612	546	498	-48.6%	0.3%	1 000	904	955	24.2%	0.1%	–
Total	661 083	656 926	613 160	861 861	9.2%	100.0%	808 655	860 043	885 076	0.9%	100.0%	–
Proportion of total programme expenditure to vote expenditure	7.8%	7.4%	5.8%	6.3%	–	–	4.9%	5.3%	4.9%	–	–	–
Details of transfers and subsidies												
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	2	274	5	507	532.9%	–	338	361	381	-9.1%	–	–
Vehicle licences	2	274	5	507	532.9%	–	338	361	381	-9.1%	–	–
Households												
Social benefits												
Current	1 238	322	1 366	–	-100.0%	0.1%	350	369	388	–	–	–
Employee social benefits	1 238	322	1 364	–	-100.0%	0.1%	350	369	388	–	–	–
Other transfer	–	–	2	–	–	–	–	–	–	–	–	–
Households												
Other transfers to households												
Current	–	2 780	–	11 017	–	0.5%	–	–	–	-100.0%	0.3%	–
Vehicle licences	–	1 163	–	–	–	–	–	–	–	–	–	–
Poor farmers	–	1 617	–	–	–	0.1%	–	–	–	–	–	–
Other transfer	–	–	–	11 017	–	0.4%	–	–	–	-100.0%	0.3%	–

Table 36.8 Water Planning and Information Management expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	4	-	-	-	-	-	4	5	-	-
Employee social benefits	-	4	-	-	-	-	-	4	5	-	-
Non-profit institutions											
Current	-	-	19	23	-	-	23	23	24	1.4%	-
South African Youth Water prizes	-	-	19	23	-	-	23	23	24	1.4%	-
Public corporations and private enterprises											
Public corporations											
Public corporations - subsidies on products and production											
Current	-	-	81	-	-	-	-	-	-	-	-
Public corporations	-	-	81	-	-	-	-	-	-	-	-

Personnel information

Table 36.9 Water Planning and Information Management personnel numbers and cost by salary level¹

Water Planning and Information Management	Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2014/15 - 2017/18	Salary level/total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			Number	Cost	Unit Cost
Salary level	1 138	25	315	197.4	0.6	388	383.6	1.0	1 066	382.0	0.4	1 086	410.8	0.4	1 090	435.4	0.4	41.1%	100.0%
1 - 6	666	7	77	28.2	0.4	93	99.9	1.1	498	102.2	0.2	501	70.9	0.1	501	26.1	0.1	75.3%	43.9%
7 - 10	321	12	92	53.2	0.6	125	125.0	1.0	311	113.6	0.4	319	170.4	0.5	319	179.1	0.6	36.7%	29.6%
11 - 12	144	6	130	93.7	0.7	152	128.2	0.8	229	135.5	0.6	238	151.1	0.6	242	213.7	0.9	16.8%	23.7%
13 - 16	7	-	16	22.3	1.4	18	30.5	1.7	28	30.7	1.1	28	18.4	0.7	28	16.4	0.6	15.9%	2.8%

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

2. Rand million.

Programme 3: Water Infrastructure Development

Programme purpose

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

Objectives

- Ensure the effective and sustainable management of water resources by transferring funds to the Water Trading Entity for the design, construction, commissioning and rehabilitation of bulk raw water infrastructure, including dam safety rehabilitation, on an ongoing basis.
- Ensure the availability of water supply for domestic and agricultural use over the medium term by completing 76 bulk infrastructure schemes by March 2018.
- Ensure the provision of local government institutional support through the refurbishment of 100 prioritised schemes for municipalities by March 2017.
- Support the water sector in local government by providing funding and institutional support to 49 prioritised municipalities to implement community infrastructure water projects over the MTEF period.

Subprogrammes

- *Infrastructure Development and Rehabilitation* provides for the design, construction and commissioning of new water resource infrastructure, and the rehabilitation of existing infrastructure to ensure the safety and functionality of departmental dams and related infrastructure.
- *Operation of Water Resources* funds expenditure on water resources management activities conducted by the department or catchment management agencies within water management areas.
- *Water Services Infrastructure* provides for the construction of new and the rehabilitation of existing water services infrastructure, including the transfer of water services schemes to water services institutions through the regional bulk infrastructure grant, the accelerated community infrastructure programme, the municipal water infrastructure grant, the water services operating subsidy grant, and the transfer of water schemes.

Expenditure trends and estimates

Table 36.10 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome				Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand												
Infrastructure Development and Rehabilitation	2 216 883	2 092 003	2 391 702	2 755 177	7.5%	32.9%	2 586 603	2 871 553	3 723 796	10.6%	23.9%	
Operation of Water Resources	167 137	159 493	167 145	164 245	-0.6%	2.3%	164 398	165 000	173 000	1.7%	1.3%	
Water Services Infrastructure	2 978 837	3 914 185	4 903 977	6 814 992	31.8%	64.8%	9 684 786	10 026 734	10 834 894	16.7%	74.8%	
Total	5 362 857	6 165 681	7 462 824	9 734 414	22.0%	100.0%	12 435 787	13 063 287	14 731 690	14.8%	100.0%	
Change to 2014 Budget estimate				39 313			(693 419)	(791 572)	183 806			
Economic classification	212 340	224 141	398 961	312 853	13.8%	4.0%	360 833	344 866	362 110	5.0%	2.8%	
Current payments												
Compensation of employees	71 985	76 431	184 214	97 012	10.5%	1.5%	115 337	123 415	129 390	10.1%	0.9%	
Goods and services	140 229	147 552	214 746	215 841	15.5%	2.5%	245 496	221 451	232 720	2.5%	1.8%	
of which:												
Administrative fees	324	332	203	969	44.1%	-	1 015	1 066	1 119	4.9%	-	
Advertising	-	41	142	91	-	-	96	101	106	5.2%	-	
Assets less than the capitalisation threshold	102	122	838	1 179	126.1%	-	1 234	1 296	1 361	4.9%	-	
Catering: Departmental activities	347	403	237	672	24.6%	-	704	739	776	4.9%	-	
Communication	669	651	735	1 529	31.7%	-	1 600	2 168	2 276	14.2%	-	
Computer services	104	148	123	873	103.2%	-	913	959	1 007	4.9%	-	
Consultants and professional services: Business and advisory services	33 871	46 541	28 969	50 746	14.4%	0.6%	34 395	43 493	45 300	-3.7%	0.3%	
Consultants and professional services: Infrastructure and planning	70 834	28 954	53 637	25 129	-29.2%	0.6%	26 497	26 808	28 188	3.9%	0.2%	
Consultants and professional services: Laboratory services	10	7	16	117	127.0%	-	-	-	-	-100.0%	-	
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	122	128	134	-	-	
Contractors	14 256	38 156	102 100	103 709	93.8%	0.9%	146 613	111 803	117 393	4.2%	1.0%	
Agency and support/outsourced services	2 000	11 735	8 226	10 498	73.8%	0.1%	10 183	9 117	9 573	-3.0%	0.1%	
Entertainment	1	2	4	44	253.0%	-	52	54	56	8.4%	-	
Inventory: Clothing material and accessories	-	-	70	-	-	-	-	-	-	-	-	
Inventory: Food and food supplies	13	21	11	12	-2.6%	-	13	14	15	7.7%	-	
Inventory: Fuel, oil and gas	34	73	439	461	138.5%	-	482	506	531	4.8%	-	
Inventory: Learner and teacher support material	-	-	463	486	-	-	508	533	560	4.8%	-	
Inventory: Materials and supplies	1 270	4	415	310	-37.5%	-	324	340	357	4.8%	-	
Inventory: Medical supplies	-	-	25	27	-	-	-	-	-	-100.0%	-	
Inventory: Medicine	-	-	-	-	-	-	28	29	30	-	-	
Inventory: Other supplies	528	517	1 495	1 570	43.8%	-	1 644	1 726	1 812	4.9%	-	
Consumable supplies	-	-	350	2	-	-	-	-	-	-100.0%	-	
Consumables: Stationery, printing and office supplies	474	836	1 335	1 404	43.6%	-	1 472	1 547	1 624	5.0%	-	
Operating leases	273	-	-	1 473	75.4%	-	1 541	1 618	1 699	4.9%	-	
Property payments	2 639	4 208	4 431	2 618	-0.3%	-	2 738	2 875	3 019	4.9%	-	
Transport provided: Departmental activity	-	-	-	35	-	-	37	39	41	5.4%	-	
Travel and subsistence	11 458	13 099	9 270	10 441	-3.1%	0.2%	11 752	12 883	14 054	10.4%	0.1%	

Table 36.10 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14	2014/15		2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18
R thousand												
<i>Training and development</i>	259	215	285	750		42.5%		803	842	883		5.6%
<i>Operating payments</i>	511	1 245	727	332		-13.4%		348	366	385		5.1%
<i>Venues and facilities</i>	252	242	200	364		13.0%		382	401	421		5.0%
Interest and rent on land	126	158	1	-		-100.0%		-	-	-		-
Transfers and subsidies	2 947 042	2 818 154	3 816 332	4 485 588		15.0%	49.0%	6 009 098	5 644 583	6 925 277		15.6%
Provinces and municipalities	542 345	562 434	1 022 452	985 166		22.0%	10.8%	2 256 847	1 651 503	2 275 619		32.2%
Departmental agencies and accounts	2 204 963	2 071 496	2 377 202	2 735 154		7.4%	32.7%	2 562 763	2 849 103	3 699 973		10.6%
Foreign governments and international organisations	179 057	180 000	181 645	184 268		1.0%	2.5%	188 238	187 450	196 823		2.2%
Public corporations and private enterprises	-	-	231 433	580 000		-	2.8%	1 000 000	955 227	751 497		9.0%
Households	20 677	4 224	3 600	1 000		-63.6%	0.1%	1 250	1 300	1 365		10.9%
Payments for capital assets	2 203 475	3 123 386	3 247 531	4 935 973		30.8%	47.0%	6 065 856	7 073 838	7 444 303		14.7%
Buildings and other fixed structures	2 196 503	3 122 726	3 193 671	4 933 823		31.0%	46.8%	6 062 273	7 070 099	7 440 377		14.7%
Machinery and equipment	6 972	660	53 860	2 150		-32.4%	0.2%	3 583	3 739	3 926		22.2%
Total	5 362 857	6 165 681	7 462 824	9 734 414		22.0%	100.0%	12 435 787	13 063 287	14 731 690		14.8%
Proportion of total programme expenditure to vote expenditure	63.5%	69.2%	71.0%	71.3%		-	-	75.6%	79.8%	80.9%		-
Details of transfers and subsidies												
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	-	-	601 507	535 608		-	4.0%	1 803 932	1 185 802	1 773 142		49.0%
Municipal water infrastructure grant	-	-	601 507	535 608		-	4.0%	1 803 932	1 185 802	1 773 142		49.0%
Capital	542 345	562 434	420 945	449 558		-6.1%	6.9%	452 915	465 701	502 477		3.8%
Water services operating subsidy grant	542 345	562 434	420 945	449 558		-6.1%	6.9%	452 915	465 701	502 477		3.8%
Households												
Social benefits												
Current	20 677	4 224	3 600	1 000		-63.6%	0.1%	1 250	1 300	1 365		10.9%
Water services operating subsidy: Employee social benefits	20 677	4 224	3 600	1 000		-63.6%	0.1%	1 250	1 300	1 365		10.9%
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	167 137	159 493	167 145	164 245		-0.6%	2.3%	164 398	165 000	173 000		1.7%
Water Trading Entity	167 137	159 493	167 145	164 245		-0.6%	2.3%	164 398	165 000	173 000		1.7%
Capital	2 037 826	1 912 003	2 210 057	2 570 909		8.1%	30.4%	2 398 365	2 684 103	3 526 973		11.1%
Water Trading Entity	2 037 826	1 912 003	2 210 057	2 570 909		8.1%	30.4%	2 398 365	2 684 103	3 526 973		11.1%
Foreign governments and international organisations												
Current	179 057	180 000	181 645	184 268		1.0%	2.5%	188 238	187 450	196 823		2.2%
Komati River Basin Water Authority	179 057	180 000	181 645	184 268		1.0%	2.5%	188 238	187 450	196 823		2.2%
Public corporations and private enterprises												
Public corporations												
Other transfers to public corporations												
Current	-	-	231 433	580 000		-	2.8%	1 000 000	955 227	751 497		9.0%
Amatola Water Board: Regional bulk infrastructure	-	-	-	150 000		-	0.5%	169 060	92 386	-		-100.0%
Magalies Water Board: Regional bulk infrastructure	-	-	231 433	70 000		-	1.0%	348 000	107 994	85 223		6.8%
Umgeni Water Board: Regional bulk infrastructure	-	-	-	216 800		-	0.8%	279 140	500 847	437 374		26.4%
Sedibeng Water Board: Regional bulk infrastructure	-	-	-	143 200		-	0.5%	203 800	254 000	228 900		16.9%

Personnel information

Table 36.11 Water Infrastructure Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment												Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)					
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18				
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost							
Water Infrastructure Development		391	–	–	184.2	–	391	97.0	0.2	391	115.3	0.3	391	123.4	0.3	391	129.4	0.3	–	100.0%
Salary level																				
1 – 6	257	–	–	80.1	–	257	42.4	0.2	257	57.6	0.2	257	62.5	0.2	257	65.4	0.3	–	65.7%	
7 – 10	94	–	–	55.3	–	94	26.2	0.3	94	27.7	0.3	94	29.2	0.3	94	30.6	0.3	–	24.0%	
11 – 12	29	–	–	29.6	–	29	19.2	0.7	29	20.3	0.7	29	21.4	0.7	29	22.5	0.8	–	7.4%	
13 – 16	11	–	–	19.1	–	11	9.2	0.8	11	9.8	0.9	11	10.3	0.9	11	10.8	1.0	–	2.8%	

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

2. Rand million.

Programme 4: Water and Sanitation Services

Programme purpose

Ensure the provision of sustainable water and sanitation services, including implementation support and advocacy to support household health and dignity.

Objectives

- Ensure access to sanitation services for households by rolling out on-site sanitation infrastructure to 40 070 households in rural areas by March 2017.
- Improve access to basic sanitation and ensure human dignity by eradicating bucket sanitation systems in formal areas by March 2016.
- Support the provision of water through the installation of rainwater harvesting tanks to an additional 4 740 households over the MTEF period.
- Enhance the provision of water and sanitation services by facilitating sector collaboration, and coordinate intergovernmental relations on the provision of these services as and when required.

Subprogrammes

- *Water and Sanitation Services Support* provides strategic leadership and overall management to the programme.
- *Water Sector Support* provides for the implementation of rainwater harvesting tanks and financial support to resource poor farmers, including sector guidance, best practice, and innovation on sustainable water provision and sanitation services.
- *National Sanitation Services* supports the development of infrastructure for sanitation services for improved quality of life.

Expenditure trends and estimates

Table 36.12 Water and Sanitation Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Water and Sanitation Services Support	4 787	4 813	5 404	2 105	-24.0%	0.5%	5 345	5 910	6 056	42.2%	0.5%
Water Sector Support	731 493	217 451	250 401	243 552	-30.7%	42.7%	257 175	294 076	309 335	8.3%	28.9%
National Sanitation Services	286 001	266 388	259 674	1 103 788	56.9%	56.8%	1 182 062	196 769	212 282	-42.3%	70.6%
Total	1 022 281	488 652	515 479	1 349 445	9.7%	100.0%	1 444 582	496 755	527 673	-26.9%	100.0%
Change to 2014 Budget estimate				(7 184)			682	(15 650)	(110 418)		

Table 36.12 Water and Sanitation Services expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand												
Current payments	320 470	261 813	269 931	319 267	-0.1%	34.7%	332 989	362 157	379 916	6.0%	36.5%	
Compensation of employees	113 721	124 156	142 839	159 245	11.9%	16.0%	138 847	186 075	188 759	5.8%	17.6%	
Goods and services	206 434	137 402	127 092	160 022	-8.1%	18.7%	194 142	176 082	191 157	6.1%	18.9%	
of which:												
Administrative fees	1 159	1 992	960	2 179	23.4%	0.2%	1 177	1 280	1 391	-13.9%	0.2%	
Advertising	3 158	2 983	2 150	6 372	26.4%	0.4%	5 890	6 186	6 578	1.1%	0.7%	
Assets less than the capitalisation threshold	602	2 222	599	1 810	44.3%	0.2%	1 542	1 668	1 769	-0.8%	0.2%	
Bursaries: Employees	-	6	-	-	-	-	70	130	149	-	-	
Catering: Departmental activities	3 306	3 363	3 266	4 147	7.8%	0.4%	3 565	3 914	4 116	-0.2%	0.4%	
Communication	1 975	2 303	2 725	3 484	20.8%	0.3%	3 784	3 919	4 162	6.1%	0.4%	
Computer services	869	409	173	1 093	7.9%	0.1%	11 000	11 463	12 226	123.6%	0.9%	
Consultants and professional services: Business and advisory services	103 588	56 842	44 043	57 865	-17.6%	7.8%	47 427	36 342	43 853	-8.8%	4.9%	
Consultants and professional services: Infrastructure and planning	2 500	-	1 688	6 639	38.5%	0.3%	24 400	27 017	28 540	62.6%	2.3%	
Consultants and professional services: Laboratory services	959	275	174	252	-35.9%	-	-	-	-	-100.0%	-	
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	313	335	351	-	-	
Contractors	20 587	1 864	4 070	5 349	-36.2%	0.9%	17 127	3 323	3 243	-15.4%	0.8%	
Agency and support/outsourced services	24 580	25 023	12 390	14 536	-16.1%	2.3%	23 164	23 818	24 842	19.6%	2.3%	
Entertainment	21	12	24	500	187.7%	-	520	546	574	4.7%	0.1%	
Fleet services (including government motor transport)	-	282	368	476	-	-	491	517	543	4.5%	0.1%	
Inventory: Clothing material and accessories	-	-	220	1	-	-	164	174	185	469.8%	-	
Inventory: Food and food supplies	47	76	32	78	18.4%	-	61	64	67	-4.9%	-	
Inventory: Fuel, oil and gas	4	9	-	44	122.4%	-	38	39	42	-1.5%	-	
Inventory: Learner and teacher support material	2	-	-	194	359.5%	-	377	403	420	29.4%	-	
Inventory: Materials and supplies	208	152	108	114	-18.2%	-	130	140	160	12.0%	-	
Inventory: Medical supplies	3	-	1	4	10.1%	-	-	-	-	-100.0%	-	
Inventory: Medicine	-	-	-	-	-	-	9	9	10	-	-	
Inventory: Other supplies	2	6	3 820	8 915	1545.7%	0.4%	113	124	60	-81.1%	0.2%	
Consumable supplies	450	741	206	1 086	34.1%	0.1%	1 416	1 497	1 581	13.3%	0.1%	
Consumables: Stationery, printing and office supplies	2 231	1 820	1 803	3 621	17.5%	0.3%	3 115	3 274	3 532	-0.8%	0.4%	
Operating leases	1 771	49	1 108	1 192	-12.4%	0.1%	423	479	507	-24.8%	0.1%	
Property payments	13	8	33	9	-11.5%	-	9	9	9	-	-	
Transport provided: Departmental activity	342	67	-	35	-53.2%	-	323	375	440	132.5%	-	
Travel and subsistence	29 047	30 129	39 980	30 678	1.8%	3.8%	36 608	37 665	39 702	9.0%	3.8%	
Training and development	1 418	1 902	1 728	3 856	39.6%	0.3%	3 165	3 344	3 565	-2.6%	0.4%	
Operating payments	1 938	2 326	2 821	2 554	9.6%	0.3%	4 619	4 788	5 096	25.9%	0.4%	
Venues and facilities	5 567	2 404	2 334	2 939	-19.2%	0.4%	2 952	3 085	3 279	3.7%	0.3%	
Rental and hiring	87	137	268	-	-100.0%	-	150	155	165	-	-	
Interest and rent on land	315	255	-	-	-100.0%	-	-	-	-	-	-	
Transfers and subsidies	455 055	3 979	110 414	48 212	-52.7%	18.3%	63 789	129 246	140 184	42.7%	10.0%	
Provinces and municipalities	450 120	85	107 033	47 624	-52.7%	17.9%	48 236	113 536	124 304	37.7%	8.7%	
Non-profit institutions	-	-	344	588	-	-	1 015	1 003	1 012	19.8%	0.1%	
Households	4 935	3 894	3 037	-	-100.0%	0.4%	14 538	14 707	14 868	-	1.2%	
Payments for capital assets	246 751	222 820	135 069	981 966	58.5%	47.0%	1 047 804	5 352	7 573	-80.2%	53.5%	
Buildings and other fixed structures	241 857	217 323	128 934	974 677	59.1%	46.3%	1 042 727	-	-	-100.0%	52.8%	
Machinery and equipment	4 397	5 497	6 135	7 289	18.4%	0.7%	5 077	5 352	7 573	1.3%	0.7%	
Software and other intangible assets	497	-	-	-	-100.0%	-	-	-	-	-	-	
Payments for financial assets	5	40	65	-	-100.0%	-	-	-	-	-	-	
Total	1 022 281	488 652	515 479	1 349 445	9.7%	100.0%	1 444 582	496 755	527 673	-26.9%	100.0%	
Proportion of total programme expenditure to vote expenditure	12.1%	5.5%	4.9%	9.9%	-	-	8.8%	3.0%	2.9%	-	-	

Table 36.12 Water and Sanitation Services expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	120	85	312	-	-100.0%	-	54	57	59	-	-
Vehicle licences	120	80	310	-	-100.0%	-	54	57	59	-	-
Regional Services Council levies	-	5	2	-	-	-	-	-	-	-	-
Capital	450 000	-	106 721	47 624	-52.7%	17.9%	48 182	113 479	124 245	37.7%	8.7%
Drought relief grant	450 000	-	-	-	-100.0%	13.3%	-	-	-	-	-
Rural households infrastructure grant	-	-	106 721	47 624	-	4.6%	48 182	113 479	124 245	37.7%	8.7%
Households											
Social benefits											
Current	428	96	786	-	-100.0%	-	-	-	-	-	-
Employee social benefits	428	96	786	-	-100.0%	-	-	-	-	-	-
Households											
Other transfers to households											
Current	4 507	3 798	2 251	-	-100.0%	0.3%	14 538	14 707	14 868	-	1.2%
Employee social benefits	-	-	-	-	-	-	14 538	14 707	14 868	-	1.2%
Resource poor farmers	4 507	3 798	2 251	-	-100.0%	0.3%	-	-	-	-	-
Non-profit institutions											
Current	-	-	344	588	-	-	1 015	1 003	1 012	19.8%	0.1%
Baswa le Metsee and South African Youth Water prizes	-	-	344	588	-	-	1 015	1 003	1 012	19.8%	0.1%

Personnel information

Table 36.13 Water and Sanitation Services personnel numbers and cost by salary level¹

Water and Sanitation Services	Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
			2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	558	12	2 054	142.8	0.1	1 311	159.2	0.1	681	138.8	0.2	681	186.1	0.3	681	188.8	0.3	-19.6%	100.0%	
1 - 6	255	3	1 139	43.4	0.0	619	54.7	0.1	302	38.7	0.1	302	53.1	0.2	302	53.2	0.2	-21.3%	45.5%	
7 - 10	232	8	697	48.9	0.1	484	65.4	0.1	287	60.2	0.2	287	75.7	0.3	287	78.4	0.3	-16.0%	40.1%	
11 - 12	61	1	177	18.1	0.1	164	28.6	0.2	76	29.8	0.4	76	42.3	0.6	76	41.4	0.5	-22.6%	11.7%	
13 - 16	10	-	41	32.5	0.8	44	10.5	0.2	16	10.2	0.6	16	15.0	0.9	16	15.8	1.0	-28.6%	2.7%	

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

2. Rand million.

Programme 5: Water Sector Regulation

Programme purpose

Ensure the development, implementation, monitoring and review of regulations across the water supply chain in accordance with the provisions of the National Water Act (1998) and the Water Services Act (1997).

