



**water & sanitation**

Department:  
Water and Sanitation  
**REPUBLIC OF SOUTH AFRICA**



**27-28 March 2025**

**Gallagher Convention Centre**

# **WATER & SANITATION**

## **INDABA**

**THEME:**

***WATER SECURITY AND PROVISION***

**GROUP 2: WATER SERVICES SECURITY**

**GROUP 2a: WSAS WITH CRITICAL PERFORMING SYSTEMS**

**Rapporteur: Malakhiwe Jafta**

**Municipal Infrastructure Support Agency**

March 2025

## Feedback from Groups 2a

1. Presentation to group by DWS on progress with implementation of the 2024 Summit resolutions for each group
2. Input by sector expert
3. Discussion on DWS presentation
  - a) Does the group agree that the presentation is an accurate description of progress? **Yes**
  - b) Where there is a lack of progress, what are the causes?
  - c) What should be done to accelerate implementation?
  - d) Is there a common understanding of what is meant by 'ringfencing'? **Yes**
  - e) Are all municipalities moving towards obtaining Council approval for ringfencing and implementing ringfencing? **Less than 10% and at very slow pace**
  - f) Have all municipalities created a separation between the water service authority and water service provider as required by the Water Services Act? **No**
    - a) Is a service level agreement in place between the WSA and the WSP? Some do have (Ngaka Modiri DM)
  - g) Are municipalities planning MSA Section 78 processes where necessary? **No**
  - h) Are municipalities prioritizing providing access to a basic level of service to communities without such access?

**This is based on the general discussion and observation**

## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>AN IMPLEMENTATION AND DELIVERY MODEL</b>	Adopt the Utility Model but not lose Ownership of assets and be based on the assessment (e. g Polokwane LM)	WSAs, DWS & COGTA	September 2025
	Explore Public-Public Partnership (e.g. Well Performing WSA to adopt Critical Municipalities)	COGTA (Lead) WSAs to initiate with COGTA, SALGA	September 2025
	NT to accelerate the approval of SPV & Concessions applications • Councils explore the BOTT delivery model	WSAs National Treasury	Long Term
	Review DWS mandate to consider expanding to reticulation	DWS	Long term
	Tools and resources will be developed for Section 78 Process • WSAs should engage SALGA for support	WSAs & SALGA	On going
	Review classification of Municipalities/WSAs • Are they fit for purpose,	CoGTA	On going

## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>FINANCIAL VIABILITY OF THE WATER AND SANITATION SECTOR</b>	List of governments and businesses that owe WSAs and payment plans. WSAs must pay and be paid. User pay principle	All Municipalities	June 2025
	Vote Budget for Water and Sanitation Services – (Link to ring fencing of Water and Services trading services)	Municipalities, COGTA & NT	June 2026
	The under-billing of water and sewer. Including the re-purposing sewer for selling (Cost reflective tariffs of water services)	WRC, DWS (ESR)	July 2026
	Under-investment in the water sector, <ul style="list-style-type: none"> <li>• Review of current funding models for Municipalities (Rural vs urban)</li> <li>• Supporting to smaller municipalities</li> <li>• Review of grants (WSIG, RBIG, MIG, USDG) to ensure consolidated support to WSAs including O&amp; M</li> <li>• Blended finance - Different streams of revenue</li> </ul>	COGTA, NT DWS	March 2027
	Public Private Partnership – explore private sector investment (Mines & Agriculture)	WSAs, DBSA, WPO, NT	Ongoing

Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
FINANCIAL VIABILITY OF THE WATER AND SANITATION SECTOR	Debt Management and Credit Control (Improvement of billing system)	All WSAs Water Boards	June 2025



## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>TECHNICAL AND OPERATIONAL CAPACITY</b>	Professionalization of the sector <ul style="list-style-type: none"> <li>• Skills Audit,</li> <li>• Recognition of Prior Learning,</li> <li>• Training and Registration with professional bodies</li> </ul>	WSAs, SETAs, COGTA, MISA, DWS, etc	On going
	Reduce Water losses <ul style="list-style-type: none"> <li>• Telemetry systems to measure bulk water flows (SIV),</li> <li>• installs PRVs (flow restrictions)</li> <li>• develop DMAs</li> </ul>	WSAs and Water Boards	March 2025
	Develop Infrastructure Asset Management <ul style="list-style-type: none"> <li>• As-built drawings of the infrastructure (old infrastructure)</li> <li>• Asset Register and Management systems (conditional assessment)</li> <li>• O&amp;M Plans</li> </ul>	WSAs	On going but quarterly reporting
	Management of ageing infrastructure: <ul style="list-style-type: none"> <li>• development of tools to analyse the existing infrastructure and aligned funding models</li> </ul>	WSA, MISA and DWS	On going

## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>TECHNICAL AND OPERATIONAL CAPACITY</b>	Identify and quantify the incomplete projects	WSAs and DWS, CoGTA	June 2025
	Deployment of unemployed graduates to support WSAs <ul style="list-style-type: none"> <li>• SETAs to be utilized for capacity enhancement</li> </ul>	SETA/MISA	On going but quarterly reporting
	Accelerate the appointment of process controllers to meet acceptable standards and compliance with Regulation 3630 by June 2025	WSA	On going
	Prioritise tools of trade (Sewer Jetting Trucks, setting up of stores for O&M, chemicals)	WSAs	June 2025

## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>TECHNICAL AND OPERATIONAL CAPACITY</b>	Existing bodies of knowledge - Mobilisation of retired experts including Institutions of Higher learning (require funding)	Sector and Private Sector	On going
	Strengthening the Information management System and R&D to enable evidence based decision making – <ul style="list-style-type: none"> <li>• Strengthen existing capabilities</li> </ul>	Water Sector	On going
	Development and Implementation of by-laws	DWS	June 205



## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>BUILDING PARTNERSHIPS FOR RESILIENT COMMUNITIES</b>	Enabling Private Sector to participate in the re-use (circular economy of water and sanitation) <ul style="list-style-type: none"> <li>• Wastewater reuse for Mining utilisation</li> <li>• Generation of energy through the biogas</li> <li>• Generating a compost from sludge for farming purpose</li> </ul>	Private Sector, WSAs & DWS	March 2026
	Establishment of water committees to <ul style="list-style-type: none"> <li>• Protect infrastructure</li> <li>• Improve response time water emergencies</li> </ul>	WSAs and DWS	September 2025
	Lessons learned from the current Presidential eThekweni Working Group be rolled out to Provinces champion by Premiers and their Oversight structures		

## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>FIGHTING CRIME AND CORRUPTION</b>	Establishment of National Water and Sanitation Anti-corruption forum <ul style="list-style-type: none"> <li>• Clamp down on corruption</li> <li>• Crime Intelligence information' on 10</li> <li>• Lifestyle audits</li> </ul>	DWS, Presidency, SAPS	September 2025
	Develop a strategy to protect the country's water and sanitation infrastructure	WSAs, DWS & SAPS	On Going

## Conclusion

- Councils must take ownership of agreed Actions and implementation thereof
- Council to report and account on progress update to MEC and Premiers
- Develop monitoring and evaluation tool - Quarterly Review progress

## **ANNEXURE A: DAY 1 PRESENTATION**

# Agenda for Groups 2a-2d work

1. Presentation to group by DWS on progress with implementation of the 2024 Summit resolutions for each group
2. Input by sector expert
3. Discussion on DWS presentation
  - a) Does the group agree that the presentation is an accurate description of progress?
  - b) Where there is a lack of progress, what are the causes?
  - c) What should be done to accelerate implementation?
  - d) Is there a common understanding of what is meant by 'ringfencing'?
  - e) Are all municipalities moving towards obtaining Council approval for ringfencing and implementing ringfencing?
  - f) Have all municipalities created a separation between the water service authority and water service provider as required by the Water Services Act? Is a service level agreement in place between the WSA and the WSP?
  - g) Are municipalities planning MSA Section 78 processes where necessary?
  - h) Are municipalities prioritizing providing access to a basic level of service to communities without such access?