Objectives

- Create an enabling environment for economic and social regulation of water by revising the water pricing strategy and developing the economic regulation strategy by 2017/18.
- Improve efficiency and effectiveness in the delivery of water and provide dignified sanitation by establishing 9 catchment management agencies and 9 regional water utilities by 2017/18.
- Ensure the equitable allocation of water resources for social and economic development by processing 100 per cent of water use authorisations received by March 2018.

- Strengthen regulation by implementing monitoring programmes for drinking water quality and wastewater quality on an ongoing basis.
- Coordinate and monitor compliance with standards, licence conditions and regulations across all sectors to ensure that water resources are protected on an ongoing basis.
- Ensure the effective enforcement of compliance with water legislation by monitoring users, conducting investigations and providing legal support in cases of unlawful water use on an ongoing basis.

Subprogrammes

- *Water Sector Regulation Management and Support* provides strategic leadership and overall management to the programme.
- *Economic and Social Regulation* ensures that pricing is efficient and cost reflective, achieves value for money for consumers and, where appropriate, that trade-offs are made between the cost, quality and sustainability of services, with a focus on developing finance and pricing strategies.
- *Water Use Authorisation and Administration* enables equitable access to water using various regulatory instruments.
- *Water Supply Services and Sanitation Regulation* regulates the provision of drinking water and the management of wastewater.
- *Compliance Monitoring* coordinates and monitors compliance to standards, licence conditions and regulations across the full water value chain.
- *Enforcement* ensures that appropriate action is taken against non-compliance and unlawful water users.
- *Institutional Oversight* involves institutional governance and oversight of all water institutions, and facilitates their establishment and development.

Expenditure trends and estimates

Table 36.14 Water Sector Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18		
R thousand											
Water Sector Regulation Management and Support	308	282	852	8 652	204.0%	1.3%	6 231	6 752	7 355	-5.3%	2.9%
Economic and Social Regulation	–	63	–	3 940	–	0.5%	5 965	7 101	7 545	24.2%	2.5%
Water Use Authorisation and Administration	61 647	53 594	54 624	56 885	-2.6%	28.6%	61 364	69 591	121 580	28.8%	31.2%
Water Supply Services and Sanitation Regulation	20 969	23 892	23 083	35 236	18.9%	13.0%	23 270	23 057	23 128	-13.1%	10.5%
Compliance Monitoring	2	14	626	17 379	1 955.9%	2.3%	60 355	67 279	71 252	60.1%	21.8%
Enforcement	8 227	9 529	12 838	16 773	26.8%	6.0%	28 886	30 131	31 763	23.7%	10.8%
Institutional Oversight	109 495	117 688	105 091	50 986	-22.5%	48.4%	45 268	51 364	53 771	1.8%	20.3%
Total	200 648	205 062	197 114	189 851	-1.8%	100.0%	231 339	255 275	316 394	18.6%	100.0%
Change to 2014				12 661			(8 185)	(55 755)	(16 310)		
Budget estimate											
Economic classification											
Current payments	121 338	118 695	123 234	188 335	15.8%	69.6%	226 042	250 314	309 334	18.0%	98.1%
Compensation of employees	59 478	59 106	61 749	97 619	18.0%	35.1%	141 853	153 547	163 975	18.9%	56.1%
Goods and services	61 841	59 588	61 485	90 640	13.6%	34.5%	84 189	96 767	145 359	17.1%	42.0%
of which:											
Administrative fees	903	2 181	876	981	2.8%	0.6%	1 139	1 166	2 113	29.1%	0.5%
Advertising	510	1 617	2 371	42	-56.5%	0.6%	776	181	981	185.9%	0.2%
Assets less than the capitalisation threshold	170	162	253	625	54.3%	0.2%	1 554	1 498	2 756	64.0%	0.6%
Audit costs: External	–	–	365	1 339	–	0.2%	–	–	–	-100.0%	0.1%
Bursaries: Employees	–	–	–	–	–	–	–	–	143	–	–
Catering: Departmental activities	196	160	234	389	25.7%	0.1%	645	666	1 465	55.6%	0.3%
Communication	1 790	1 527	1 008	3 072	19.7%	0.9%	3 246	3 874	6 055	25.4%	1.6%
Computer services	944	816	572	(104)	-147.9%	0.3%	2 812	3 061	4 166	-442.2%	1.0%

Table 36.14 Water Sector Regulation expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Consultants and professional services: Business and advisory services	21 647	23 011	30 328	44 093	26.8%	15.0%	24 918	30 078	39 856	-3.3%	14.0%
Consultants and professional services: Infrastructure and planning	729	5 297	8 224	8 332	125.3%	2.8%	4 964	10 331	12 132	13.3%	3.6%
Consultants and professional services: Laboratory services	28	-	-	-	-100.0%	-	-	560	-	-	0.1%
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	1 663	1 011	1 760	-	0.4%
Consultants and professional services: Legal costs	-	-	-	-	-	-	-	138	-	-	-
Contractors	176	88	162	72	-25.8%	0.1%	517	471	520	93.3%	0.2%
Agency and support/outsourced services	12 909	6 272	1 686	7 732	-15.7%	3.6%	7 706	5 486	17 823	32.1%	3.9%
Entertainment	8	10	13	109	138.8%	-	36	100	104	-1.6%	-
Housing	-	-	-	-	-	-	15	-	-	-	-
Inventory: Clothing material and accessories	-	-	328	-	-	-	430	164	189	-	0.1%
Inventory: Food and food supplies	-	-	-	21	-	-	-	43	6	-34.1%	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	28	520	73	-	0.1%
Inventory: Learner and teacher support material	-	-	-	-	-	-	9	36	515	-	0.1%
Inventory: Materials and supplies	10	-	2	33	48.9%	-	520	1 073	895	200.4%	0.3%
Inventory: Other supplies	143	34	-	1	-80.9%	-	213	1 928	258	536.6%	0.2%
Consumables: Stationery, printing and office supplies	1 223	908	1 050	1 741	12.5%	0.6%	2 078	5 466	2 176	7.7%	1.2%
Operating leases	24	-	-	513	177.5%	0.1%	569	203	3 551	90.6%	0.5%
Property payments	-	-	-	143	-	-	246	1 496	1 964	139.5%	0.4%
Transport provided: Departmental activity	-	-	-	-	-	-	-	6 276	2 875	-	0.9%
Travel and subsistence	15 414	14 197	11 268	16 867	3.0%	7.3%	23 024	15 275	30 591	22.0%	8.6%
Training and development	1 205	1 130	935	2 350	24.9%	0.7%	3 209	3 836	3 867	18.1%	1.3%
Operating payments	663	685	530	342	-19.8%	0.3%	1 141	2 103	1 972	79.3%	0.6%
Venues and facilities	3 147	1 490	1 162	1 946	-14.8%	1.0%	2 080	1 899	2 818	13.1%	0.9%
Rental and hiring	-	-	-	-	-	-	77	80	86	-	-
Interest and rent on land	19	1	-	76	58.7%	-	-	-	-	-100.0%	-
Transfers and subsidies	52 924	85 812	72 560	-	-100.0%	26.7%	1 000	800	1 500	-	0.3%
Departmental agencies and accounts	52 860	36 431	59 839	-	-100.0%	18.8%	1 000	-	1 500	-	0.3%
Public corporations and private enterprises	-	49 358	12 647	-	-	7.8%	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	800	-	-	0.1%
Households	64	23	74	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	977	555	1 320	1 516	15.8%	0.6%	4 297	4 161	5 560	54.2%	1.6%
Buildings and other fixed structures	-	-	386	300	-	0.1%	300	-	-	-100.0%	0.1%
Machinery and equipment	977	555	934	1 216	7.6%	0.5%	3 997	4 161	5 560	66.0%	1.5%
Payments for financial assets	25 409	-	-	-	-100.0%	3.2%	-	-	-	-	-
Total	200 648	205 062	197 114	189 851	-1.8%	100.0%	231 339	255 275	316 394	18.6%	100.0%
Proportion of total programme expenditure to vote expenditure	2.4%	2.3%	1.9%	1.4%	-	-	1.4%	1.6%	1.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	47	21	74	-	-100.0%	-	-	-	-	-	-
Employee social benefits	47	21	74	-	-100.0%	-	-	-	-	-	-
Households											
Other transfers to households											
Current	17	2	-	-	-100.0%	-	-	-	-	-	-
Financial assistance for small scale farmers	17	2	-	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	52 860	36 431	59 839	-	-100.0%	18.8%	1 000	-	1 500	-	0.3%
Water Research Commission	-	-	-	-	-	-	1 000	-	1 500	-	0.3%
Breede-Overberg Catchment Management Agency	18 093	19 000	31 623	-	-100.0%	8.7%	-	-	-	-	-
Inkomati Catchment Management Agency	34 767	17 431	28 216	-	-100.0%	10.1%	-	-	-	-	-
Current	-	-	-	-	-	-	-	800	-	-	0.1%
Non-profit institutions	-	-	-	-	-	-	-	800	-	-	0.1%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	-	49 358	12 647	-	-	7.8%	-	-	-	-	-
Rand Water Board	-	17 973	-	-	-	2.3%	-	-	-	-	-
Botshelo Water Board	-	31 385	12 647	-	-	5.6%	-	-	-	-	-

Personnel information

Table 36.15 Water Sector Regulation personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost
Water Sector Regulation																			
Salary level	451	46	120	61.7	0.5	178	92.3	0.5	295	141.9	0.5	298	153.5	0.5	298	164.0	0.6	18.7%	100.0%
1 – 6	60	34	21	4.3	0.2	29	4.5	0.2	68	20.8	0.3	68	24.4	0.4	68	25.6	0.4	32.9%	21.8%
7 – 10	216	2	67	18.0	0.3	83	25.0	0.3	133	47.1	0.4	133	49.7	0.4	133	52.8	0.4	17.0%	45.1%
11 – 12	150	10	25	34.2	1.4	47	44.9	1.0	74	53.9	0.7	77	58.3	0.8	77	63.4	0.8	17.9%	25.7%
13 – 16	25	–	7	5.2	0.7	19	18.0	0.9	20	20.1	1.0	20	21.2	1.1	20	22.3	1.1	1.7%	7.4%

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

2. Rand million.

Public entities and other agencies

Consolidated Water Boards

Mandate

Water boards derive their mandate from the Water Services Act (1997) and are categorised as national government business enterprises in terms of schedule 3B of the Public Finance Management Act (1999). The primary activity of a water board is to provide bulk water and sanitation services to water services institutions in the designated areas in which they operate. Historically, water boards were established in areas with significant urban development, but rural areas have since been included. The services provided by water boards have also expanded over time to include the provision of retail water and sanitation services on behalf of municipalities, as well as management services and training. In 2014, the Minister of Water and Sanitation reduced the number of water boards from 12 to 9 as part of an institutional realignment of the sector and a reform measure to increase efficiency and achieve economies of scale. In line with this, Botshelo and Pelladrift have been incorporated into Sedibeng Water, and Bushbuckridge Water has been incorporated into Rand Water.

Selected performance indicators

Table 36.16 Consolidated Water Boards volume of bulk treated water sales

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Amatola	Primary business	Outcome 6: An efficient, competitive and responsive economic infrastructure network	30 835	31 451	31 723	33 189	34 054	34 640	43 180
Bloem	Primary business		71 396	69 033	76 182	72 063	73 504	74 974	76 474
Botshelo	Primary business		14 823	15 100	13 100	14 900	– ¹	– ¹	– ¹
Bushbuckridge	Primary business		28 840	36 756	35 137	49 694	– ²	– ²	– ²
Lepelle	Primary business		94 565	94 025	97 637	98 022	98 022	98 022	98 022
Magalies	Primary business		80 806	79 985	75 503	86 290	87 866	93 112	98 716
Mhlatuze	Primary business		43 981	39 912	40 208	43 800	45 625	45 625	45 625
Overberg	Primary business		4 253	4 727	2 136	2 156	2 160	2 165	2 171
Pelladrift	Primary business		4 459	4 520	4 013	3 075	– ³	– ³	– ³
Rand	Primary business		1 456 081	1 490 188	1 526 861	1 548 669	1 572 797	1 600 321	1 628 326
Sedibeng	Primary business		90 215	95 773	92 346	89 200	93 930	98 627	103 558
Umgeni	Primary business		417 782	416 550	439 544	441 320	451 777	451 857	451 926

1. Botshelo Water was disestablished in 2014/15 and operations have been incorporated into Magalies and Sedibeng Water.

2. Bushbuckridge Water was disestablished in 2014/15 and operations have been incorporated into Rand Water.

3. Pelladrift Water was disestablished in 2014/15 and operations have been incorporated into Sedibeng Water.

Expenditure analysis

Water boards are self-funded legal entities that have their own governance structures and assets. The national development plan envisages that, by 2030, all South Africans will have access to affordable, sufficient and safe water and decent sanitation, which is in line with outcome 6 of government's 2014–2019 medium term strategic framework (an efficient, competitive and responsive economic infrastructure network). In contributing to achieving the goals of the plan, the boards will continue to assist the Department of Water and Sanitation to build bulk water infrastructure to enable them to provide bulk water and sanitation services in their areas of operation.

Operational costs for the provision of bulk treated water will comprise the boards' main expenditure over the medium term, as well as capital spending on bulk infrastructure required to meet the projected increases in water demand. The carrying value of assets is expected to grow to R42.7 billion over the medium term, as the boards

are projected to invest R17.3 billion in capital infrastructure over this period. In providing bulk treated water, the boards' largest spending items are energy costs for pumping water, raw water costs, staff costs and chemical costs. Thus, increased expenditure over the medium term is a result of high energy costs related to electricity price increases, and pumping requirements related to the volume of water and the distance over which it is pumped. Increased expenditure on compensation of employees over the medium term is a result of wages increasing at a higher rate than inflation, as well as an increase in the number of staff required to provide support services to municipalities.

Revenue collected by the boards is derived mainly from the sale of bulk water, sanitation, and other services to water service authorities in their areas. It is expected that revenue from the sale of bulk water will increase at an average annual rate of 10.8 per cent over the medium term. The increase is due to increased water demand by municipalities and expansion in the boards' areas of operation.

Programmes/objectives/activities

Table 36.17 Consolidated Water Boards expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	2 532 742	2 598 126	2 650 459	2 957 289	5.3%	22.7%	3 197 969	3 552 001	3 927 817	9.9%	22.0%
Water boards activities	7 679 737	8 434 817	10 124 102	10 619 189	11.4%	77.3%	11 585 377	12 528 213	13 570 898	8.5%	78.0%
Total	10 212 479	11 032 943	12 774 561	13 576 479	10.0%	100.0%	14 783 346	16 080 214	17 498 715	8.8%	100.0%

Statements of historical financial performance and position

Table 36.18 Consolidated Water Boards statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Outcome/ Budget Average (%) 2011/12 - 2014/15
	Budget	2011/12	Budget	2012/13	Budget	2013/14	Budget estimate	2014/15	
Revenue									
Non-tax revenue	11 722 430	11 982 507	12 873 851	12 981 258	13 670 165	14 981 253	15 960 820	15 874 317	100.0%
Sale of goods and services other than capital assets	11 075 949	11 069 699	12 203 462	12 027 898	12 821 495	13 609 265	15 117 053	15 002 056	94.4%
of which:									
Administrative fees	393	–	–	–	–	11 635	186	12 101	0.0%
Sales of bulk water	11 075 556	11 069 699	12 203 462	12 027 898	12 821 495	13 597 630	15 116 867	14 989 955	94.4%
Other non-tax revenue	646 481	912 808	670 389	953 360	848 670	1 371 988	843 767	872 261	5.6%
Transfers received	–	–	–	–	–	23 321	–	–	–
Total revenue	11 722 430	11 982 507	12 873 851	12 981 258	13 670 165	15 004 574	15 960 820	15 874 317	100.0%
Expenses									
Current expenses	10 362 808	10 212 479	11 372 346	11 032 942	11 990 030	12 774 561	13 745 210	13 576 479	100.0%
Compensation of employees	2 005 196	2 127 284	2 139 470	2 248 829	2 364 666	2 688 084	2 702 175	2 722 135	19.5%
Goods and services	7 503 689	7 440 722	8 422 404	8 167 312	8 796 850	9 324 358	10 249 830	10 007 236	73.4%
Depreciation	557 333	502 348	585 751	501 383	647 722	666 636	664 907	716 201	5.3%
Interest, dividends and rent on land	296 589	142 125	224 722	115 418	180 792	95 483	128 298	130 906	1.8%
Total expenses	10 362 808	10 212 479	11 372 346	11 032 942	11 990 030	12 774 561	13 745 210	13 576 479	100.0%
Surplus/(Deficit)	1 359 622	1 770 028	1 501 505	1 948 316	1 680 135	2 230 013	2 215 610	2 297 838	–
Statement of financial position									
Carrying value of assets	17 463 336	15 105 418	18 487 264	18 253 531	20 992 164	21 479 959	25 863 526	27 468 612	78.3%
of which:									
Acquisition of assets	810 596	2 067 089	1 091 140	2 478 247	2 771 007	3 725 928	1 327 771	5 831 391	8.9%
Investments	1 263 705	2 582 201	2 128 700	3 254 844	1 696 579	3 595 745	1 622 439	1 886 537	6.6%
Inventory	99 283	227 016	109 596	293 557	119 118	315 967	120 652	343 094	0.6%
Loans	–	5 919	–	5 353	–	4 988	5 713	5 282	0.0%
Accrued investment interest	14	25 205	14	27 610	14	40 722	14	16	0.0%
Receivables and prepayments	1 707 456	2 120 134	1 890 656	2 739 393	1 924 411	4 120 048	2 447 291	2 793 984	7.7%
Cash and cash equivalents	1 902 153	2 206 307	1 382 349	2 031 779	1 667 123	2 132 205	1 980 644	1 980 859	6.6%
Non-current assets held for sale	–	41 525	192 409	1 802	69 476	1 589	13 500	–	0.3%
Defined benefit plan assets	–	13 068	347	19 997	7 684	20 812	–	–	0.0%
Taxation	–	3 107	–	–	–	–	–	–	–
Total assets	22 435 946	22 329 899	24 191 335	26 627 866	26 476 569	31 712 035	32 053 779	34 478 384	100.0%

Table 36.18 Consolidated Water Boards statements of historical financial performance and position

Statement of financial performance									Outcome/ Budget Average (%)
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
	2011/12	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	
Accumulated surplus/(deficit)	13 612 074	12 611 590	13 662 272	14 393 496	15 509 515	16 783 018	18 118 013	19 051 304	57.7%
Capital and reserves	1 130 410	2 233 370	2 321 720	3 477 968	2 700 329	3 523 298	2 045 320	3 254 557	8.6%
Capital reserve fund	–	23 484	31 436	23 484	200 000	93 884	–	208 000	0.4%
Borrowings	5 377 853	2 778 057	4 751 103	3 198 383	4 489 249	4 275 981	6 314 492	5 877 367	19.4%
Finance lease	–	–	–	–	–	7 858	–	11 405	0.0%
Accrued interest	–	34 660	–	31 396	32 381	27 406	28 631	30 880	0.1%
Deferred income	184 099	365 357	219 980	459 785	181 033	788 892	1 351 506	1 132 955	1.4%
Trade and other payables	1 863 609	3 259 162	2 792 410	3 995 285	2 888 706	5 042 592	3 432 373	3 788 794	10.4%
Taxation	–	1 732	–	6 768	–	3 405	874	3 164	0.0%
Provisions	262 281	751 433	412 414	974 402	442 088	1 097 024	696 342	1 056 186	1.9%
Managed funds (e.g. poverty alleviation fund)	2 810	–	–	–	–	–	–	–	0.0%
Derivatives financial instruments	2 810	271 055	–	66 891	33 268	68 676	66 227	63 772	0.1%
Total equity and liabilities	22 435 946	22 329 899	24 191 335	26 627 858	26 476 569	31 712 034	32 053 778	34 478 384	100.0%

Statements of estimates of financial performance and position**Table 36.19 Consolidated Water Boards statements of estimates of financial performance and position**

Statement of financial performance								
R thousand	Revised estimate	Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)
	2014/15	2011/12 - 2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
Revenue								
Non-tax revenue	15 874 317	9.8%	100.0%	13 655 200	15 145 423	21 421 132	10.5%	100.0%
Sale of goods and services other than capital assets	15 002 056	10.7%	92.6%	13 005 803	14 451 351	20 410 553	10.8%	95.1%
<i>of which:</i>								
Administrative fees	12 101	–	0.0%	13 074	14 129	15 259	8.0%	0.1%
Sales of bulk water	14 989 955	10.6%	92.5%	12 992 729	14 437 222	20 395 294	10.8%	95.0%
Other non-tax revenue	872 261	-1.5%	7.4%	649 398	694 072	1 010 579	5.0%	4.9%
Total revenue	15 874 317	9.8%	100.0%	13 655 200	15 145 423	21 421 132	10.5%	100.0%
Expenses								
Current expenses	13 576 479	10.0%	100.0%	14 783 346	16 080 215	17 498 715	8.8%	100.0%
Compensation of employees	2 722 135	8.6%	20.6%	2 981 921	3 235 078	3 491 055	8.6%	20.1%
Goods and services	10 007 236	10.4%	73.4%	10 883 710	11 792 299	12 830 831	8.6%	73.5%
Depreciation	716 201	12.5%	5.0%	792 050	887 182	953 073	10.0%	5.4%
Interest, dividends and rent on land	130 906	-2.7%	1.0%	125 665	165 655	223 756	19.6%	1.0%
Total expenses	13 576 479	10.0%	100.0%	14 783 346	16 080 215	17 498 715	8.8%	100.0%
Surplus/(Deficit)	2 297 838	9.1%	–	(1 128 146)	(934 792)	3 922 417	19.5%	–
Statement of financial position								
Carrying value of assets	27 468 612	22.1%	70.9%	33 170 884	38 629 291	42 741 135	15.9%	82.5%
<i>of which:</i>								
Acquisition of assets	5 831 391	41.3%	11.8%	5 851 436	5 610 829	4 329 177	-9.5%	13.1%
Investments	1 886 537	-9.9%	10.1%	1 541 169	1 550 675	1 854 811	-0.6%	4.1%
Inventory	343 094	14.8%	1.0%	359 741	383 107	406 739	5.8%	0.9%
Loans	5 282	-3.7%	0.0%	5 265	5 248	5 228	-0.3%	0.0%
Accrued investment interest	16	-91.4%	0.1%	16	16	16	–	0.0%
Receivables and prepayments	2 793 984	9.6%	10.2%	2 899 323	3 131 570	3 357 226	6.3%	7.2%
Cash and cash equivalents	1 980 859	-3.5%	7.5%	1 972 610	2 216 592	2 947 373	14.2%	5.3%
Total assets	34 478 384	15.6%	100.0%	39 949 008	45 916 499	51 312 528	14.2%	100.0%
Accumulated surplus/(deficit)	19 051 304	14.7%	54.7%	21 621 050	24 866 279	28 674 593	14.6%	54.9%
Capital and reserves	3 254 557	13.4%	10.9%	3 273 752	3 293 102	3 318 949	0.7%	7.8%
Capital reserve fund	208 000	106.9%	0.3%	–	–	–	-100.0%	0.2%
Borrowings	5 877 367	28.4%	13.7%	7 732 746	9 299 413	10 262 126	20.4%	19.2%
Finance lease	11 405	–	0.0%	7 819	3 929	50	-83.6%	0.0%
Accrued interest	30 880	-3.8%	0.1%	29 481	28 706	23 952	-8.1%	0.1%
Deferred income	1 132 955	45.8%	2.3%	2 320 283	3 304 206	3 790 865	49.6%	5.9%
Trade and other payables	3 788 794	5.1%	14.1%	3 751 566	3 804 752	3 813 500	0.2%	9.0%
Taxation	3 164	22.2%	0.0%	2 276	2 238	2 231	-11.0%	0.0%
Provisions	1 056 186	12.0%	3.4%	1 144 883	1 247 475	1 355 207	8.7%	2.8%
Derivatives financial instruments	63 772	-38.3%	0.5%	65 150	66 397	71 107	3.7%	0.2%
Total equity and liabilities	34 478 384	15.6%	100.0%	39 949 006	45 916 497	51 312 580	-104.9%	100.0%

Rand Water

Mandate

Rand Water was established in terms of the Water Services Act (1997) and is listed as a schedule 3B public entity in terms of the Public Finance Management Act (1999). The entity supplies water to approximately 12.3 million consumers in Gauteng. In addition to municipalities, Rand Water supplies bulk water to mines and industries. The entity is also mandated to provide management services, training and other support services to water service institutions, and to promote cooperation in the provision of water services. Rand Water's area of operation includes 17 municipalities across Gauteng, North West, Free State and Mpumalanga.

Selected performance indicator

Table 36.20 Rand Water performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Net debt/equity ratio per year	Administration	Outcome 9: A responsive, accountable, effective and efficient developmental local government system	0.3	0.2	0.4	0.4	0.5	0.5	0.5
Debt service ratio per year	Administration		4.3	9.0	5.7	4.0	3.6	3.7	3.9
Costs per kilolitre (R/kl) per year	Bulk water	Outcome 6: An efficient, competitive and responsive economic infrastructure network	4.30	4.60	4.90	5.30	5.70	6.10	6.50
Cost of debt per year	Administration	Outcome 9: A responsive, accountable, effective and efficient developmental local government system	10%	11%	8%	8%	8%	8%	8%

Expenditure analysis

Rand Water contributes to the national development plan's vision of access to affordable, sufficient and safe water and decent sanitation by 2030 through the acceleration of augmenting the water infrastructure network, and connecting households in KwaZulu-Natal and Eastern Cape particularly. This is in line with outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 9 (a responsive, accountable, effective and efficient developmental local government system) of government's 2014-2019 medium term strategic framework.

The organisation's focus over the medium term remains on reducing costs, particularly energy, which is the second largest input cost required to pump water to customers. Energy efficiency initiatives include using variable speed on pumps and off-peak pumping. As a result, the overall growth in goods and services is expected to decline from 13.2 per cent growth between 2011/12 and 2014/15 to 8.8 per cent over the medium term. In light of the investments in infrastructure, the provision for the replacement of assets due to depreciation continues to grow. In 2013/14, in line with the organisation's focus on augmenting the water infrastructure network connecting households, capital spending on infrastructure was R2.5 billion, and is projected to increase to R8 billion over the medium term. Capital expenditure will be partially funded through internal resources in the form of accumulated profits and cash reserves, and additional funding requirements are expected to be met through the raising of funds in the debt capital market. The board has 3 567 funded posts, with 324 vacancies at the end of September 2014.

Rand Water derives its income primarily from the sale of bulk water. The volume of water sold is expected to increase at an average annual rate of 1.5 per cent over the medium term, which is slightly lower than historical growth due to planned water conservation and demand management, including the reduction of municipal water losses. Revenue growth is driven by increases in the volume sold, as well as tariffs, which are determined annually on a cost reflective basis to cover operational costs such as maintenance, depreciation and financial expenses on capital funding.

Programmes/objectives/activities

Table 36.21 Rand Water expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Administration	1 080 016	1 139 736	1 294 799	1 363 206	8.1%	15.9%	1 469 679	1 585 557	1 706 257	7.8%	15.0%
Bulk water	5 277 128	5 718 781	6 273 313	7 107 415	10.4%	79.3%	7 918 381	8 624 402	9 386 465	9.7%	80.7%
Secondary activities	–	376 976	719 326	482 524	–	4.8%	391 071	413 362	436 097	-3.3%	4.3%
Total	6 357 144	7 235 493	8 287 438	8 953 145	12.1%	100.0%	9 779 131	10 623 321	11 528 819	8.8%	100.0%

Statements of historical financial performance and position

Table 36.22 Rand Water statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14	2014/15	2011/12 - 2014/15	
R thousand									
Revenue									
Non-tax revenue	6 992 573	7 135 628	7 849 965	8 232 292	8 732 320	9 469 243	9 904 649	10 285 137	100.0%
Sale of goods and services other than capital assets	6 812 308	6 838 493	7 710 582	7 751 214	8 447 805	8 664 894	9 342 118	9 848 137	97.0%
<i>of which:</i>									
Sales of bulk water	6 812 308	6 838 493	7 710 582	7 751 214	8 447 805	8 664 894	9 342 118	9 848 137	97.0%
Other non-tax revenue	180 265	297 135	139 383	481 078	284 515	804 349	562 531	437 000	3.0%
Total revenue	6 992 573	7 135 628	7 849 965	8 232 292	8 732 320	9 469 243	9 904 649	10 285 137	100.0%
Expenses									
Current expenses	6 296 194	6 357 144	7 003 815	7 235 493	7 682 497	8 287 438	8 679 377	8 953 145	100.0%
Compensation of employees	1 038 957	1 264 870	1 156 063	1 370 718	1 312 857	1 651 209	1 535 341	1 515 197	16.8%
Goods and services	4 930 798	4 876 025	5 616 938	5 635 011	6 080 878	6 351 366	6 831 731	7 152 582	79.4%
Depreciation	242 778	211 911	228 507	229 764	280 536	280 321	312 305	285 367	3.5%
Interest, dividends and rent on land	83 661	4 338	2 307	–	8 226	4 542	–	–	0.4%
Total expenses	6 296 194	6 357 144	7 003 815	7 235 493	7 682 497	8 287 438	8 679 377	8 953 145	100.0%
Surplus/(Deficit)	696 379	778 484	846 150	996 799	1 049 823	1 181 805	1 225 272	1 331 992	–
Statement of financial position									
Carrying value of assets	9 304 550	8 597 753	10 177 894	10 094 187	12 059 090	12 313 320	15 453 954	15 161 615	84.2%
<i>of which:</i>									
Acquisition of assets	1 906 016	1 360 495	1 643 324	1 643 324	2 108 000	2 238 555	2 602 192	2 750 000	15.2%
Investments	21 591	–	–	300 878	–	483 193	–	343 667	0.5%
Inventory	50 605	176 360	55 614	239 445	60 962	244 815	63 952	268 026	0.7%
Loans	–	5 888	–	5 353	–	4 988	5 713	5 282	0.0%
Receivables and prepayments	917 281	853 661	1 015 204	1 104 857	1 006 341	1 411 322	1 058 310	1 068 480	7.4%
Cash and cash equivalents	1 207 050	1 327 472	872 496	863 910	831 464	871 514	1 017 161	885 139	7.2%
Non-current assets held for sale	–	1 335	–	1 802	–	1 589	–	–	–
Taxation	–	3 107	–	–	–	–	–	–	–
Total assets	11 501 077	10 965 576	12 121 208	12 610 432	13 957 857	15 330 741	17 599 090	17 732 209	100.0%
Accumulated surplus/(deficit)	7 485 651	7 534 364	8 310 410	8 511 656	9 445 289	9 750 414	10 808 962	11 267 709	66.2%
Borrowings	2 958 472	984 639	2 208 028	1 514 586	2 472 876	2 510 093	4 495 009	4 119 392	21.2%
Deferred income	64 517	102 365	64 517	182 182	78 597	200 742	108 740	203 928	0.7%
Trade and other payables	992 437	1 793 368	1 538 253	2 022 299	1 961 095	2 460 827	2 128 542	2 083 343	11.8%
Taxation	–	1 732	–	2 048	–	2 458	–	–	–
Provisions	–	293 800	–	325 420	–	345 922	–	–	–
Derivatives financial instruments	–	255 308	–	52 241	–	60 285	57 837	57 837	0.1%
Total equity and liabilities	11 501 077	10 965 576	12 121 208	12 610 432	13 957 857	15 330 741	17 599 090	17 732 209	100.0%

Statements of estimates of financial performance and position

Table 36.23 Rand Water statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2014/15				2011/12 - 2014/15	2015/16	2016/17		
Revenue									
Non-tax revenue		10 285 137	13.0%	100.0%	11 498 867	12 791 019	14 189 376	11.3%	100.0%
Sale of goods and services other than capital assets		9 848 137	12.9%	94.3%	11 026 754	12 284 299	13 621 036	11.4%	95.9%
of which:									
Sales of bulk water		9 848 137	12.9%	94.3%	11 026 754	12 284 299	13 621 036	11.4%	95.9%
Other non-tax revenue		437 000	13.7%	5.7%	472 114	506 720	568 340	9.2%	4.1%
Total revenue		10 285 137	13.0%	100.0%	11 498 867	12 791 019	14 189 376	11.3%	100.0%
Expenses									
Current expenses		8 953 145	12.1%	100.0%	9 779 131	10 623 321	11 528 819	8.8%	100.0%
Compensation of employees		1 515 197	6.2%	18.9%	1 634 897	1 765 690	1 903 414	7.9%	16.7%
Goods and services		7 152 582	13.6%	77.8%	7 820 936	8 494 748	9 222 330	8.8%	80.0%
Depreciation		285 367	10.4%	3.3%	323 298	362 883	403 075	12.2%	3.4%
Total expenses		8 953 145	12.1%	100.0%	9 779 131	10 623 321	11 528 819	8.8%	100.0%
Surplus/(Deficit)		1 331 992	19.6%	-	1 719 736	2 167 698	2 660 557	25.9%	-
Statement of financial position									
Carrying value of assets		15 161 615	20.8%	81.1%	18 055 579	21 174 183	24 405 343	17.2%	86.3%
of which:									
Acquisition of assets		2 750 000	26.4%	13.9%	2 766 000	2 929 400	2 988 000	2.8%	12.8%
Investments		343 667	-	1.9%	381 634	427 335	476 091	11.5%	1.8%
Inventory		268 026	15.0%	1.7%	283 303	299 452	315 921	5.6%	1.3%
Loans		5 282	-3.6%	0.0%	5 265	5 248	5 228	-0.3%	0.0%
Receivables and prepayments		1 068 480	7.8%	7.9%	1 193 074	1 323 684	1 447 634	10.7%	5.6%
Cash and cash equivalents		885 139	-12.6%	7.4%	968 187	1 103 650	1 633 561	22.7%	5.0%
Total assets		17 732 209	17.4%	100.0%	20 887 042	24 333 552	28 283 778	16.8%	100.0%
Accumulated surplus/(deficit)		11 267 709	14.4%	65.8%	12 987 444	15 155 141	17 815 697	16.5%	62.7%
Borrowings		4 119 392	61.1%	15.1%	5 403 498	6 490 704	7 607 210	22.7%	25.7%
Deferred income		203 928	25.8%	1.2%	215 552	227 838	240 369	5.6%	1.0%
Trade and other payables		2 083 343	5.1%	15.0%	2 218 605	2 393 527	2 549 450	7.0%	10.3%
Derivatives financial instruments		57 837	-39.0%	0.9%	61 943	66 342	71 052	7.1%	0.3%
Total equity and liabilities		17 732 209	17.4%	100.0%	20 887 042	24 333 552	28 283 778	58.9%	100.0%

Personnel information

Table 36.24 Rand Water personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		Unit	2014/15		Unit	2015/16		Unit	2016/17		Unit			2017/18		Unit	
		Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	2014/15 - 2017/18		
Rand Water																			
Salary level	3 567	3 567	3 741	1 651.2	0.4	3 243	1 515.2	0.5	3 242	1 634.9	0.5	3 242	1 765.7	0.5	3 242	1 903.4	0.6	7.9%	100.0%
1 - 6	913	913	913	206.9	0.2	913	161.9	0.2	913	206.9	0.2	913	206.9	0.2	913	206.9	0.2	8.5%	28.2%
7 - 10	1 866	1 866	2 127	807.7	0.4	1 813	787.7	0.4	1 812	799.5	0.4	1 812	864.9	0.5	1 812	933.8	0.5	5.8%	55.9%
11 - 12	360	360	360	334.0	0.9	360	303.0	0.8	360	334.0	0.9	360	334.0	0.9	360	334.0	0.9	3.3%	11.1%
13 - 16	150	150	150	222.3	1.5	150	197.3	1.3	150	222.3	1.5	150	222.3	1.5	150	222.3	1.5	4.1%	4.6%
17 - 22	278	278	191	80.3	0.4	7	65.3	9.3	7	72.2	10.3	7	137.6	19.7	7	206.4	29.5	46.7%	0.2%

1. Rand million.

Trans-Caledon Tunnel Authority

Mandate

The Trans-Caledon Tunnel Authority was established in 1986 and derives its legislative mandate from section 108 of the National Water Act (1998). As a specialised liability management entity, it finances and implements the development of bulk raw water infrastructure within an acceptable risk framework, and provides an integrated treasury management service to the department and water boards. The authority also plays an important role as a financial advisory service to the department and the water sector in the areas of project initiation, the restructuring of treasury activities and the review of water tariff setting methodologies.

Selected performance indicators

Table 36.25 Trans-Caledon Tunnel Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Percentage of Spring Grove Dam completed	Mooi-Mgeni transfer scheme	Outcome 6: An efficient, competitive and responsive economic infrastructure network	29%	50%	100%	— ¹	— ¹	— ¹	— ¹
Percentage of 14.5km pipeline completed	Mooi-Mgeni transfer scheme		— ²	3%	10%	95%	100%	— ²	— ²
Percentage of 14.5km pipeline refurbished	Mooi-Mgeni transfer scheme		— ³	1%	100%	— ³	— ³	— ³	— ³
Percentage of 40km pipeline completed	Olifants River water resource development project		17%	42%	48%	100%	— ⁴	— ⁴	— ⁴
Percentage of 58.6km pipeline completed	Komati water scheme augmentation project		59%	89%	99%	100%	— ⁴	— ⁴	— ⁴
Percentage of 43km pipeline completed	Mokolo Crocodile River water augmentation project		26%	31%	62%	100%	— ⁴	— ⁴	— ⁴
Percentage of 160km pipeline completed	Mokolo Crocodile River water augmentation project		— ⁵	— ⁵	— ⁵	— ⁵	— ⁵	20%	40%
Western basin: Percentage of upgrade of existing plant completed	Acid mine drainage		3%	100%	— ⁶	— ⁶	— ⁶	— ⁶	— ⁶
Central basin: Percentage of upgrade of construction of new plant completed	Acid mine drainage		— ⁷	10%	95%	100%	— ⁷	— ⁷	— ⁷
Eastern basin: Percentage of upgrade of construction of new plant completed	Acid mine drainage	— ⁸	— ⁸	— ⁸	75%	100%	— ⁸	— ⁸	

1. This project ended in 2013/14.

2. This project began in 2012/13 and will end in 2015/16.

3. This project began in 2012/13 and ended in 2013/14.

4. This project will end in 2014/15.

5. This project will begin in 2016/17.

6. This project ended in 2012/13.

7. This project began in 2012/13 and will end in 2014/15.

8. This project began in 2014/15 and will end in 2015/16.

Expenditure analysis

The national development plan envisages universal access to affordable, sufficient and safe water and decent sanitation by 2030 for socioeconomic growth, which is in line with outcome 6 (an efficient, competitive and responsive infrastructure network) of government's 2014–2019 medium term strategic framework. The Trans-Caledon Tunnel Authority supports these policies by financing and implementing bulk raw water infrastructure, as well as providing support to other sector institutions such as water boards and water user associations, enabling them to deliver on their mandates and contribute to outcome 9 (a responsive, accountable, effective and efficient developmental local government system) of the medium term strategic framework. The authority will contribute to these objectives through the coordination of roles related to national water and sanitation infrastructure, and thereby offer vast potential to address spatial imbalances by raising the level of service delivery and quality across the country, particularly in areas that are underserved or unserved.

The 23.6 per cent average annual increase in revenue between 2011/12 and 2014/15 was a result of increased construction activities on projects, which brought in tariff revenue for the Department of Water and Sanitation for projects that had been completed. However, revenue is projected to decline at an average annual rate of 8.4 per cent over the medium term as major projects near completion. As a result, minor growth is expected in expenditure, at an average annual rate of 0.1 per cent. The operation and maintenance of existing infrastructure is expected to drive expenditure on goods and services over the medium term.

The authority has 218 approved posts, of which 194 were filled and 24 vacant at the end of September 2014. The authority intends to fill the vacant posts over the medium term to enable it to achieve government outcomes.