# Agenda for Group 2a work: Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
An Implementation and Delivery Model			
Financial Viability of the Water and Sanitation Sector			
Technical and Operational Capacity			
Building Partnership for resilient communities			
Fighting Crime and Corruption			



# Part A: Recap on Summary of key results (1)

## Introduction

This group consists of 67 municipalities that scored critical on average across their water supply systems and/or wastewater systems in the 2023 full Blue drop and 2022 full Green Drop Assessments

## Key Positive Results

- 68% of the 67 municipalities have drinking water infrastructure in an average or better condition

## Key Negative Results

### Technical capacity

- Across the 67 municipalities, on average there is shortfall of 30% of the required supervisors (Blue Drop); (85% Green Drop)
- Across the 67 municipalities, on average there is shortfall of 58% of the required process controllers (Blue Drop); (79% Green Drop)
- Across the 67 municipalities, on average there is shortfall of 84% of the required qualified scientists (Blue Drop); (73% Green Drop)
- Across the 67 municipalities, on average there is shortfall of 45% of the required qualified engineers and other technical staff (Blue Drop), (30% Green Drop)

# Part A: Recap on summary of key results (2)

## Key Negative Results Continued

### Drinking Water quality

- 39% of drinking water systems in this group of municipalities scored unacceptable for chemical water quality compliance
- 53% of drinking water systems in this group of municipalities scored unacceptable for microbiological water quality compliance
- 57 municipalities failed to issue advisory notices for 325 drinking water systems which did not meet chemical or microbiological water quality standards during testing in this time period – this is against the law

### NRW

- 60 of the 67 municipalities in this group have %NRW higher than 30%
- 19 municipalities of this group have a %NRW between 50% and 60%, 18 municipalities have a %NRW between 60% and 70%, 6 have %NRW between 70% and 80%, and 2 have %NRW above 85% (Zululand DM and Joe Morolong LM)
- 24 of this group of 67 municipalities did not submit data for the No Drop Assessment (NRW data was estimated for these municipalities)

# Part A: Recap on summary of key results (3)

## Key Negative Results Continued

### Operational and Compliance Monitoring

- 95% of the municipalities in this group scored unsatisfactory for operational monitoring (on-site daily testing)
- 94% are failing to conduct all the required compliance monitoring (testing) for drinking water (required by law)
- 94% are failing to conduct all the required tests for wastewater (required by law)

### Infrastructure condition

- 90% of the 67 municipalities have wastewater infrastructure in a poor or critical condition

### Financial Management

- More than 80% of the 67 municipalities are not able to, or are only partially able to, provide the requested financial information e.g. operations and maintenance budget, capital budget, percentage expenditure on O&M, asset value

## PART B: Recap on Analysis of results

- The results indicate that municipalities in this group are neglecting their wastewater infrastructure in particular:
  - The condition of wastewater infrastructure is significantly worse than the condition of drinking water infrastructure
- The results suggest that skill shortages are a more important contributing factor to poor drinking water performance than the condition of drinking water infrastructure
- Generally, the municipalities in this group have grossly inadequate capacity to manage the water services functions. The high shortages of certified process controllers (particularly for wastewater systems) and scientists may partially explain the poor performance of this group of municipalities in terms of compliance monitoring i.e. carrying out the required tests, given that generally process controllers are responsible for daily on-site testing
- It is impossible for a municipality to run the water services function effectively, or to obtain any surplus from the sale of water, if % NRW is 50%, 60%, 70% or even higher than 80% . It makes very difficult for the municipality to budget adequately for operations and maintenance, which cannot be funded from national grants
- The non-provision of information for No Drop Assessments by 24 of the 67 municipalities indicates that these 24 municipalities may not have the basic information required to manage their NRW

## PART B: Recap on Analysis of results

- The drinking water quality produced by most of the systems in these municipalities does not meet the SANS 241 standard
- Therefore, the water supplied by these municipalities often poses a health risk and the situation is exacerbated by the fact that 57 of the 67 municipalities do not inform their consumers when the quality of the water supplied is not fit for human consumption
- Contaminated water and poor sanitation are linked to transmission of life-threatening diseases such as cholera, diarrhoea, dysentery, hepatitis A, typhoid and polio.

**Given that the NRW levels and financial management in these municipalities generally render them incapable of operating and maintaining their water and sanitation services, and given that many of these municipalities are endangering the health and lives of the residents through providing water that is not fit for human consumption, it can be concluded that all the Water Services Authorities in this group must implement fundamental change such as putting in place alternative means of service provision. Alternatively, CoGTA could consider reassignment of the WSA function.**

## Part C: General Agreed actions by WSAs WSS Summit 2024

- All WSAs/WSPs to implement non-revenue water programmes, with targets and timeframes. The case study of the successful NRW programme in Ekurhuleni provides a good example.
- All WSAs/WSPs to implement water conservation and demand management programmes, with targets and timeframes, to reduce demand towards the international norm of 173l/c/d.
- All WSAs to consider ringfencing revenues from water services for water services functions.
- All WSA will develop an infrastructure security strategy/ plan, to combat vandalism and theft of water and sanitation infrastructure.