Programmes/objectives/activities

Table 36.26 Trans-Caledon Tunnel Authority expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	2 747 583	2 940 285	3 445 506	3 516 404	8.6%	49.6%	4 531 212	4 280 249	4 494 261	8.5%	57.1%
Berg water project	254 066	93 231	156 211	169 084	-12.7%	2.7%	152 795	133 661	140 344	-6.0%	2.0%
Vaal River eastern subsystem augmentation project	794 433	395 993	660 462	402 776	-20.3%	9.1%	398 307	405 067	425 320	1.8%	5.5%
Mooi-Mgeni transfer scheme	315 488	580 973	992 832	977 530	45.8%	10.7%	276 088	155 490	163 265	-44.9%	5.3%
Olifants River water resource development project	100 581	456 945	538 364	462 805	66.3%	5.9%	208 226	-	-	-100.0%	2.3%
Komati water scheme augmentation project	510 787	444 550	313 015	140 365	-35.0%	5.9%	118 956	110 630	116 161	-6.1%	1.6%
Mokolo Crocodile water augmentation project	277 698	561 886	528 318	1 722 849	83.7%	11.3%	1 243 755	1 860 583	1 953 612	4.3%	22.9%
Acid mine drainage	80 380	97 026	593 657	162 719	26.5%	3.4%	243 496	270 242	283 754	20.4%	3.3%
Other projects	277 698	(997)	-	-	-100.0%	1.3%	-	-	-	-	-
Total	5 358 713	5 569 892	7 228 364	7 554 533	12.1%	100.0%	7 172 835	7 215 921	7 576 717	0.1%	100.0%

Statements of historical financial performance and position

Table 36.27 Trans-Caledon Tunnel Authority statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2011/12 - 2014/15	
Revenue									
Non-tax revenue	3 304 600	4 676 643	3 671 666	5 360 966	6 665 380	5 013 417	8 103 771	8 775 033	100.0%
Sale of goods and services other than capital assets	3 287 680	2 301 015	3 671 666	2 792 970	5 105 353	3 091 325	6 355 729	4 341 552	81.4%
<i>of which:</i>									
Sales of bulk water	3 287 680	2 301 015	3 671 666	2 792 970	5 105 353	3 091 325	6 355 729	4 341 552	81.4%
Other non-tax revenue	16 920	2 375 628	-	2 567 996	1 560 028	1 922 092	1 748 042	4 433 482	18.6%
Total revenue	3 304 600	4 676 643	3 671 666	5 360 966	6 665 380	5 013 417	8 103 771	8 775 033	100.0%
Expenses									
Current expenses	3 975 110	5 358 713	3 773 976	5 569 892	7 378 527	7 228 364	8 750 278	7 554 533	100.0%
Compensation of employees	151 380	123 540	158 624	121 997	169 962	121 728	181 010	199 051	3.2%
Goods and services	655 450	2 695 808	793 814	2 661 089	4 926 147	2 944 525	6 106 703	3 220 538	36.7%
Depreciation	51 100	5 101	133 991	8 467	9 243	11 802	9 844	10 694	1.3%
Interest, dividends and rent on land	3 117 180	2 534 264	2 687 547	2 778 339	2 273 174	4 150 310	2 452 721	4 124 250	58.8%
Total expenses	3 975 110	5 358 713	3 773 976	5 569 892	7 378 527	7 228 364	8 750 278	7 554 533	100.0%
Surplus/(Deficit)	(670 510)	(682 070)	(102 310)	(208 926)	(713 147)	(2 214 948)	(646 508)	1 220 501	-
Statement of financial position									
Carrying value of assets	30 116 141	8 147	23 555 406	6 879	36 588	22 702	34 083	11 703	43.0%
<i>of which:</i>									
Acquisition of assets	6 911 133	6 000	1 659 155	6 000	1 883 052	19 819	2 590 497	11 703	7.8%
Investments	4 798 933	1 419 748	3 117 265	3 258 866	3 486 356	3 466 507	4 569 119	7 168 635	13.3%
Receivables and prepayments	1 032 276	30 747 673	930 650	31 793 285	31 174 194	29 947 524	32 515 188	32 518 285	44.5%
Cash and cash equivalents	(1 139 515)	-	1 328	23 169	-	-	-	-	-0.8%
Non-current assets held for sale	-	-	20 305	-	-	-	-	-	0.0%
Taxation	-	40 709	-	14 960	-	24 874	-	-	-
Derivatives financial instruments	-	4 322	-	4 415	-	-	-	-	-
Total assets	34 807 835	32 220 599	27 624 954	35 101 574	34 697 139	33 461 608	37 118 390	39 698 622	100.0%
Accumulated surplus/(deficit)	(5 017 680)	5 575 481	(4 196 445)	6 274 242	4 761 898	4 047 225	4 948 027	6 706 996	0.3%
Capital and reserves	140 455	-	131 694	-	-	-	-	-	0.2%
Borrowings	33 209 538	24 625 216	27 770 117	26 714 996	29 028 115	26 950 781	31 110 721	32 043 599	90.1%
Finance lease	-	-	2 613 135	-	-	-	-	-	2.4%
Trade and other payables	1 373 239	1 639 992	1 264 846	1 719 523	907 126	1 997 271	1 040 294	948 027	3.4%
Taxation	-	81 682	-	110 856	-	85 600	-	-	-
Provisions	57	40 225	41 607	281 957	-	377 872	-	-	0.0%
Derivatives financial instruments	5 102 226	258 003	-	-	-	2 859	-	-	3.7%
Total equity and liabilities	34 807 834	32 220 599	27 624 953	35 101 574	34 697 139	33 461 608	37 099 041	39 698 622	100.0%

Statements of estimates of financial performance and position

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

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
					2014/15	2011/12 - 2014/15	2015/16		
R thousand									
Revenue									
Non-tax revenue		8 775 033	23.3%	100.0%	6 824 891	6 430 144	6 751 652	-8.4%	100.0%
Sale of goods and services other than capital assets		4 341 552	23.6%	53.1%	5 407 070	4 891 202	5 135 762	5.8%	70.2%
<i>of which:</i>									
Sales of bulk water		4 341 552	23.6%	53.1%	5 407 070	4 891 202	5 135 762	5.8%	70.2%
Other non-tax revenue		4 433 482	23.1%	46.9%	1 417 821	1 538 942	1 615 889	-28.6%	29.8%
Total revenue		8 775 033	23.3%	100.0%	6 824 891	6 430 144	6 751 652	-8.4%	100.0%
Expenses									
Current expenses		7 554 533	12.1%	100.0%	7 172 835	7 215 921	7 576 717	0.1%	100.0%
Compensation of employees		199 051	17.2%	2.2%	211 989	225 768	237 057	6.0%	3.0%
Goods and services		3 220 538	6.1%	45.4%	4 255 369	4 373 949	4 592 647	12.6%	55.8%
Depreciation		10 694	28.0%	0.1%	11 389	12 129	12 736	6.0%	0.2%
Interest, dividends and rent on land		4 124 250	17.6%	52.3%	2 694 088	2 604 074	2 734 278	-12.8%	41.1%
Total expenses		7 554 533	12.1%	100.0%	7 172 835	7 215 921	7 576 717	0.1%	100.0%
Surplus/(Deficit)		1 220 501	-221.4%	-	(347 944)	(785 777)	(825 066)	-187.8%	-
Statement of financial position									
Carrying value of assets		11 703	12.8%	0.0%	14 415	16 958	17 805	15.0%	0.0%
<i>of which:</i>									
Acquisition of assets		11 703	24.9%	0.0%	14 415	16 958	17 805	15.0%	0.0%
Investments		7 168 635	71.6%	10.5%	8 109 114	7 902 743	8 297 880	5.0%	18.8%
Receivables and prepayments		32 518 285	1.9%	89.4%	33 994 223	33 932 096	35 628 701	3.1%	81.2%
Total assets		39 698 622	7.2%	100.0%	42 117 752	41 851 796	43 944 386	3.4%	100.0%
Accumulated surplus/(deficit)		6 706 996	6.4%	16.0%	5 707 388	4 836 549	5 078 377	-8.9%	13.4%
Borrowings		32 043 599	9.2%	78.4%	35 476 667	36 543 181	38 370 340	6.2%	84.9%
Trade and other payables		948 027	-16.7%	4.6%	933 697	472 067	495 670	-19.4%	1.7%
Total equity and liabilities		39 698 622	7.2%	100.0%	42 117 752	41 851 796	43 944 386	-22.1%	100.0%

Personnel information

Table 36.29 Trans-Caledon Tunnel Authority personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
		2013/14			2014/15			2015/16			2016/17			2017/18					
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Trans-Caledon Tunnel Authority																			
Salary level	194	218	138	111.8	0.8	194	161.9	0.8	214	174.1	0.8	207	187.5	0.9	176	198.2	1.1	7.0%	100.0%
1 – 6	3	3	3	0.5	0.2	3	0.4	0.1	1	0.3	0.3	1	0.3	0.3	1	0.4	0.4	-1.1%	0.8%
7 – 10	77	77	49	17.4	0.4	77	25.2	0.3	69	24.5	0.4	67	25.2	0.4	64	27.1	0.4	2.5%	35.2%
11 – 12	34	34	31	21.7	0.7	34	23.5	0.7	35	24.5	0.7	27	18.8	0.7	36	33.7	0.9	12.7%	16.8%
13 – 16	68	68	48	52.7	1.1	68	65.9	1.0	73	72.8	1.0	75	86.0	1.1	66	85.4	1.3	9.0%	35.7%
17 – 22	12	36	7	19.6	2.8	12	46.9	3.9	36	52.0	1.4	37	57.2	1.5	9	51.6	5.7	3.3%	11.5%

1. Rand million.

Umgeni Water

Mandate

Umgeni Water was established in terms of the Water Services Act (1997) and is listed as a schedule 3B public entity in the Public Finance Management Act (1999). The entity supplies water for the use of approximately 6 million consumers in KwaZulu-Natal.

Selected performance indicators

Table 36.30 Umgeni Water performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Debt service ratio per year	Bulk activities	Outcome 9: A responsive, accountable, effective and efficient developmental local government system	4.5	4.5	5.1	5.4	5.8	4.8	3.9
Costs per kilolitre (R/kl) per year	Bulk activities		R2.41	R2.34	R 2.76	R3.10	R3.51	R3.76	R 4.11
Debtors collection period (days)	Bulk activities		30	37	39	40	41	42	43
Weighted average cost of capital	Bulk activities		9%	9%	9%	10%	10%	10%	10%
Total capital infrastructure expenditure	Bulk activities		R486m	R643m	R975m	R1 203m	R1398m	R1092m	R675m

Expenditure analysis

The national development plan envisages that all South Africans will have access to affordable, sufficient and safe water and decent sanitation by 2030. Like all the other water boards, Umgeni Water will focus on working with the Department of Water and Sanitation to build regional bulk water infrastructure that will enable it to provide bulk water and sanitation services, and serve water services institutions in KwaZulu-Natal. In this way, the organisation will contribute to outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 9 (a responsive, accountable, effective and efficient developmental local government system) of government's 2014-2019 medium term strategic framework.

The focus over the medium term will continue to be on improving the provision of bulk water and sanitation services through the rollout of the capital infrastructure programme, which is expected to exceed R1 billion per year between 2014/15 and 2016/17, and infrastructure maintenance. In line with this focus, most of the infrastructure budget is projected to be spent on rural development and community sustainability. As a result of capital spending, expenditure on interest is expected to grow, due to a projected increase in interest bearing loans taken on by the entity as a result of additional funding requirements for both capital and operating expenditure. To contain overall costs, the organisation plans to enhance procurement processes, improve metering and billing systems by reviewing the metering process, and enhance business controls to reduce fraud risk.

The organisation has 1 157 funded posts, all of which were filled at the end of September 2014. To meet the operational requirements for bulk infrastructure and to operate new water schemes, the number of posts is expected to increase to 1 201 by 2017/18, with a projected increase in expenditure on compensation of employees to R564.1 million. The organisation is in the process of recruiting staff.

Umgeni Water derives its income primarily from the sale of bulk water. The volume of water sold is expected to increase at an average annual rate of 0.7 per cent over the medium term, which is slightly lower than historical growth. This is due to planned water conservation and demand management, and fewer water losses in the municipal reticulation networks. Revenue growth over the medium term will be driven by increases in the volume of water sold, as well as tariffs, which are determined annually on a cost reflective basis to cover operational costs such as maintenance, depreciation, and financial expenses on capital funding.

Programmes/objectives/activities

Table 36.31 Umgeni Water expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	306 901	341 413	359 648	575 526	23.3%	26.1%	633 167	765 213	919 863	16.9%	39.4%
Bulk activities	769 759	786 761	976 446	884 412	4.7%	56.3%	992 628	992 588	1 038 029	5.5%	54.0%
Wastewater	49 977	55 087	58 563	59 411	5.9%	3.7%	60 323	64 747	69 549	5.4%	3.5%
Other activities	283 957	215 082	282 005	50 930	-43.6%	13.9%	54 790	57 492	59 643	5.4%	3.1%
Total	1 410 594	1 398 342	1 676 661	1 570 279	3.6%	100.0%	1 740 908	1 880 040	2 087 084	9.9%	100.0%

Statements of historical financial performance and position

Table 36.32 Umgeni Water statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	2 165 369	2 001 926	2 023 771	2 065 156	2 018 286	2 359 091	2 282 036	2 201 897	100.0%
Sale of goods and services other than capital assets	2 128 549	1 847 151	1 958 256	1 908 834	1 958 879	2 204 140	2 231 497	2 121 614	97.1%
<i>of which:</i>									
<i>Sales of bulk water</i>	2 128 549	1 847 151	1 958 256	1 908 834	1 958 879	2 204 140	2 231 497	2 121 614	97.1%
Other non-tax revenue	36 820	154 775	65 515	156 322	59 407	154 951	50 539	80 283	2.9%
Total revenue	2 165 369	2 001 926	2 023 771	2 065 156	2 018 286	2 359 091	2 282 036	2 201 897	100.0%
Expenses									
Current expenses	1 689 620	1 410 594	1 662 186	1 398 342	1 626 626	1 676 661	1 857 654	1 570 278	100.0%
Compensation of employees	338 489	320 656	304 480	291 315	355 815	331 609	463 619	426 899	21.9%
Goods and services	1 120 010	915 776	1 135 680	950 620	1 047 315	1 193 857	1 215 099	978 813	65.3%
Depreciation	112 961	89 573	124 047	89 901	128 403	105 640	108 280	96 664	7.0%
Interest, dividends and rent on land	118 160	84 589	97 980	66 507	95 093	45 555	70 656	67 902	5.8%
Total expenses	1 689 620	1 410 594	1 662 186	1 398 342	1 626 626	1 676 661	1 857 654	1 570 278	100.0%
Surplus/(Deficit)	475 749	591 332	361 586	666 814	391 660	682 430	424 382	631 619	-
Statement of financial position									
Carrying value of assets	3 738 477	3 112 264	3 723 705	3 443 935	4 730 735	3 988 282	4 984 845	5 767 430	74.4%
<i>of which:</i>									
<i>Acquisition of assets</i>	672 499	485 615	476 118	476 118	465 284	779 001	660 300	1 683 599	13.2%
Investments	1 103 709	1 811 364	1 711 333	2 113 613	1 014 305	2 279 963	1 075 852	1 026 583	20.7%
Inventory	8 607	9 002	9 166	11 029	9 426	11 456	9 631	15 530	0.2%
Accrued investment interest	14	25 205	14	27 610	14	40 722	14	16	0.0%
Receivables and prepayments	261 775	205 734	226 802	304 099	261 396	452 410	298 458	277 144	4.3%
Cash and cash equivalents	826	11 578	813	7 611	51 510	32 693	1 310	716	0.2%
Non-current assets held for sale	-	13 500	14 481	-	14 481	-	13 500	-	0.1%
Total assets	5 113 408	5 188 647	5 686 314	5 907 897	6 081 867	6 805 526	6 383 610	7 087 419	100.0%
Accumulated surplus/(deficit)	2 985 288	2 664 930	2 851 548	3 171 025	3 466 028	3 973 337	3 894 912	4 235 008	56.3%
Capital and reserves	-	442 847	442 847	442 847	442 847	442 847	442 847	442 847	5.3%
Borrowings	1 613 881	1 257 137	1 461 670	1 135 381	1 383 296	1 250 029	1 181 530	1 171 358	24.1%
Accrued interest	-	34 660	-	31 396	32 381	27 406	28 631	30 880	0.2%
Deferred income	-	-	12 471	-	-	-	-	-	0.1%
Trade and other payables	322 380	399 121	579 581	568 649	418 745	602 688	289 657	421 672	7.3%
Provisions	191 859	377 481	338 197	548 041	338 570	500 828	537 643	779 720	6.6%
Derivatives financial instruments	-	12 471	-	10 558	-	8 391	8 390	5 935	0.0%
Total equity and liabilities	5 113 408	5 188 647	5 686 314	5 907 897	6 081 867	6 805 526	6 383 610	7 087 420	100.0%

Statements of estimates of financial performance and position

Table 36.33 Umgeni Water statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	2 201 897	3.2%	100.0%	2 364 875	2 584 418	2 833 210	8.8%	100.0%
Sale of goods and services other than capital assets	2 121 614	4.7%	93.6%	2 317 563	2 543 524	2 785 268	9.5%	97.8%
<i>of which:</i>								
<i>Sales of bulk water</i>	2 121 614	4.7%	93.6%	2 317 563	2 543 524	2 785 268	9.5%	97.8%
Other non-tax revenue	80 283	-19.7%	6.4%	47 312	40 894	47 942	-15.8%	2.2%
Total revenue	2 201 897	3.2%	100.0%	2 364 875	2 584 418	2 833 210	8.8%	100.0%
Expenses								
Current expenses	1 570 278	3.6%	100.0%	1 740 908	1 880 040	2 087 084	9.9%	100.0%
Compensation of employees	426 899	10.0%	22.6%	480 037	521 863	564 104	9.7%	27.4%
Goods and services	978 813	2.2%	66.6%	1 096 548	1 135 758	1 231 455	8.0%	61.2%
Depreciation	96 664	2.6%	6.3%	102 705	109 172	116 019	6.3%	5.9%
Interest, dividends and rent on land	67 902	-7.1%	4.4%	61 618	113 247	175 506	37.2%	5.6%
Total expenses	1 570 278	3.6%	100.0%	1 740 908	1 880 040	2 087 084	9.9%	100.0%
Surplus/(Deficit)	631 619	2.2%	-	623 967	704 378	746 126	5.7%	-

Table 36.33 Umgeni Water statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)			
				2014/15	2011/12 - 2014/15	2015/16			2016/17	2017/18	2014/15 - 2017/18
				R thousand							
Carrying value of assets	5 767 430	22.8%	64.6%	7 175 914	8 462 329	8 976 663	15.9%	86.7%			
<i>of which:</i>											
Acquisition of assets	1 683 599	51.3%	13.2%	1 559 299	1 406 614	652 131	-27.1%	16.0%			
Investments	1 026 583	-17.2%	29.7%	707 231	665 378	769 148	-9.2%	9.4%			
Inventory	15 530	19.9%	0.2%	17 974	20 549	23 260	14.4%	0.2%			
Accrued investment interest	16	-91.4%	0.4%	16	16	16	-	0.0%			
Receivables and prepayments	277 144	10.4%	4.9%	298 416	326 517	360 892	9.2%	3.6%			
Cash and cash equivalents	716	-60.5%	0.2%	847	1 798	4 176	80.0%	0.0%			
Total assets	7 087 419	11.0%	100.0%	8 200 398	9 476 587	10 134 155	12.7%	100.0%			
Accumulated surplus/(deficit)	4 235 008	16.7%	55.8%	4 811 749	5 468 903	6 167 802	13.4%	59.3%			
Capital and reserves	442 847	-	7.2%	442 847	442 847	442 847	-	5.2%			
Borrowings	1 171 358	-2.3%	19.6%	1 692 526	2 263 510	2 184 302	23.1%	20.7%			
Accrued interest	30 880	-3.8%	0.5%	29 481	28 706	23 952	-8.1%	0.3%			
Trade and other payables	421 672	1.8%	8.0%	341 672	290 585	225 804	-18.8%	3.9%			
Provisions	779 720	27.4%	8.7%	878 969	982 035	1 089 450	11.8%	10.7%			
Derivatives financial instruments	5 935	-21.9%	0.2%	3 152	-	-	-100.0%	0.0%			
Total equity and liabilities	7 087 420	11.0%	100.0%	8 200 396	9 476 586	10 134 157	-78.7%	100.0%			

Personnel information

Table 36.34 Umgeni Water personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)					
		2013/14		2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18				
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost				Unit Cost			
Umgeni Water																			
Salary level	1 157	1 157	1 020	331.6	0.3	1 157	426.9	0.4	1 194	480.0	0.4	1 201	521.9	0.4	1 201	564.1	0.5	9.7%	100.0%
1 – 6	394	394	382	65.7	0.2	394	71.1	0.2	409	84.5	0.2	415	93.2	0.2	415	102.8	0.2	13.1%	34.4%
7 – 10	722	722	604	235.0	0.4	722	305.0	0.4	744	341.5	0.5	745	371.2	0.5	745	400.1	0.5	9.5%	62.2%
11 – 12	36	36	22	19.3	0.9	36	40.5	1.1	36	42.9	1.2	36	45.5	1.3	36	48.4	1.3	6.2%	3.0%
13 – 16	4	4	11	9.2	0.8	4	7.5	1.9	4	8.1	2.0	4	8.7	2.2	4	9.3	2.3	7.2%	0.3%
17 – 22	1	1	1	2.4	2.4	1	2.8	2.8	1	3.0	3.0	1	3.2	3.2	1	3.5	3.5	7.7%	0.1%

1. Rand million.

Water Trading Entity

Mandate

A water trading account was established in 1983 to separate departmental revenue collected through the sale of bulk water and related services from appropriated funds. The trading account was amended by the Public Finance Management Act (1999), under which it became the Water Trading Entity in 2008. The rationale was to create an entity that would manage the recovery of usage costs to ensure the long term sustainability of South Africa's water resources.