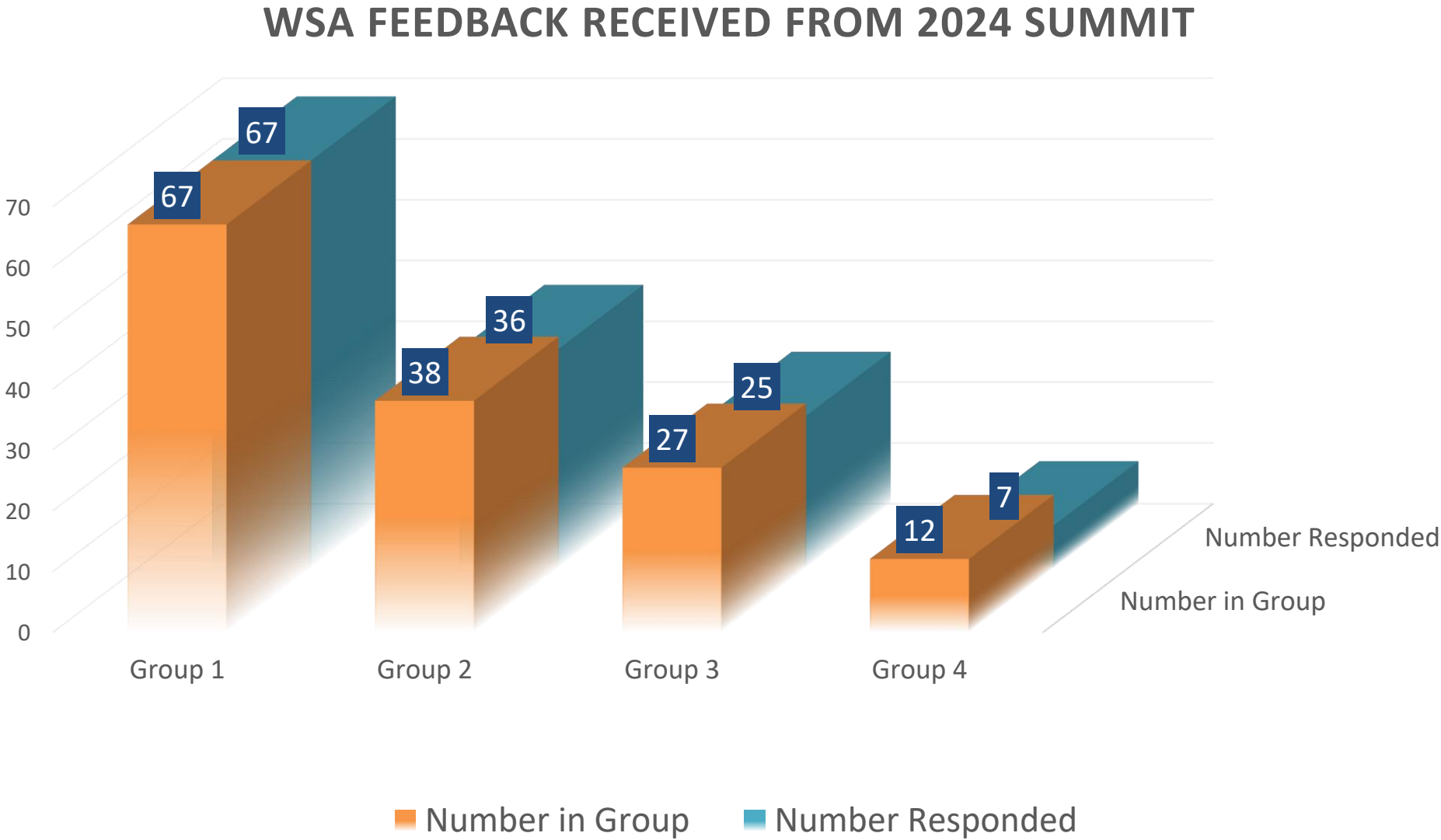
## Summit 2024: Specific agreed