As such, the Water Trading Entity is mandated to undertake: the construction of new water infrastructure such as dams, bulk distribution systems and pipelines, reservoirs, canals and wastewater treatment infrastructure through the water infrastructure build programme; and the rehabilitation and refurbishment of existing water resource infrastructure through the dam safety rehabilitation programme to ensure a sustainable water supply for both domestic and industrial use. The entity is also mandated to undertake water resources management, which includes the management of water quality, conservation and the allocation of water through catchment management agencies.

Selected performance indicators

Table 36.5 Water Trading Entity performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Percentage of actual versus planned billing per year	Administration	Outcome 12: An efficient, effective and development oriented public service	92%	99%	100%	100%	- ¹	- ¹	- ¹
Percentage of reduction in outstanding debt over 60 days	Administration		15%	35%	36%	40%	40%	50%	60%
Number of debtor days	Implementation of water resources management activities	Outcome 6: An efficient, competitive and responsive economic infrastructure network	348	303	305	170	150	120	100
Total number of water conveyance projects rehabilitated per year	Operations, maintenance and refurbishment of national water resources schemes		2	7	22	12	12	12	12
Percentage spent on asset refurbishment and betterment against budget	Operations, maintenance and refurbishment of national water resources schemes		52%	55%	70%	98%	100%	100%	100%
Percentage completion on project plan of Olifants River water resources development project phase 2A (De Hoop Dam and related infrastructure) as outlined in the original and approved project implementation plan	Implementation of new water resources infrastructure		86%	95%	99%	100%	- ²	- ²	- ²
Percentage completion on project plan of Olifants River water resources development project phase 2C (bulk distribution system) as outlined in the original and approved project implementation plan	Implementation of new water resources infrastructure		5%	18%	50%	80%	95%	100%	- ³
Percentage completion on project plan of Nwamitwa Dam as outlined in the original and approved project implementation plan	Implementation of new water resources infrastructure		- ⁴	5%	10%	15%	20%	40%	60%
Percentage completion on project plan of raising Tzaneen Dam as outlined in the original and approved project implementation plan	Implementation of new water resources infrastructure		- ⁴	5%	25%	35%	10%	40%	60%
Percentage completion on project plan of raising Clanwilliam Dam wall as outlined in the original and approved project implementation plan ¹	Implementation of new water resources infrastructure		1%	8%	20%	7% ⁵	28%	50%	78%
Percentage completion on project plan of raising Hazelmere Dam wall as outlined in the original and approved project implementation plan ²	Implementation of new water resources infrastructure		10%	42%	54%	13% ⁶	33%	58%	88%
Percentage completion on project plan of Olifants River water resources development project phase 2B (bulk distribution system) as outlined in the original and approved project implementation plan	Bulk water supply to strategic users		- ⁷	- ⁷	- ⁷	5%	10%	20%	50%
Percentage completion on project plan of Olifants River water resources development project phase 2D (bulk distribution system) as outlined in the original and approved project implementation plan	Bulk water supply to strategic users	- ⁷	- ⁷	- ⁷	5%	40%	50%	75%	
Percentage completion on project plan of phase 1 of Mokolo River augmentation as outlined in the original and approved project implementation plan	Bulk water supply to strategic users	12%	36%	55%	80%	95%	100%	- ³	
Percentage completion on project plan of phase 2A of Mokolo River augmentation as outlined in the original and approved project implementation plan	Bulk water supply to strategic users	- ⁷	- ⁷	- ⁷	5%	10%	20%	40%	
Total cumulative number of dam safety rehabilitation projects completed	Implementation of dam safety projects	30	35	35	39	44	49	55	

1. This will be monitored until 2014/15.

2. This project ended in 2014/15.

3. This project will end in 2016/17.

4. This project began in 2012/13.

5. During 2014/15, the target was reduced to reflect physical construction activities. The previous year's performance related to designs and relocation of the N7 road.

6. The target was reduced to reflect physical construction activities as the design had to be changed.

7. This project began in 2014/15.

Expenditure analysis

The Water Trading Entity's focus over the medium term will be on improving the provision of bulk water through the development of new water infrastructure, and the operation, maintenance and refurbishment of existing infrastructure for water resources. The entity's ongoing focus is on developing new water resources, thereby making sufficient water available to all users. This is directly linked to the objectives of the national development plan, which highlights the need for a comprehensive water management strategy, including an investment programme for water resource development, bulk water supply and wastewater management for major centres. It

is further supported by outcome 6 of government's 2014-2019 medium term strategic framework (an efficient, competitive and responsive economic infrastructure network).

Revenue for the entity is generated from raw water charges and transfers received from the Department of Water and Sanitation. Total revenue over the medium term is expected to increase by 7.4 per cent, due to the completion of dams and bulk distribution systems, increasing the availability of water and therefore the amount of water sold. As a result, the implementation of the new water resources infrastructure programme will account for 58.1 per cent of the entity's total projected expenditure over the medium term.

Expenditure on new water infrastructure is expected to fast-track the completion of the De Hoop Dam; the raising of the Tzaneen, Clanwilliam and Hazelmere dam walls; and phases 1 and 2 of the Mokolo augmentation project, which is expected to increase the value of assets on the entity's balance sheet to R118.9 billion in 2017/18. Expenditure in this area will decrease marginally over the MTEF period, due to Cabinet approved budget reductions of R3.9 billion. The entity plans to rehabilitate 12 projects under the operations, maintenance and refurbishment of national water resources schemes programme in each year of the medium term, resulting in expenditure increasing at an average annual rate of 7.5 per cent. In addition, the entity plans to rehabilitate 16 dam safety projects to meet dam safety regulations.

Expenditure on interest, dividends and rent on land is expected to increase over the medium term, due to higher royalty fees to be paid to the government of Lesotho for water delivered to South Africa, and the payment of interest on debt not capitalised during construction projects.

The entity has 4 205 funded posts, of which 3 694 were filled and 511 were vacant at the end of November 2014. Personnel numbers are expected to remain constant over the medium term, and as a result, expenditure on compensation of employees is set to increase moderately, by 4.1 per cent over this period, due to inflationary adjustments.

Programmes/objectives/activities

Table 36.36 Water Trading Entity expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Administration	331 143	523 460	458 095	362 837	3.1%	5.3%	432 659	454 292	477 377	9.6%	5.3%
Implementation of water resources management activities	348 574	551 014	482 208	524 174	14.6%	6.0%	571 179	660 089	693 631	9.8%	7.5%
Operations, maintenance and refurbishment of national water resources schemes	676 701	1 069 705	936 130	1 043 810	15.5%	11.8%	1 175 004	1 233 754	1 296 446	7.5%	14.6%
Implementation of new water resources infrastructure	3 671 715	5 804 118	5 079 354	4 916 148	10.2%	61.4%	4 614 636	4 540 108	4 770 810	-1.0%	58.1%
Bulk water supply to strategic users	754 767	1 193 109	1 044 125	771 967	0.8%	11.9%	845 141	887 398	932 490	6.5%	10.6%
Implementation of dam safety projects	238 956	377 734	330 566	220 000	-2.7%	3.7%	315 789	350 877	368 707	18.8%	3.9%
Total	6 021 856	9 519 139	8 330 479	7 838 935	9.2%	100.0%	7 954 407	8 126 518	8 539 460	2.9%	100.0%

Statements of historical financial performance and position

Table 36.37 Water Trading Entity statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
R thousand									
Revenue									
Non-tax revenue	2 679 884	6 251 496	2 918 927	7 535 150	7 618 888	8 306 177	7 942 513	7 942 513	80.3%
Sale of goods and services other than capital assets	2 645 884	6 207 009	2 865 454	7 167 780	7 562 574	8 134 057	7 882 820	7 882 820	79.3%
<i>of which:</i>									
Sales of bulk water	2 645 884	6 207 009	2 865 454	7 167 780	7 562 574	8 134 057	7 882 820	7 882 820	79.3%
Other non-tax revenue	34 000	44 487	53 473	367 370	56 314	172 120	59 693	59 693	0.9%
Transfers received	403 533	1 934 449	869 529	1 817 103	1 865 142	2 085 265	2 410 661	2 410 661	19.7%
Total revenue	3 083 417	8 185 945	3 788 455	9 352 253	9 484 030	10 391 442	10 353 174	10 353 174	100.0%

Table 36.37 Water Trading Entity statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14	2014/15		2011/12 - 2014/15
Expenses									
Current expenses	3 875 798	6 021 857	4 299 000	9 519 139	7 178 479	8 330 479	7 838 935	7 838 935	100.0%
Compensation of employees	836 842	618 916	903 789	608 360	909 426	678 018	944 351	944 352	16.8%
Goods and services	1 077 443	2 557 194	1 722 739	3 709 242	2 531 265	3 760 868	2 683 425	2 683 424	34.3%
Depreciation	1 958 363	1 599 266	1 669 164	3 000 758	2 372 022	2 973 019	2 463 118	2 463 118	38.5%
Interest, dividends and rent on land	3 150	1 246 482	3 308	2 200 778	1 365 766	918 573	1 748 042	1 748 042	10.4%
Total expenses	3 875 798	6 021 857	4 299 000	9 519 139	7 178 479	8 330 479	7 838 935	7 838 935	100.0%
Surplus/(Deficit)	(792 381)	2 164 088	(510 545)	(166 886)	2 305 551	2 060 963	2 514 239	2 514 239	-
Statement of financial position									
Carrying value of assets	66 435 253	88 624 511	65 806 836	88 322 257	98 783 580	87 098 445	103 681 893	103 681 893	95.9%
<i>of which:</i>									
Acquisition of assets	2 768 379	1 305 085	1 057 123	1 057 122	4 219 678	1 027 599	2 599 470	2 599 470	3.0%
Inventory	10 000	168 377	10 800	80 957	185 282	169 184	194 361	194 361	0.1%
Receivables and prepayments	1 777 929	3 181 126	2 362 679	3 241 911	2 478 450	4 230 123	2 599 894	2 599 894	2.7%
Cash and cash equivalents	22 988	1 488 681	1 385 607	2 094 566	1 639 708	1 924 357	1 720 053	1 720 053	1.3%
Total assets	68 246 170	93 462 695	69 565 922	93 739 691	103 087 021	93 422 109	108 196 202	108 196 202	100.0%
Accumulated surplus/(deficit)	(205 464)	62 691 207	1 070 726	61 304 875	67 390 360	63 365 841	72 436 894	72 436 894	33.4%
Capital and reserves	61 014 131	272 519	60 055 134	247 493	300 166	268 586	314 874	314 874	44.1%
Capital reserve fund	-	-	5 641 209	-	-	-	-	-	2.0%
Borrowings	-	29 904 340	-	31 444 393	32 963 832	28 941 475	34 579 060	34 579 060	16.0%
Finance lease	-	14 011	13 338	25 315	15 432	24 344	16 189	16 189	0.0%
Deferred income	6 335 945	-	-	-	-	-	-	-	2.3%
Trade and other payables	963 121	574 802	2 243 384	788 713	637 339	895 004	668 568	668 568	1.5%
Provisions	101 430	183 002	542 131	176 393	887 254	195 445	180 617	180 617	0.5%
Derivatives financial instruments	37 006	-	-	-	892 637	-	-	-	0.2%
Total equity and liabilities	68 246 170	93 639 881	69 565 922	93 987 182	103 087 020	93 690 695	108 196 202	108 196 202	100.0%

Statements of estimates of financial performance and position

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

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	7 942 513	8.3%	78.4%	8 274 618	8 712 545	9 239 407	5.2%	73.3%	
Sale of goods and services other than capital assets	7 882 820	8.3%	76.7%	8 254 853	8 691 733	9 169 778	5.2%	72.9%	
<i>of which:</i>									
Sales of bulk water	7 882 820	8.3%	76.7%	8 254 853	8 691 733	9 169 778	5.2%	72.9%	
Other non-tax revenue	59 693	10.3%	1.7%	19 765	20 812	69 629	5.3%	0.4%	
Transfers received	2 410 661	7.6%	21.6%	3 165 439	3 397 004	3 583 839	14.1%	26.7%	
Total revenue	10 353 174	8.1%	100.0%	11 440 057	12 109 549	12 823 247	7.4%	100.0%	
Expenses									
Current expenses	7 838 935	9.2%	100.0%	7 954 407	8 126 518	8 539 460	2.9%	100.0%	
Compensation of employees	944 352	15.1%	9.2%	979 345	1 000 581	1 065 619	4.1%	12.3%	
Goods and services	2 683 424	1.6%	40.2%	2 699 347	2 757 881	2 887 383	2.5%	34.0%	
Depreciation	2 463 118	15.5%	31.3%	2 554 389	2 609 780	2 740 269	3.6%	31.9%	
Interest, dividends and rent on land	1 748 042	11.9%	19.3%	1 721 326	1 758 276	1 846 190	1.8%	21.8%	
Total expenses	7 838 935	9.2%	100.0%	7 954 407	8 126 518	8 539 460	2.9%	100.0%	
Surplus/(Deficit)	2 514 239	5.1%	-	3 485 650	3 983 031	4 283 786	19.4%	-	

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

Statement of financial position		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2014/15				2011/12 - 2014/15	2015/16	2016/17		
R thousand									
Carrying value of assets	103 681 893		5.4%	94.5%	107 554 907	113 255 317	118 918 083	4.7%	95.4%
of which:									
Acquisition of assets	2 599 470		25.8%	1.5%	2 610 158	3 904 287	4 099 501	16.4%	2.8%
Inventory	194 361		4.9%	0.2%	203 885	214 691	225 425	5.1%	0.2%
Receivables and prepayments	2 599 894		-6.5%	3.4%	2 727 289	2 871 835	3 015 427	5.1%	2.4%
Cash and cash equivalents	1 720 053		4.9%	1.9%	2 346 559	2 470 927	2 594 473	14.7%	2.0%
Total assets	108 196 202		5.0%	100.0%	112 832 640	118 812 770	124 753 408	4.9%	100.0%
Accumulated surplus/(deficit)	72 436 894		4.9%	66.7%	76 669 709	80 733 204	84 769 864	5.4%	67.7%
Capital and reserves	314 874		4.9%	0.3%	330 303	347 809	365 200	5.1%	0.3%
Borrowings	34 579 060		5.0%	32.1%	34 924 850	36 775 868	38 614 661	3.7%	31.2%
Finance lease	16 189		4.9%	0.0%	16 982	17 882	18 776	5.1%	0.0%
Trade and other payables	668 568		5.2%	0.8%	701 328	738 498	775 423	5.1%	0.6%
Provisions	180 617		-0.4%	0.2%	189 467	199 509	209 484	5.1%	0.2%
Total equity and liabilities	108 196 202		4.9%	100.0%	112 832 640	118 812 770	124 753 408	29.4%	100.0%

Personnel information

Table 36.39 Water Trading Entity personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)			
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16			2016/17			2017/18					2014/15 - 2017/18		
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Water Trading Entity	4 205	4 205	3 676	678.0	0.2	3 694	944.4	0.3	4 205	979.3	0.2	4 205	1 000.6	0.2	4 205	1 065.6	0.3	4.1%	100.0%		
Salary level																					
1 – 6	2 320	2 320	2 064	190.7	0.1	2 082	250.7	0.1	2 320	259.8	0.1	2 320	265.6	0.1	2 320	283.6	0.1	4.2%	55.5%		
7 – 10	1 475	1 475	1 283	266.9	0.2	1 283	338.8	0.3	1 475	352.4	0.2	1 475	360.2	0.2	1 475	385.0	0.3	4.3%	35.0%		
11 – 12	288	288	229	122.7	0.5	229	166.0	0.7	288	172.6	0.6	288	176.3	0.6	288	188.6	0.7	4.3%	6.7%		
13 – 16	91	91	73	64.1	0.9	73	104.1	1.4	91	107.6	1.2	91	109.8	1.2	91	115.9	1.3	3.7%	2.1%		
17 – 22	31	31	27	33.7	1.2	27	84.7	3.1	31	87.0	2.8	31	88.7	2.9	31	92.4	3.0	3.0%	0.7%		

¹ Rand million.

Breede-Gouritz Catchment Management Agency

Mandate

The former Breede-Overberg Catchment Management Agency was established in 2005 in terms of the National Water Act (1998) and was classified as a schedule 3A public entity. In May 2014, the entity's boundary and area of operation was extended to form the Breede-Gouritz Catchment Management Agency. The agency plays a key role in the use, protection and development of water resources in the Breede-Gouritz water management area. The agency aims to ensure that water is used and managed to support equitable and sustainable socioeconomic transformation and development. It thus plays a central coordinating role in relation to water use, linking national, provincial and local government, and a host of sector partners and stakeholders.

Selected performance indicators

Table 36.40 Breede-Gouritz Catchment Management Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of water registrations finalised per year	Water projects	Outcome 10: Protect and enhance our environmental assets and natural resources	48	150	600	500	800	800	800

Expenditure analysis

The national development plan requires South Africa's water resources to be managed, monitored and protected in a sustainable way, while allowing for economic growth. The Breede-Gouritz Catchment Management Agency will support the plan through its key functions, which include the management of water resources at catchment level in collaboration with local stakeholders, with specific attention given to involving local communities in decision making, promoting equitable access to water, and facilitating social and economic development. The agency's focus over the medium term will be on ensuring water allocation reform and resource protection through the verification of existing lawful water use and allocation plans, the monitoring of water quality, water resource management, and the finalisation of delayed projects.

The agency's only source of funding is a transfer from the Department of Water and Sanitation, which is expected to increase to R62.1 million in 2017/18. Revenue is currently received from the department as seed funding until a billing process is in place. Relevant policies and procedures will be developed as soon as the approval has been given for the transfer of the responsibility for the billing process.

Total expenditure is expected to increase at an average annual rate of 13 per cent over the medium term, due to an expected increase in the number of water registrations finalised from 500 in 2014/15 to 800 in 2017/18. The number of personnel is also expected to increase from 37 in 2014/15 to 66 by 2017/18, as a result of increased posts in the operations divisions required to fulfil the agency's functions.

2 400 water registrations and water verification letters are expected to be finalised over the medium term. 24 newsletters are expected to be published and 12 water user associations assisted in the transformation of business plans through the public participation programme. The publication of newsletters is one of the main conduits of the stakeholder consultation process, and it is through this that the agency is able to finalise the registration and authorisation of volumes of water use to various industry users. Spending for these activities is under goods and services, which is expected to increase to R34.6 million in 2017/18 to support the agency's focus on involving local communities in decision making.

Programmes/objectives/activities

Table 36.41 Breede-Gouritz Catchment Management Agency expenditure trends and estimates by programme/ objective/ activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
					2011/12 - 2014/15					2014/15 - 2017/18	
Administration	7 596	9 574	18 051	14 697	24.6%	44.1%	15 174	17 925	19 691	10.2%	34.2%
Water projects	7 013	11 033	12 509	19 427	40.4%	43.6%	21 361	21 550	25 720	9.8%	44.7%
Public participation	1 611	2 847	3 710	6 663	60.5%	12.3%	10 852	11 500	13 488	26.5%	21.2%
Total	16 220	23 454	34 270	40 787	36.0%	100.0%	47 387	50 975	58 899	13.0%	100.0%

Statements of historical financial performance and position

Table 36.42 Breede-Gouritz Catchment Management Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	397	507	498	424	300	368	241	241	1.5%
Other non-tax revenue	397	507	498	424	300	368	241	241	1.5%
Transfers received	21 979	18 093	19 140	19 000	23 625	31 623	24 623	40 546	98.5%
Total revenue	22 376	18 600	19 638	19 424	23 925	31 991	24 864	40 787	100.0%
Expenses									
Current expenses	18 325	16 285	17 930	23 454	22 516	34 270	24 864	40 787	96.4%
Compensation of employees	9 430	6 812	9 896	10 530	11 883	13 142	12 942	14 500	46.8%
Goods and services	6 451	8 596	6 148	12 064	8 644	20 472	11 054	25 333	41.2%
Depreciation	1 955	877	1 365	860	1 391	656	868	954	6.4%
Interest, dividends and rent on land	489	-	521	-	598	-	-	-	2.0%
Transfers and subsidies	-	-	1 708	-	1 409	-	-	-	3.6%
Total expenses	18 325	16 285	19 638	23 454	23 925	34 270	24 864	40 787	100.0%
Surplus/(Deficit)	4 051	2 315	-	(4 030)	-	(2 279)	-	-	-
Statement of financial position									
Carrying value of assets	3 312	1 729	3 082	1 403	2 443	980	2 122	2 202	27.7%
<i>of which:</i>									
Acquisition of assets	3 130	542	412	412	1 397	258	409	2 041	18.8%
Receivables and prepayments	35	35	35	90	35	96	35	35	0.3%
Cash and cash equivalents	3 646	10 698	8 374	7 734	10 236	4 867	10 476	10 476	72.0%
Total assets	6 993	12 462	11 491	9 227	12 714	5 943	12 633	12 713	100.0%
Accumulated surplus/(deficit)	5 945	11 348	8 968	7 318	11 348	5 039	10 196	10 196	83.1%
Trade and other payables	975	1 087	1 652	1 664	1 329	573	1 837	1 837	13.3%
Provisions	73	27	578	245	37	331	600	600	2.8%
Managed funds (e.g. poverty alleviation fund)	30	-	293	-	-	-	-	-	0.7%
Derivatives financial instruments	30	-	-	-	-	-	-	-	0.1%
Total equity and liabilities	7 053	12 462	11 491	9 227	12 714	5 943	12 633	12 633	100.0%

Statements of estimates of financial performance and position

Table 36.43 Breede-Gouritz Catchment Management Agency statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	241	-22.0%	1.7%	250	250	250	1.2%	0.5%	
Other non-tax revenue	241	-22.0%	1.7%	250	250	250	1.2%	0.5%	
Transfers received	40 546	30.9%	98.3%	50 975	58 898	62 137	15.3%	99.5%	
Total revenue	40 787	29.9%	100.0%	51 225	59 148	62 387	15.2%	100.0%	
Expenses									
Current expenses	40 787	35.8%	100.0%	47 387	50 975	58 899	13.0%	100.0%	
Compensation of employees	14 500	28.6%	40.2%	19 345	21 965	23 185	16.9%	39.7%	
Goods and services	25 333	43.4%	56.5%	27 188	28 106	34 580	10.9%	58.3%	
Depreciation	954	2.8%	3.3%	854	904	1 134	5.9%	2.0%	
Total expenses	40 787	35.8%	100.0%	47 387	50 975	58 899	13.0%	100.0%	
Surplus/(Deficit)	-	-100.0%	-	3 838	8 173	3 488	-	-	
Statement of financial position									
Carrying value of assets	2 202	8.4%	15.7%	3 137	3 137	3 438	16.0%	22.0%	
<i>of which:</i>									
Acquisition of assets	2 041	55.6%	7.3%	1 318	1 404	1 174	-16.8%	11.1%	
Receivables and prepayments	35	-	0.8%	35	35	35	-	0.3%	
Cash and cash equivalents	10 476	-0.7%	83.5%	10 461	10 422	10 422	-0.2%	77.7%	
Total assets	12 713	0.7%	100.0%	13 633	13 594	13 895	3.0%	100.0%	
Accumulated surplus/(deficit)	10 196	-3.5%	84.0%	10 587	10 085	10 085	-0.4%	77.5%	
Trade and other payables	1 837	19.1%	12.7%	2 174	2 637	2 502	10.8%	17.3%	
Provisions	600	181.2%	3.3%	722	722	760	8.2%	5.3%	
Total equity and liabilities	12 633	0.5%	100.0%	13 483	13 444	13 347	18.7%	100.0%	

Personnel information

Table 36.44 Breede-Gouritz Catchment Management Agency personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)		
		2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				
Breede-Gouritz Catchment Management Agency		37	37	36	13.1	0.4	37	14.5	0.4	58	19.3	0.3	62	22.0	0.4	66	23.2	0.4	16.9%	100.0%
Salary level	37	37	36	13.1	0.4	37	14.5	0.4	58	19.3	0.3	62	22.0	0.4	66	23.2	0.4	16.9%	100.0%	
1 – 6	3	3	3	0.7	0.2	3	0.6	0.2	4	0.8	0.2	4	0.8	0.2	4	0.8	0.2	11.9%	6.9%	
7 – 10	28	28	28	8.2	0.3	28	7.9	0.3	49	13.8	0.3	53	16.4	0.3	57	17.6	0.3	30.6%	83.0%	
11 – 12	3	3	3	2.2	0.7	3	2.3	0.8	3	2.5	0.8	3	2.5	0.8	3	2.5	0.8	2.0%	5.7%	
13 – 16	3	3	2	2.0	1.0	3	3.7	1.2	2	2.3	1.1	2	2.3	1.2	2	2.3	1.2	-14.3%	4.5%	

1. Rand million.

Inkomati-Usuthu Catchment Management Agency

Mandate

The Inkomati Catchment Management Agency was established in 2004 in terms of the National Water Act (1998) and was classified as a schedule 3A public entity. In May 2014, the agency was realigned through extending the boundary and area of operation of the Inkomati Catchment Management Agency to form the Inkomati-Usuthu Catchment Management Agency. The agency plays a key role in the use, protection and development of water resources in the Inkomati-Usuthu water management area. The agency aims to ensure that water is used and managed to support equitable and sustainable socioeconomic transformation and development. It thus plays a central coordinating role in relation to water use, linking national, provincial and local government, and a host of sector partners and stakeholders.

Selected performance indicators

Table 36.45 Inkomati-Usuthu Catchment Management Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of water use licence applications processed and recommended to the Department of Water and Sanitation per year	Ensure effective, efficient and sustainable management of water resources	Outcome 10: Protect and enhance our environmental assets and natural resources	12	8	5	8	8	8	8

Expenditure analysis

The focus of the Inkomati-Usuthu Catchment Management Agency over the medium term will be on ensuring effective, efficient and sustainable management of water resources by verifying existing lawful water use and allocation plans, monitoring water quality, managing water resources, and finalising delayed projects. The agency supports the national development plan's vision of managing, monitoring and protecting South Africa's water resources in a sustainable way while allowing for economic growth. This includes managing water resources at catchment level, in collaboration with local stakeholders, with a specific focus on involving local communities in decision making. In this regard, the agency expects to process and recommend 24 water licence applications to the department over the medium term.

The agency's main source of revenue is through transfers received from the Department of Water and Sanitation. Relevant policies and procedures will be developed as soon as the department approves the delegation of responsibility that would allow for the agency to raise its own revenue.

The agency has 59 funded posts, all of which have been filled, with a budget of R30.7 million for compensation of employees in 2014/15. The agency's number of personnel is projected to grow to 63 in 2017/18 as a result of the management of a larger catchment management area (the merger of the Inkomati and the Usuthu catchment management areas). This will lead to increased responsibility for the protection of water resources and licence applications for the authorisation of water use.

Programmes/objectives/activities

Table 36.46 Inkomati-Usuthu Catchment Management Agency expenditure trends and estimates by programme/ objective/ activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	13 990	21 297	21 565	24 582	20.7%	50.7%	27 415	29 069	30 765	7.8%	44.1%
Ensure effective, efficient and sustainable management of water resources	2 703	5 801	9 162	10 575	57.6%	16.4%	13 371	14 191	15 041	12.5%	20.9%
Ensure collaborative and coordinated IWRM for wise socioeconomic development	5 937	3 709	4 195	7 146	6.4%	13.5%	6 488	6 845	7 331	0.9%	11.0%
Promote and pursue an international developmental agenda	–	–	4 177	7 137	–	5.5%	6 585	6 978	7 378	1.1%	11.2%
Promote knowledge generation and distribution	4 921	4 949	5 015	5 976	6.7%	13.4%	8 353	8 862	9 387	16.2%	12.8%
Ensure effective, efficient and sustainable management of water resources	–	–	851	–	–	0.5%	–	–	–	–	–
Total	27 551	35 756	44 965	55 416	26.2%	100.0%	62 212	65 945	69 902	8.0%	100.0%

Statements of historical financial performance and position

Table 36.47 Inkomati-Usuthu Catchment Management Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14	2014/15	2014/15	2011/12 - 2014/15
Revenue									
Non-tax revenue	–	588	–	919	20 388	9 527	23 974	24 506	21.5%
Sale of goods and services other than capital assets	–	–	–	–	20 388	8 956	22 265	22 265	20.5%
<i>of which:</i>									
Administrative fees	–	–	–	–	20 388	8 956	22 265	22 265	20.5%
Other non-tax revenue	–	588	–	919	–	571	1 709	2 241	1.0%
Transfers received	22 100	34 767	30 231	17 431	28 214	35 787	30 910	30 910	78.5%
Total revenue	22 100	35 355	30 231	18 350	48 602	45 314	54 884	55 416	100.0%
Expenses									
Current expenses	34 595	27 551	28 884	35 756	48 602	44 965	54 884	55 416	100.0%
Compensation of employees	18 575	10 892	17 000	14 046	26 580	25 585	30 448	30 741	55.7%
Goods and services	15 885	16 011	11 844	20 622	21 953	18 385	24 436	24 675	44.2%
Depreciation	98	648	–	1 088	–	995	–	–	0.1%
Interest, dividends and rent on land	37	–	40	–	69	–	–	–	0.1%
Total expenses	34 595	27 551	28 884	35 756	48 602	44 965	54 884	55 416	100.0%
Surplus/(Deficit)	(12 495)	7 804	1 347	(17 406)	–	349	–	–	–
Statement of financial position									
Carrying value of assets	6 875	2 538	4 648	2 818	5 643	2 985	6 876	6 876	31.9%
<i>of which:</i>									
Acquisition of assets	3 388	1 699	1 379	1 376	1 281	1 456	239	239	10.2%
Investments	65	196	65	196	196	196	196	196	0.6%
Receivables and prepayments	165	125	180	440	139	219	146	146	0.9%
Cash and cash equivalents	6 166	27 224	8 838	15 338	24 164	14 609	22 628	22 628	66.7%
Total assets	13 271	30 083	13 731	18 792	30 142	18 009	29 846	29 846	100.0%
Accumulated surplus/(deficit)	12 573	25 975	12 833	13 465	25 975	6 965	25 975	25 975	90.4%
Capital and reserves	–	–	163	–	50	–	75	75	0.4%
Borrowings	118	109	150	333	91	404	82	82	0.6%
Finance lease	–	–	–	162	–	193	–	–	–
Deferred income	–	–	–	20	–	3 401	–	–	–
Trade and other payables	335	3 604	370	4 302	3 593	6 375	3 262	3 262	7.0%
Provisions	245	395	215	510	433	671	452	452	1.6%
Total equity and liabilities	13 271	30 083	13 731	18 792	30 142	18 009	29 846	29 846	100.0%

Statements of estimates of financial performance and position

Table 36.48 Inkomati-Usuthu Catchment Management Agency statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
					2014/15	2015/16	2016/17		
R thousand									
Revenue									
Non-tax revenue		24 506	246.7%	18.0%	41 637	44 135	46 783	24.1%	61.3%
Sale of goods and services other than capital assets		22 265	–	15.0%	38 821	41 150	43 619	25.1%	56.8%
<i>of which:</i>									
Administrative fees		22 265	–	15.0%	38 821	41 150	43 619	25.1%	56.8%
Other non-tax revenue		2 241	56.2%	3.0%	2 816	2 985	3 164	12.2%	4.4%
Transfers received		30 910	-3.8%	82.0%	20 576	21 810	23 119	-9.2%	38.7%
Total revenue		55 416	16.2%	100.0%	62 213	65 945	69 902	8.0%	100.0%
Expenses									
Current expenses		55 416	26.2%	100.0%	62 212	65 945	69 902	8.0%	100.0%
Compensation of employees		30 741	41.3%	47.8%	37 721	41 547	43 574	12.3%	60.4%
Goods and services		24 675	15.5%	50.3%	24 491	24 398	26 328	2.2%	39.6%
Total expenses		55 416	26.2%	100.0%	62 212	65 945	69 902	8.0%	100.0%
Surplus/(Deficit)		–	-100.0%	–	1	–	–	–	–
Statement of financial position									
Carrying value of assets		6 876	39.4%	15.8%	7 261	7 660	8 043	5.4%	23.0%
<i>of which:</i>									
Acquisition of assets		239	-48.0%	5.5%	656	692	727	44.9%	1.8%
Investments		196	–	0.9%	207	218	229	5.4%	0.7%
Receivables and prepayments		146	5.3%	1.1%	154	163	171	5.4%	0.5%
Cash and cash equivalents		22 628	-6.0%	82.3%	23 895	25 209	26 470	5.4%	75.8%
Total assets		29 846	-0.3%	100.0%	31 517	33 251	34 913	5.4%	100.0%
Accumulated surplus/(deficit)		25 975	–	70.9%	27 430	28 938	30 385	5.4%	87.0%
Capital and reserves		75	–	0.1%	79	84	88	5.4%	0.3%
Borrowings		82	-9.1%	1.2%	87	91	96	5.4%	0.3%
Trade and other payables		3 262	-3.3%	20.3%	3 445	3 634	3 816	5.4%	10.9%
Provisions		452	4.6%	2.3%	477	504	529	5.4%	1.5%
Total equity and liabilities		29 846	-0.3%	100.0%	31 517	33 251	34 913	26.8%	100.0%

Personnel information

Table 36.49 Inkomati-Usuthu Catchment Management Agency personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number					
Number of funded posts	Number of posts on approved establishment	Actual 2013/14			Revised estimate 2014/15			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)				
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	2015/16			2016/17			2017/18								
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18		
Inkomati-Usuthu Catchment Management Agency	57	59	46	25.6	0.6	59	30.7	0.5	63	37.7	0.6	63	41.5	0.7	63	43.6	0.7	12.3%	100.0%			
Salary level																						
1 – 6	4	5	4	0.4	0.1	5	0.5	0.1	4	0.4	0.1	4	0.4	0.1	4	0.4	0.1	4	0.4	0.1	-4.7%	6.9%
7 – 10	36	36	27	11.2	0.4	36	14.4	0.4	40	18.7	0.5	40	20.7	0.5	40	21.6	0.5	40	21.6	0.5	14.6%	62.9%
11 – 12	6	6	6	4.8	0.8	7	5.5	0.8	7	5.9	0.8	7	6.7	1.0	7	7.1	1.0	7	7.1	1.0	9.3%	11.3%
13 – 16	11	12	9	9.1	1.0	11	10.4	0.9	12	12.7	1.1	12	13.8	1.1	12	14.4	1.2	12	14.4	1.2	11.4%	18.9%

1. Rand million.

Water Research Commission

Mandate

The Water Research Commission was established in terms of the Water Research Act (1971) and is listed as a schedule 3A public entity. The commission's mandate is to conduct research on water by determining needs and priorities for research, stimulating and funding water research, promoting the effective transfer of information and technology, and enhancing knowledge and capacity building in the water sector. Research is informed by government policies, needs, and international trends.

Selected performance indicators

Table 36.50 Water Research Commission performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of research projects managed per year	Knowledge management	Outcome 10: Protect and enhance our environmental assets and natural resources	330	305	345	350	355	360	365
Research ratio (measured as research funding and support as a percentage of total income per year)	Financial management		74%	74%	73%	75%	75%	75%	75%
Number of students financially and technically supported (including historically disadvantaged students) per year	Knowledge management		506	494	484	400	400	400	400
Number of historically disadvantaged students financially and technically supported per year	Knowledge management		240	267	401	240	240	240	240

Expenditure analysis

The role of the Water Research Commission is to align its funding priorities with key national water challenges, and to help solve water-related problems that are critical to South Africa's sustainable and economic growth. The national development plan envisages the right of access to basic water supply and sanitation by 2030. The commission's duty is to respond to water supply and sanitation challenges with research and development that helps to address those needs, thereby contributing to outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium term strategic framework.

The commission's focus over the medium term will be on research projects in water resources management; water linked ecosystems; water use and waste management; and water utilisation in agriculture. The number of research projects managed is expected to increase from 350 in 2014/15 to 365 in 2017/18, with the aim of enhancing knowledge and building capacity in the water sector. The commission will also focus on funding research activities through expenditure on goods and services, and compensation of employees, to review research conducted. The commission derives its income mainly from the water research levy and income from research commissioned by clients (leverage income).

Total revenue is expected to decline at an average annual rate of 1.9 per cent over the medium term, due to a decline in leverage income as large projects are completed. The commission has 63 funded posts, all of which were filled at the end of September 2014. The number of personnel is expected to remain constant over the medium term.

Programmes/objectives/activities

Table 36.51 Water Research Commission expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	7 690	11 119	13 712	17 746	32.1%	5.8%	18 956	17 064	17 914	0.3%	6.8%
Financial management	6 960	11 479	7 275	9 990	12.8%	4.2%	8 753	9 203	9 676	-1.1%	3.6%
Water resource management	47 828	48 617	46 807	48 157	0.2%	22.9%	51 099	53 570	56 164	5.3%	19.8%
Water use and waste management	49 937	46 937	57 734	104 273	27.8%	29.5%	116 504	58 850	61 235	-16.3%	31.6%
Water linked ecosystems	26 675	29 614	26 941	31 601	5.8%	13.6%	40 281	42 014	44 745	12.3%	15.0%
Water use in agriculture	31 230	35 120	35 212	36 187	5.0%	16.4%	38 519	40 584	42 762	5.7%	15.0%
Knowledge management	14 202	13 584	16 571	22 286	16.2%	7.7%	21 521	21 518	22 346	0.1%	8.3%
Total	184 522	196 470	204 252	270 240	13.6%	100.0%	295 633	242 803	254 842	-1.9%	100.0%

Statements of historical financial performance and position

Table 36.52 Water Research Commission statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	172 159	180 727	183 488	193 090	194 670	202 446	207 220	270 240	100.0%
Sale of goods and services other than capital assets	166 185	176 497	178 365	189 791	189 060	199 766	201 498	260 474	96.8%
<i>of which:</i>									
Water research levies	166 185	176 497	178 365	189 791	189 060	199 766	201 498	260 474	96.8%
Other non-tax revenue	5 974	4 230	5 123	3 299	5 610	2 680	5 722	9 766	3.2%
Total revenue	172 159	180 727	183 488	193 090	194 670	202 446	207 220	270 240	100.0%
Expenses									
Current expenses	172 488	184 522	183 871	196 470	194 670	204 252	207 220	270 240	100.0%
Compensation of employees	31 648	33 235	34 239	35 332	37 486	39 935	39 916	46 498	18.4%
Goods and services	139 592	150 004	148 505	159 756	156 047	163 058	166 177	222 399	81.0%
Depreciation	1 070	1 084	940	1 204	940	1 062	920	1 080	0.5%
Interest, dividends and rent on land	178	199	187	178	197	197	207	263	0.1%
Total expenses	172 488	184 522	183 871	196 470	194 670	204 252	207 220	270 240	100.0%
Surplus/(Deficit)	(329)	(3 795)	(383)	(3 380)	-	(1 806)	-	-	-
Statement of financial position									
Carrying value of assets	15 023	13 584	14 699	14 027	12 834	13 275	15 806	15 806	10.4%
<i>of which:</i>									
Acquisition of assets	1 739	439	1 780	1 780	674	450	592	3 575	1.3%
Investments	16 178	7 713	6 800	9 202	6 900	11 585	10 500	12 500	7.5%
Receivables and prepayments	36 300	32 277	33 300	45 066	34 300	45 668	35 300	40 300	25.6%
Cash and cash equivalents	65 615	93 040	74 327	85 339	73 734	144 643	75 016	109 160	56.5%
Total assets	133 116	146 614	129 126	153 634	127 768	215 171	136 622	177 766	100.0%
Accumulated surplus/(deficit)	75 913	66 337	66 238	96 622	66 337	94 816	78 705	94 816	53.4%
Capital and reserves	26 546	25 347	24 546	-	24 831	-	8 300	-	14.6%
Finance lease	-	747	1 000	1 199	800	687	1 200	450	0.4%
Trade and other payables	27 657	47 191	34 642	47 461	33 000	112 060	41 017	75 000	28.9%
Provisions	2 400	6 992	2 700	8 352	2 800	7 608	7 400	7 500	2.6%
Derivatives financial instruments	600	-	-	-	-	-	-	-	0.1%
Total equity and liabilities	133 116	146 614	129 126	153 634	127 768	215 171	136 622	177 766	100.0%

Statements of estimates of financial performance and position

Table 36.53 Water Research Commission statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	270 240	14.4%	100.0%	295 633	242 803	254 842	-1.9%	100.0%
Sale of goods and services other than capital assets	260 474	13.9%	97.8%	287 705	235 576	247 528	-1.7%	97.0%
<i>of which:</i>								
Water research levies	260 474	13.9%	97.8%	287 705	235 576	247 528	-1.7%	97.0%
Other non-tax revenue	9 766	32.2%	2.2%	7 928	7 227	7 314	-9.2%	3.0%
Total revenue	270 240	14.4%	100.0%	295 633	242 803	254 842	-1.9%	100.0%
Expenses								
Current expenses	270 240	13.6%	100.0%	295 633	242 803	254 842	-1.9%	100.0%
Compensation of employees	46 498	11.8%	18.2%	53 783	53 466	56 263	6.6%	19.9%
Goods and services	222 399	14.0%	81.2%	240 489	187 977	197 214	-3.9%	79.6%
Depreciation	1 080	-0.1%	0.5%	1 085	1 070	1 060	-0.6%	0.4%
Interest, dividends and rent on land	263	9.7%	0.1%	276	290	305	5.1%	0.1%
Total expenses	270 240	13.6%	100.0%	295 633	242 803	254 842	-1.9%	100.0%
Surplus/(Deficit)	-	-100.0%	-	-	-	-	-	-

Table 36.53 Water Research Commission statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Carrying value of assets	15 806	5.2%	8.4%	14 850	14 800	3 780	-37.9%	7.3%
of which:								
Acquisition of assets	3 575	101.2%	0.9%	1 412	633	654	-43.2%	0.9%
Investments	12 500	17.5%	5.9%	13 500	14 500	15 500	7.4%	8.4%
Receivables and prepayments	40 300	7.7%	23.8%	42 300	44 300	45 300	4.0%	25.9%
Cash and cash equivalents	109 160	5.5%	61.9%	96 416	94 266	91 236	-5.8%	58.5%
Total assets	177 766	6.6%	100.0%	167 066	167 866	155 816	-4.3%	100.0%
Accumulated surplus/(deficit)	94 816	12.6%	51.4%	94 816	94 816	94 816	-	56.9%
Finance lease	450	-15.5%	0.5%	-	-	-	-100.0%	0.1%
Trade and other payables	75 000	16.7%	39.3%	65 000	66 000	54 000	-10.4%	38.8%
Provisions	7 500	2.4%	4.5%	7 250	7 050	7 000	-2.3%	4.3%
Total equity and liabilities	177 766	6.6%	100.0%	167 066	167 866	155 816	-112.6%	100.0%

Personnel information

Table 36.54 Water Research Commission personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Water Research Commission	63	63	39.9	0.6	63	46.5	0.7	63	53.8	0.9	63	53.5	0.8	63	56.3	0.9	6.6%	100.0%	
Salary level	63	63	39.9	0.6	63	46.5	0.7	63	53.8	0.9	63	53.5	0.8	63	56.3	0.9	6.6%	100.0%	
1 - 6	6	6	6	0.9	0.1	6	1.0	0.2	6	1.1	0.2	6	1.1	0.2	6	1.2	0.2	6.6%	9.5%
7 - 10	34	34	34	14.2	0.4	34	16.5	0.5	34	19.1	0.6	34	19.0	0.6	34	19.9	0.6	6.6%	54.0%
11 - 12	8	8	8	5.5	0.7	8	6.4	0.8	8	7.3	0.9	8	7.3	0.9	8	7.7	1.0	6.6%	12.7%
13 - 16	15	15	15	19.5	1.3	15	22.7	1.5	15	26.2	1.7	15	26.1	1.7	15	27.4	1.8	6.6%	23.8%

¹. Rand million.

Komati River Basin Water Authority

Mandate and goals

The Komati River Basin Water Authority was established in terms of a treaty between South Africa and Swaziland relating to the water resources of the Komati River Basin. The basin primarily comprises the Driekoppies Dam in South Africa, commissioned in 1997, and the Maguga Dam in Swaziland, commissioned in 2002. Water users in South Africa can use 54 per cent of the supply and water users in Swaziland can use 46 per cent.

The authority is governed by the Joint Water Commission, whose members are officials from the governments of Swaziland and South Africa. The authority is responsible for financing, developing, operating and maintaining the water resources infrastructure in the Komati River sub-basin. With the construction of both dams completed, the authority expects to focus on operations, including finance and loan administration, and the maintenance of this vital bulk water supply infrastructure over the medium term.

Total capital development costs, including capitalised interest on debt capital, of the two dams under the control of the authority amount to R3 billion. The volume of water distributed to the two countries was 606 million cubic metres in 2013/14. The department transferred R181.6 million in 2013/14 for the repayment of a loan agreement, and R184.2 million will be transferred in 2014/15 for the repayment of a loan agreement.

Additional tables

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

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Conditional allocations to municipalities							
Water Infrastructure Development							
Water services operating subsidy grant	542 345	562 434	420 945	449 558	452 915	465 701	502 477
Municipal water infrastructure grant	–	–	601 507	535 608	1 803 932	1 185 802	1 773 142
Water and Sanitation Services							
Drought relief grant	450 000	–	–	–	–	–	–
Rural households infrastructure grant	–	–	106 721	47 624	48 182	113 479	124 245
Total	992 345	562 434	1 129 173	1 032 790	2 305 029	1 764 982	2 399 864

1. Detail provided in the Division of Revenue Act (2015).

Table 36.B Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate 2014/15	Medium-term expenditure estimate	
							2011/12	2012/13		2013/14	2015/16
Foreign In cash											
European Union	Water and sanitation services (Masimbambane)	Administration	3 years	1 079 754	Goods and services	Close collaboration with the Department of Cooperative Governance and Traditional Affairs to support delivery. Increased effort by sector partners to fast-track procurement, service delivery and build capacity for sustainable services	256 072	52 843	838	-	-
Ireland	Specific projects identified by Irish Aid to ensure that sustainable water and sanitation is provided to all citizens	Water and Sanitation Services	5 years	4 832	Goods and services	As decided between Water Research Commission and Irish Aid	2 832	2 000	-	-	-
Foreign In kind											
Japan International Cooperation Agency	Assist municipalities in monitoring drinking water by donating instruments and providing training in Tokyo	Administration	2 year	1 343	Goods and services	Capacity building for water sector officials	385	846	-	-	-
Netherlands	Facility for infrastructure development: Sanitation and protection project for resources of the uMgungundlovu district municipality	Administration	10 years	5 470	Goods and services	Retubish and upgrade sanitation infrastructure throughout the uMgungundlovu district municipality	-	6 630	-	-	-
Netherlands	Facility for infrastructure development: Project for water provision and sustainability in uMgungundlovu district municipality	Administration	10 years	8 546	Goods and services	Retubish and upgrade water infrastructure throughout the uMgungundlovu district municipality	-	8 823	-	-	-
Local In cash											
African Renaissance	Build Metolong Dam in Lesotho	Administration	3 years	60 000.0	Foreign governments and international organisations	Increased supply of water from Kimilolo due to increase in size of pumps, change of pumps and motors, and general aid	35 000	20 000	-	-	-
African Renaissance	Support to the Katanga province in the Democratic Republic of the Congo for post-conflict reconstruction of the urban water sector	Administration	6 years	35 000.0	Departmental agencies and accounts	Construct roads and stormwater drainage, distribute water, build sewer reticulation and wastewater treatment plant, build pedestrian bridge, earthworks and associated works for Metolong Dam and water supply programme operational facility	22 000	6 600	-	-	-
Total				1 194 945			316 289	97 742	838	-	-

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
R thousand										
Departmental infrastructure										
Sediberg bulk regional sewerage scheme: Sebokeng and Meyerton wastewater treatment works	Upgrading existing wastewater treatment works	Tender	1 456 000	31 298	5 940	32 174	200 000	292 000	307 000	210 000
Sediberg bulk regional sewerage scheme remainder	Construction of new wastewater treatment works	Design	2 400 000	5 244	-	-	20 000	15 000	80 000	94 200
OR Tambo Mhahla King Sabata Dalindyebo district municipality bulk water supply and sanitation	Augmentation of existing bulk water scheme	Construction	2 705 000	614	50 788	151 250	300 000	310 000	425 000	452 284
De Hoop: Greater Sekhukhune district municipality regional bulk water and wastewater infrastructure	Construction of new bulk water infrastructure linking communities with the De Hoop Dam	Feasibility	2 088 000	-	-	88 394	396 084	250 900	319 801	300 000
Vaal Dam	Upgrading of existing bulk water scheme	Construction	2 000 000	9 415	16 534	25 308	40 000	53 800	135 000	168 866
Mogalakwena bulk water supply	Upgrading of boreholes and construction of new bulk water scheme	Construction	1 530 000	80 000	68 428	115 573	84 000	121 500	160 000	132 000
Nebo bulk water supply	Construction of new bulk water scheme	Construction	1 350 000	20 982	24 063	54 592	40 000	60 000	95 000	148 000
Magalies water supply to Waterberg	Construction of new bulk water scheme	Feasibility	1 891 000	-	-	-	-	-	17 000	-
Nandoni water treatment works and distribution	Supply of water to Vhembe district municipality	Construction	1 789 651	144 119	253 022	-	23 923	202 000	209 000	-
Nandoni pipeline	Supply of water to Vhembe district municipality	Handed over	750 000	-	735 000	-	-	-	-	-
Ndlambe bulk water supply	Construction of new bulk water scheme and upgrading existing bulk water scheme	Construction	879 000	31 926	12 897	71 200	143 464	81 500	110 000	190 000
Mbizana regional bulk water supply	Construction of new bulk water scheme and upgrading existing bulk water scheme	Construction	780 000	85 674	121 363	160 132	70 000	83 189	139 000	161 346
Westonaria/Randfontein regional bulk wastewater treatment works (Hannes van Niekerk)	Upgrading of existing wastewater treatment works	Handed over	266 000	44 918	172 137	67 026	-	-	-	-
Westonaria/Randfontein regional bulk wastewater treatment works (Zuurbekom)	Construction of new wastewater treatment works	Design	621 520	-	-	-	60 000	10 000	15 000	80 000
Western highveld regional bulk water supply	Upgrading of existing bulk water scheme	Construction	486 000	30 000	24 173	49 061	80 000	30 000	30 000	-
Pongolapoort bulk water scheme	Construction of new bulk water scheme	Construction	674 004	5 404	58 446	147 831	60 000	190 000	45 000	150 000
Greater Mthongweni phases 1 to 3 bulk water supply	Construction of new bulk water scheme	Construction	668 849	22 977	35 736	32 164	350 000	229 000	208 000	36 230
Ngebo regional bulk water supply (ilembe)	Construction of new bulk water scheme	Construction	682 610	37 300	100 531	79 823	150 000	106 166	100 000	150 000
Ungeni Water Board: Lower Thukela bulk water supply scheme	Construction of new bulk water scheme	Construction	965 000	-	43 636	106 992	120 000	415 428	190 912	-
Umshwathi bulk water supply scheme	Construction of new bulk water scheme	Tender	373 920	-	-	-	200 000	-	231 847	300 000
Mooihoek/Tubatse bulk water supply	Augmentation existing bulk water scheme	Construction	807 000	48 000	30 299	49 104	-	73 000	90 000	140 000
Lebalalo central and north regional water supply	Construction of new bulk water scheme	Feasibility	600 000	-	-	-	-	12 000	20 617	-

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome		Adjusted appropriation 2014/15	Medium-term expenditure estimate	
				2011/12	2012/13		2013/14	2015/16
Departmental infrastructure								
Makots bulk water supply	Construction of new bulk water scheme	Feasibility	800 000	-	-	43 000	-	-
Nzhele Valley bulk water supply	Construction of new bulk water scheme	Feasibility	600 000	-	-	-	-	20 000
Namakwa bulk water supply	Upgrading of existing bulk water scheme	Construction	530 000	27 888	12 530	-	196 000	83 626
Madibeng bulk water supply	Upgrading of existing bulk water scheme	Construction	500 000	14 913	1 954	-	50 000	116 087
Taung/Naledi bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	733 754	136 912	220 016	-	55 000	77 741
Greater Mamusa bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Design	403 000	6 751	6 658	-	50 000	105 000
Pietersburg north and south bulk water supply	Upgrading of existing bulk water scheme and construction of new bulk water scheme.	Construction	771 320	-	13 046	72 360	155 000	107 995
Chris Hani district municipality bulk water supply, Ncora cluster 4	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	363 914	16 420	25 193	-	50 000	88 000
Chris Hani district municipality, Ngqobo cluster 6	Construction of new bulk water scheme and spring protection	Construction	324 000	9 155	32 917	45 000	47 268	83 000
Xoxxa Dam water supply to Lukheriji	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	443 998	11 747	69 762	98 000	95 234	87 000
Anatola Water: Refurbishment of 6 existing plants and downstream infrastructure	Upgrading of existing bulk water scheme	Feasibility	500 000	-	-	70 000	350 000	-
Nketoana bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Handed over	136 000	376	1 865	70 000	30 000	30 000
Sierikfontein Dam scheme phase 1	Construction of new bulk water scheme	Construction	330 000	62 379	63 528	-	-	-
Sierikfontein Dam scheme: Maluti-a-Phofung bulk water supply (phase 2)	Construction of new bulk water scheme	Construction	240 000	-	-	-	57 600	55 000
Mhabashane bulk water supply	Construction of new bulk water scheme	Construction	483 482	126 450	21 571	-	18 634	-
Greytown regional bulk scheme	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	950 000	5 579	30 093	-	143 000	134 152
Middledrift regional bulk scheme (phase 2)	Construction of new water treatment works	Construction	431 232	26 044	3 319	-	45 000	80 000
Sinthumule Kutama bulk water augmentation	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	455 000	39 264	15 000	-	150 000	34 799
Mouse bulk water supply	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	560 000	23 000	70 180	-	50 100	-
Glen Alpine bulk water supply	Construction of new bulk water scheme	Feasibility	345 000	-	-	-	-	15 000
Lephalele/Eskom: Bulk water augmentation scheme	Augmentation of existing bulk water scheme	Feasibility	330 000	-	-	300	-	70 400
Provincial high catalytic projects (Mutash Hub)	Construction of new bulk water scheme for various purposes	Feasibility	200 000	-	269	-	-	19 600
Tsantsabane bulk water supply and sanitation	Upgrading of existing bulk water supply and wastewater treatment works	Hand over	313 960	29 667	-	54 300	-	-

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
R thousand										
Departmental infrastructure										
Moretele bulk water supply	Construction of new bulk water scheme	Feasibility	340 000	–	–	16 925	–	18 000	50 000	74 295
Bojanala regional water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Feasibility	400 000	614	904	–	–	–	–	–
West Coast desalination plant	Construction of new desalination plant	Design	112 800	3 957	6 000	4 503	35 000	–	–	–
Empuluzi and Methula bulk water scheme	Upgrading of existing bulk water scheme	Design	395 000	2 045	5 222	–	–	20 000	20 393	44 500
Western highveld bulk water supply (Rust de Winter)	Construction of new bulk water scheme	Feasibility	257 000	2 000	–	–	–	12 550	15 000	21 796
Carolina Siobela bulk water scheme	Construction of new bulk water scheme	Feasibility	200 000	–	–	1 036	68 672	–	–	–
Mnowasa bulk water supply	Construction of new bulk water scheme	Construction	264 188	16 552	23 591	12 148	34 400	41 000	71 746	42 746
Xhora east bulk water supply	Construction of new bulk water scheme	Construction	258 541	9 621	15 814	6 969	30 000	45 000	81 640	61 640
Greater Bulwer Donnybrook water scheme	Upgrading of existing water treatment works	Various	350 000	8 552	5 601	–	–	34 772	78 088	–
Extension of Kalahari East pipeline	Construction of new wastewater treatment works	Design	304 000	–	–	–	2 418	–	–	–
Inyaka wastewater treatment works (phases 3 and 4)	Supply of water	Handed over	407 793	–	101 562	–	–	–	–	–
Nandoni distribution: Replacement of glass fibre reinforced pipes	Supply of water	Construction	294 961	25 197	129 189	–	–	13 000	13 000	–
Ermelo bulk water supply	Upgrading of existing wastewater treatment works	Construction	325 000	–	–	–	–	15 000	21 000	23 400
Hluhluwe (phase 3 and 4)	Supply of water	Construction	412 215	300	99 262	–	2 000	4 394	–	–
Nebo bulk water scheme: De Hoop augmentation/north/south/Steelpoort	Upgrading of existing bulk water scheme	Feasibility	150 192	–	–	–	38 192	12 000	40 000	60 000
Graaff-Reinet emergency water supply scheme	Upgrading of existing bulk water scheme	Feasibility	29 400	–	3 204	5 202	14 400	5 000	10 000	10 000
Sundays River: Paterson bulk water supply	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	80 210	13 311	14 140	6 388	–	5 000	–	–
Steylerville water supply scheme	Augmentation of existing bulk water scheme	Construction	70 000	–	7 000	12 500	20 000	23 808	–	–
Ibika water supply	Construction of new bulk water scheme	Construction	49 000	18 530	12 588	4 207	–	9 000	–	–
Ikwezi bulk water supply	Upgrading of existing bulk water scheme	Feasibility	128 000	–	116	283	–	–	–	–
Kirkwood water treatment works	Upgrading of existing bulk water scheme	Feasibility	20 400	–	207	–	49 099	–	10 000	10 000
Chris Hani district municipality bulk water supply: Quthubeni (cluster 9)	Construction of new bulk water scheme	Construction	178 360	23 436	20 961	40 217	–	60 000	90 000	33 244
Misgund bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Feasibility	7 000	–	59	2	4 665	–	–	–
Hofmeyer groundwater supply (phase 1 completed)	Development of borehole to augment existing bulk water scheme	Construction	59 264	–	2 172	2 271	–	18 000	–	–
Middelburg groundwater supply	Development of borehole to augment existing bulk water scheme	Construction	22 000	3 408	10 876	558	–	5 000	–	–
Coffee Bay bulk water supply	Construction of new bulk water scheme	Various	94 000	15 140	–	–	25 000	–	–	–
Matatiele bulk water supply	Construction of new bulk water scheme	Design	164 710	3 978	1 056	1 209	25 000	25 000	36 000	–

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome		Adjusted appropriation	Medium-term expenditure estimate			
				2011/12	2012/13		2013/14	2014/15	2015/16	2016/17
R thousand										
Departmental infrastructure										
Mount Ayliff bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	166 615	3 157	32 489	13 106	-	35 000	60 000	-
Jagersfontein/Fauresmith: Bulk water supply (phases 1 to 3)	Construction of new bulk water scheme	Construction	250 000	16 923	4 179	26 517	-	20 000	20 000	-
Mohokere bulk water supply	Construction of new bulk water scheme	Construction	136 000	8 094	10 506	22 022	-	53 000	45 000	-
Masilonyana bulk water supply	Upgrading of existing bulk water scheme	Design	130 000	494	6 749	15 050	-	55 000	72 000	30 000
Tokologo regional water supply (phase 1)	Construction of new bulk water scheme	Handed over	223 000	45 997	54 036	15 145	-	-	-	-
Tokologo regional water supply (phase 2)	Upgrading of existing bulk water scheme	Tender	290 000	-	-	-	-	33 000	65 000	45 000
Seisoto bulk water supply	Construction of new bulk water scheme	Construction	160 000	13 650	9 995	4 000	-	30 000	(10 000)	45 000
Ditlabeng bulk water supply (phase 1)	Construction of new bulk water scheme	Handed over	96 990	15 275	33 793	21 002	-	-	-	-
Ditlabeng bulk water supply (phase 2)	Construction of new bulk water scheme	Construction	255 000	-	-	-	-	35 580	40 000	30 000
Phumelela bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Hand over	122 972	10 692	32 280	23 256	-	20 000	27 440	28 616
Moghaka regional water scheme	Construction of new bulk water scheme	Feasibility	130 000	618	8 000	11 864	-	35 474	30 000	55 000
Moghaka bulk sewer	Construction of bulk sewer	Feasibility	105 000	-	-	-	-	6 000	5 000	20 000
Ngwathe bulk water supply	Upgrading of existing bulk water scheme	Feasibility	11 300	5 475	-	-	-	-	20 000	40 000
Ngwathe bulk water supply (phase 2)	Upgrading of existing wastewater treatment works	Feasibility	160 000	-	-	2 100	30 000	20 000	(10 000)	30 000
Ngwathe bulk sewer	Construction of bulk sewer	Feasibility	300 000	-	-	6 531	-	20 000	30 000	30 000
Leisemeng-Petrusburg-Koffiefontein bulk water supply	Upgrading of existing bulk water scheme	Feasibility	90 000	50	364	-	30 000	-	20 000	70 000
Nala bulk sewer	Upgrading of existing bulk water scheme	Feasibility	20 000	-	-	3 999	20 000	17 000	20 000	30 000
Naledi bulk water supply	Upgrading of existing bulk water scheme	Feasibility	140 000	-	370	-	45 000	-	10 000	30 000
Tswelopele bulk water supply	Construction of new bulk water scheme	Construction	85 000	50	780	-	25 000	10 000	(20 000)	(30 000)
Mantsopa-Tweespruit and Hobhouse bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	250 000	-	359	387	35 000	20 000	(10 000)	-
Ngwathe boreholes	Construction of new bulk water scheme to augment existing bulk water scheme	Handed over	250 000	-	-	2 100	-	-	-	-
Greater Eston water scheme	Construction of new bulk water scheme	Construction	192 000	28 079	89 863	43 846	-	-	55 000	-
Driefontein Complex bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	196 101	22 302	16 308	56 727	30 000	-	5 000	-
Driefontein Indaka bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	378 529	-	-	-	-	85 000	85 000	116 318
Emadlangeni bulk regional scheme	Construction of new bulk water scheme	Construction	50 301	10 308	4 903	-	20 000	-	-	-
Mandlakazi bulk water supply (phase 1 to be completed) construction of water treatment works (phase 2)	Construction of new bulk water scheme to augment existing bulk water scheme	Tender	228 000	28 360	29 651	5 845	-	57 000	-	-
Nongoma bulk water supply	Construction of new bulk water scheme	Construction	229 000	23 116	36 086	56 194	14 000	138 000	245 000	100 000
Dukuduku resettlement bulk water supply	Construction of new bulk water scheme	Construction	137 034	30 521	46 038	29 958	-	15 000	-	-
Hlabisa regional bulk water supply	Construction of new bulk water scheme	Handed over	166 855	51 785	14 392	29 970	-	-	-	-

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
R thousand										
Departmental infrastructure										
Maphumulo bulk water supply (phases 1 and 2)	Construction of new bulk water scheme	Various	159 144	-	-	-	-	34 772	90 288	-
Giyani bulk water supply drought relief	Construction of new bulk water scheme	Construction	182 072	42 072	11 889	34 957	-	100 000	-	-
Speecon bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Construction	73 000	-	-	-	31 800	-	-	-
Mameya Sekororo bulk water supply	Construction of new wastewater treatment works	Various	214 000	-	18 168	92 469	37 000	50 168	35 000	-
Port Nolloth bulk water supply	Development of groundwater water scheme	Design	27 000	-	-	-	-	7 543	5 857	19 857
Colesberg bulk water supply	Development of borehole	Design	142 296	31 931	24 277	35 394	-	-	-	-
Colesberg wastewater treatment works	Construction of new water treatment works	Handed over	19 446	9 773	3 371	-	-	-	-	-
Noupoort bulk water supply	Development of groundwater water scheme	Feasibility	59 653	-	472	3 529	49 200	30 000	11 000	-
De Aar bulk water supply	Upgrading of existing bulk water scheme	Construction	156 000	-	-	1 095	17 000	10 000	29 000	-
Hopetown water treatment works (Thembelille) bulk water supply	Upgrading of existing bulk water scheme	Handed over	75 000	6 816	16 685	2 714	-	-	-	-
Strydenburg groundwater project	Construction of new wastewater treatment works	Construction	24 000	-	300	-	-	8 362	-	-
Heuningvei scheme bulk water supply	Construction of new bulk water scheme	Feasibility	130 980	21 191	51 446	52 194	46 200	-	-	-
Kuruman bulk water supply	Construction of new desalination plant	Feasibility	95 466	-	3 624	6 177	-	15 638	-	-
Kathu wastewater treatment works	Upgrading of existing bulk water scheme	Feasibility	17 584	-	16 956	628	-	-	-	-
Kathu bulk water supply	Construction of new bulk water scheme	Various	53 400	-	-	600	-	-	30 000	-
Hentam desalination plant (Brandvlei)	Construction of new bulk water scheme	Various	28 000	713	89	668	55 000	4 128	11 000	39 980
Loeriesfontein bulk water supply	Construction of new bulk water scheme	Feasibility	20 000	-	-	1 355	52 000	10 000	35 000	24 000
Kenthart bulk water supply	Upgrading of existing wastewater treatment works	Construction	69 220	4 220	-	-	-	-	-	-
Rienvasmaak water supply	Augmentation of existing bulk water scheme	Feasibility	3 069	3 069	-	-	-	-	60 000	110 000
Hoopan bulk water supply (Windsorton)	Upgrading of existing bulk water scheme	Feasibility	60 000	-	436	158	44 915	6 256	20 000	20 000
Upgrading of the Homevale wastewater treatment plant (Sol Plaatjie wastewater treatment works)	Upgrading of existing groundwater water scheme	Construction	78 000	-	31 833	15 616	-	5 550	-	-
Khat-Ma municipality bulk water supply	Supply of water	Construction	52 529	-	-	-	2 418	-	-	-
Niekerkshoop bulk water supply	Supply of water	Construction	11 088	-	2 814	6 148	15 150	-	-	-
Frankfort (Matube) bulk sewer	Construction of new bulk water scheme	Feasibility	120 000	-	-	-	-	20 000	30 000	20 000
Pixley ka Seme bulk water supply	Upgrading of existing groundwater water scheme	Feasibility	40 000	2 681	1 557	2 087	-	-	11 000	8 000
Manydale bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	23 000	-	-	-	-	-	-	13 000

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
Departmental infrastructure										
R thousand										
Van der Kloof bulk water supply (Vosburg)	Construction of new wastewater treatment works	Feasibility	50 000	-	-	-	-	13 000	13 000	13 000
Keinoes water treatment works	Construction of new wastewater treatment works	Feasibility	40 000	-	-	-	-	-	20 000	20 000
Kakamas wastewater treatment works	Construction of new wastewater treatment works	Feasibility	40 000	-	-	621	-	-	-	-
Magareng wastewater treatment works	Upgrading of water treatment works	Feasibility	60 000	-	-	-	-	-	20 000	20 000
Warrenton water treatment works	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	60 000	-	126	684	-	744	6 173	5 000
Gariep Dam to Norvalspoon bulk water supply	Construction of new bulk water scheme	Feasibility	25 000	-	-	-	-	6 872	-	-
Renosterberg bulk water supply	Construction of new bulk water scheme	Feasibility	16 000	-	-	-	-	5 000	5 700	-
Van Wyksvlei groundwater	Construction of new bulk water scheme	Feasibility	25 000	-	367	156	-	5 406	2 539	-
Bloemendaal water pipeline	Construction of new bulk water scheme	Construction	57 481	11 902	35 579	-	-	-	-	-
Eastsoek/Ekulindeni bulk water supply	Construction of new bulk water supply and upgrading of existing water treatment works	Feasibility	126 000	2 000	4 534	-	-	-	-	23 000
Ermelo North regional scheme (Muskaligwa)	Upgrading of existing groundwater water scheme	Feasibility	185 000	2 045	5 877	18 481	-	-	-	-
Balf/Siyat/Grey/Willem/Nthor bulk water supply	Construction of new bulk water scheme	Various	103 000	2 042	4 504	501	-	14 000	25 000	22 000
Emalaheni Bulk water supply upgrade	Upgrading of water treatment works and construction of new bulk water scheme	Feasibility	150 000	20 000	25 999	14 779	-	49 050	20 000	30 000
Northern Nzikazi water treatment works	Construction of new bulk water scheme	Tender	73 000	-	500	296	-	30 000	40 000	40 000
Aconhoek bulk water supply	Augmentation/existing bulk water scheme	Construction	191 739	37 693	83 534	28 730	-	-	24 000	30 000
Mbombela 2010 water and sanitation	Upgrading of existing water treatment works	Construction	44 923	-	-	-	-	-	40 000	-
Driekoppies water treatment works upgrading	Construction of new bulk water scheme and water treatment works	Design	93 000	3 193	5 924	-	-	15 000	35 000	19 793
Sibange water treatment works	Construction of new bulk water scheme	Construction	80 000	2 807	6 076	-	-	15 000	44 199	34 900
Lushuhwane bulk water scheme	Construction of new bulk water and sanitation schemes	Various	194 799	-	-	-	-	35 000	25 801	-
Amsterdam and Sheepmore bulk water scheme	Upgrading of existing water treatment works and new bulk water scheme	Design	48 000	-	-	-	-	15 000	7 503	-
Thaba Chweu groundwater development	Construction of new bulk water scheme and water treatment works	Design	4 500	-	-	3 336	-	-	-	-
Emalaheni bulk water supply (phase 2)	Upgrading existing water treatment works and new bulk water scheme	Feasibility	122 000	-	-	-	-	-	-	30 000
Hoxane bulk water supply	Upgrading existing water treatment works and new bulk water scheme	Feasibility	14 180	-	5 500	400	-	-	-	-
Thermbisile water scheme (Loskop)	Construction of new bulk water scheme	Feasibility	260 000	-	-	-	-	13 000	16 620	23 000
Koster wastewater treatment works upgrade	Development of borehole	Construction	86 000	-	3 054	2 000	-	10 000	15 000	57 582
Mafikeng South bulk water supply	Construction of new bulk water scheme	Design	165 000	-	1 536	21 249	-	45 000	14 000	22 000
Ventersdorp bulk water project in Dr. Kaunda district municipality	Construction of new bulk water scheme	Handed over	36 170	2 484	13 849	10 869	-	-	-	-

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
R thousand										
Departmental infrastructure										
Raitou local municipality bulk water supply	Construction of new wastewater treatment works	Feasibility	218 090	2 660	1 690	2 118	-	45 000	51 000	98 622
Wolmaranstad wastewater treatment works	Upgrading of existing bulk water scheme	Design	92 000	-	9 339	1 472	-	44 600	36 000	-
Pochefstroom water treatment works upgrade	Upgrading of existing water treatment works and new bulk water scheme	Construction	105 000	-	-	-	-	10 000	40 000	34 777
Kagisano Molopo bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Pre-feasibility	130 000	-	-	-	-	-	50 000	70 000
Nahoon Dam (Buffalo City municipality)	Upgrading of existing wastewater treatment works	Feasibility	150 000	-	-	2 415	-	-	50 000	50 000
Ngqamakwe water supply	Upgrading of existing wastewater treatment works	Feasibility	245 000	-	-	-	-	-	40 000	25 000
Citrusdal wastewater treatment works	Augmentation of existing bulk water scheme	Feasibility	35 603	300	2 000	3 806	-	20 000	14 782	65 000
Clanwilliam water treatment works	Upgrading of existing bulk water scheme	Design	16 000	500	999	912	-	-	-	-
Clanwilliam/Lamberts Bay regional water supply	Upgrading of existing bulk water scheme	Hand over	67 500	10 067	9 651	20 963	-	10 975	(20 000)	-
Tulbagh bulk water supply (Witzenberg)	Construction of new wastewater treatment works	Handed over	78 000	11 888	20 700	8 331	-	-	-	-
Drakenstein wastewater treatment works	Upgrading of existing bulk water scheme	Design	29 000	12 000	7 000	-	-	-	20 000	-
Stellenbosch wastewater treatment works	Construction of new desalination plant and upgrading of existing bulk water scheme	Construction	61 000	2 000	-	10 000	-	48 128	43 017	12 723
Worcester bulk water supply	Construction of new bulk water scheme	Construction	67 800	300	19 035	33 386	-	-	-	-
Grabouw wastewater treatment works	Upgrading of existing wastewater treatment works	Construction	14 000	277	7 720	8 500	-	4 000	-	-
Hermanus bulk water supply	Upgrading of existing wastewater treatment works	Hand over	20 579	8 768	11 962	-	-	-	-	-
Hermanus wastewater treatment works	Augmentation of existing bulk water scheme	Handed over	31 104	16 999	13 955	-	-	-	-	-
Swellendam wastewater treatment works	Upgrading of existing wastewater treatment works	Handed over	21 600	300	19 355	10 140	-	-	-	-
Struisbaai wastewater treatment works	Construction of new water treatment works, development of borehole and upgrading of existing bulk water scheme	Handed over	11 366	250	5 558	5 558	-	-	-	-
Outletsnoom groundwater supply	Upgrading of existing wastewater treatment works	Various	78 000	1 000	8 000	18 000	-	20 000	10 000	42 399
Beaufort West bulk water supply	Upgrading of existing wastewater treatment works and construction of new wastewater treatment works	Construction	30 000	800	865	162	-	11 772	16 683	14 000
Vanrhynsdorp raw water supply	Upgrading of existing wastewater treatment works	Construction	37 957	400	-	-	-	15 158	20 003	-
Klawer bulk water supply	Augmentation of existing bulk water scheme from boreholes	Feasibility	17 661	-	-	-	-	4 573	8 377	-
Paarl bulk sewer	Development of borehole	Feasibility	58 756	300	-	39 328	-	6 628	8 500	-

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
R thousand										
Departmental infrastructure										
Calitzdorp and Ladysmith wastewater treatment works	Augmentation of existing bulk water scheme	Design	18 400	-	500	230	-	3 000	10 000	53 920
Kamaland Dam relocation	Augmentation of existing bulk water scheme	Design	22 800	-	3 400	2 129	-	10 000	5 000	34 875
Bitou cross border bulk water supply	Construction of new bulk sewage conveyance pipelines	Construction	120 000	-	545	2 355	-	20 000	36 242	58 358
George bulk water supply augmentation	Upgrading of existing wastewater treatment works	Feasibility	129 000	5 499	-	-	-	-	-	-
James Kleynhans bulk water supply	Augmentation of existing bulk water scheme	Feasibility	2 000	-	-	2 000	-	15 000	96 000	-
Niabankulu bulk water supply	Construction of new bulk water scheme	Handed over	1 000	-	-	-	-	-	-	-
Inquzza Hill bulk water supply	Upgrading of existing bulk water scheme	Feasibility	1 000	-	-	-	-	-	20 000	30 000
Aqanang bulk water supply	Upgrading of existing bulk water scheme	Feasibility	1 162	-	-	511	-	20 000	40 000	70 000
Polokwane wastewater treatment works	Upgrading of existing bulk water scheme	Construction	2 701	-	-	150	-	42 000	60 000	10 000
Sekhukhune master plan	Upgrading of existing bulk water scheme	Design	3 100	-	-	800	-	-	-	-
Upgrade of Delmas wastewater treatment works	Development of master plan	Design	1 800	-	-	-	-	22 000	22 100	23 000
Upgrade of Boifeng wastewater treatment works	Development of master plan	Feasibility	59 400	-	-	-	-	15 000	21 000	23 400
Balfour wastewater treatment works	Upgrading of existing bulk water scheme	Feasibility	85 455	-	-	502	-	28 400	40 600	-
Massakoma pipeline	Supply of water	Handed over	19 045	-	19 045	-	-	-	-	-
Groot Letaba river water development project: Nwamitwa dam	Supply of water	Construction	156 742	-	-	-	-	-	-	-
Infrastructure transfers to other spheres, agencies and departments										
Olifants River water resources development project: De Hoop Dam (phase 2A)	Supply of water to new mining developments; augmentation of domestic water supplies to urban and rural users in the middle Olifants River catchment area and to various communities on the Nebo Plateau and Sekhukhune	Construction	3 074 000	562 600	386 329	268 693	102 745	21 546	-	-
Olifants River water resources development project (phases 2B and 2C)	Construction of Flag Boshielo to Mokopane pipeline and second pipeline between Flag Boshielo to Mokopane	Feasibility	13 114 000	-	-	-	91 770	90 630	336 950	456 000
Olifants River water resources development project (phase 2C)	Construction of bulk distribution works from Flag Boshielo to Mokopane, De Hoop to Steelpoort, Steelpoort to Mooihok, Mooihok to Olifantspoort and Nebo Plateau to Roosenekal	Construction	3 400 000	468 683	566 874	521 000	546 060	11 400	11 400	-
Olifants River water resources development project (phase 2D)	Construction of second pipeline between Steelpoort Weir and Mooihok	Feasibility	834 480	-	-	-	68 400	68 400	98 040	-
Olifants River water resources development project (phases 2E and 2F)	Construction of second Pipeline parallel to Lebalalo scheme and Lebalalo scheme to Olifantspoort	Construction	2 412 240	-	-	-	-	-	-	232 847
Olifants River water resources development project (phase 2H)	Incorporation of Lebalalo infrastructure Olifants River water resources development project	Design	1 444 380	-	-	-	128 250	(570)	-	-
Groot Letaba River water development project: Nwamitwa Dam	Meeting of projected growing primary supply requirements to 2025, improvement of water availability for the riverine ecosystem and building of Nwamitwa Dam	Design	1 325 000	-	-	-	92 690	115 614	228 000	228 000

Table 36.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate	
				2011/12	2012/13	2013/14		2015/16	2016/17
R thousand									
Departmental infrastructure									
Dam safety rehabilitation programme	Rehabilitation of assets and improvement of dam safety	Design	2 800 000	300 494	220 621	248 010	250 800	322 201	341 999
Water resources project: Raising of Clanwilliam Dam	Upgrading of existing dam to stabilise distortion and augmentation of agricultural water supply to meet increasing demands	Feasibility	2 500 000	9 340	228 733	44 466	467 935	414 489	399 000
Mokolo River and West Crocodile River water augmentation project (phase 1)	Augmentation of domestic and industrial water supply to the new Eskom/independent power producer power stations to extend associated mining activities and accommodate growing population in the area	Construction	2 138 000	293 032	-	-	57 000	5 700	5 700
Mokolo River and West Crocodile River water augmentation project (phases 2A)	Augmentation of domestic and industrial water supply to the new Eskom/independent power producer power stations to extend associated mining activities and accommodate growing population in the area	Construction	11 267 000	-	-	-	171 000	114 000	91 200
Lusikisi regional water supply scheme: Zulu Dam on the Xura River	Development of bulk water and wastewater infrastructure to enable the connection of municipal reticulation infrastructure	Feasibility	5 000 000	-	-	-	-	-	125 400
Groot Letaba River water development project: Raising of Tzaneen Dam	Meeting of projected growing primary supply requirements for 2025; improvement of water availability for the riverine ecosystem and raising of Tzaneen Dam	Design	125 000	-	-	-	12 084	166 827	118 910
Mdloti River development project: Raising of Hazeliers Dam	Augmentation of water supply to Umgweni Water for treatment, for Kwazulu-Natal north coast	Design	360 000	4 467	13 005	11 632	156 026	168 295	146 532
Mopani district municipality emergency works	Refurbishing of dilapidated infrastructure	Construction	80 000	-	36 792	103 899	59 483	126 655	80 990
Enterprise resource programme system upgrade	Upgrading of SAP system	Construction	205 000	53 786	22 632	25 426	58 047	-	-
National water resources infrastructure support/project management	Funding of national office costs including construction, engineering, operations and new development	Feasibility	-	-	213 284	343 961	250 231	253 844	279 110
Financial management/project support	Funding of financial management and SAP maintenance and support	Feasibility	-	-	207 149	158 322	217 130	227 986	241 666
Mzimkulu River: Nowabeni off-channel storage	Ensuring a reliable water supply to the northern part of the lower KwaZulu-Natal south coast during dry periods	Feasibility	650 000	-	-	-	-	-	102 600
Bushbuckridge water treatment plant, pipelines and reservoirs	Supply of water to Bushbuckridge area	Handed over	114 000	-	-	100 000	-	-	-
Molopo Eye water treatment plant, pipelines and reservoirs	Supply of water to North West	Handed over	39 835	-	16 581	22 528	-	-	-
Ermelo water treatment plant, pipelines and reservoirs	Supply of water to Bushbuckridge area	Handed over	47 755	-	-	48 510	-	-	-
Zeeuws water treatment plant, pipelines and reservoirs	Supply of water to Zeeuws area	Handed over	14 204	-	-	5 365	-	-	-
Water services	Supplying water	Construction	20 000 000	-	-	308 245	-	263 998	430 001
Total			124 292 209	3 569 345	5 685 754	5 400 580	6 468 311	8 511 835	9 655 967

Table 36.D Detail split of conditional allocations and allocations-in-kind to municipalities

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
Water Services Operating Subsidy Grant							
Conditional allocations							
Transfers and Subsidies	542 345	562 434	420 945	449 558	452 915	465 701	502 477
Provinces and municipalities	542 345	562 434	420 945	449 558	452 915	465 701	502 477
Allocations-in-kind							
Current Payments	99 935	126 682	131 144	139 013	142 563	151 891	158 858
Compensation of employees	74 624	86 498	77 517	82 168	78 644	84 583	88 182
Goods and Services	25 311	40 184	53 627	56 845	60 256	63 451	66 624
Transfers and Subsidies	21 890	4 223	3 600	1 000	1 250	1 300	1 365
Households	21 890	4 223	3 600	1 000	1 250	1 300	1 365
Payments for capital assets	407	501	4 150	2 000	2 413	2 557	2 687
Machinery and equipment	407	501	4 150	2 000	2 413	2 557	2 687
Total grants	664 577	693 840	559 839	591 571	595 478	617 592	661 335
Municipal Water Infrastructure Grant							
Municipal Water Infrastructure Grant: Allocation-in-kind							
Payments for capital assets	-	-	-	524 826	791 729	1 511 545	2 087 122
Buildings and other fixed structures	-	-	-	524 826	791 729	1 511 545	2 087 122
Municipal Water Infrastructure Grant: Conditional allocation							
Transfers and Subsidies	-	-	601 507	534 150	1 803 932	1 185 802	1 773 142
Provinces and municipalities	-	-	601 507	534 150	1 803 932	1 185 802	1 773 142
Total grants	-	-	601 507	1 058 976	2 595 661	2 697 347	3 860 264
Rural Household Infrastructure Grant							
Rural Household Infrastructure Grant: Allocation-in-kind							
Payments for capital assets	187 353	205 566	108 589	65 500	67 328	-	-
Buildings and other fixed structures	187 353	205 566	108 589	65 500	67 328	-	-
Rural Household Infrastructure Grant: Conditional allocation							
Transfers and Subsidies	-	-	106 721	47 624	48 182	113 479	124 245
Provinces and municipalities	-	-	106 721	47 624	48 182	113 479	124 245
Total grants	187 353	205 566	215 310	113 124	115 510	113 479	124 245
Total	187 353	205 566	215 310	113 124	115 510	113 479	124 245
Regional Bulk Infrastructure Grant							
Regional Bulk Infrastructure Grant: Allocation-in-kind							
Current Payments	91 752	65 644	84 941	87 252	92 110	103 293	108 741
Compensation of employees	3 244	8 837	16 749	17 670	18 643	21 829	23 164
Goods and Services	88 508	56 807	68 192	69 582	73 467	81 464	85 577
Transfers and Subsidies	201 493	211 209	460 000	580 000	1 000 000	955 227	751 497
Transfers to Public Corporations and Private Enterprises	201 493	211 209	460 000	580 000	1 000 000	955 227	751 497
Payments for capital assets	1 445 363	2 209 947	2 801 397	3 986 896	4 922 654	5 324 605	4 855 835
Buildings and other fixed structures	1 445 363	2 209 947	2 801 397	3 986 896	4 921 654	5 323 602	4 854 782
Machinery and equipment	-	-	-	-	1 000	1 003	1 053
Total grants	1 738 608	2 486 800	3 346 338	4 654 148	6 014 764	6 383 125	5 716 073
Total	1 738 608	2 486 800	3 346 338	4 654 148	6 014 764	6 383 125	5 716 073
Bucket Eradication Programme Grant							
Bucket Eradication Programme: Allocation-in-kind							
Payments for capital assets	-	-	-	899 177	975 399	-	-
Buildings and other fixed structures	-	-	-	899 177	975 399	-	-
Total grants	-	-	-	899 177	975 399	-	-
Total	-	-	-	899 177	975 399	-	-

Photos provided by GCIS.



BUDGET 2015

Private Bag X115 Pretoria 0001 | 40 Church square Pretoria 0002 | Tel +27 12 395 6697 | Fax +27 12 406 9055



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA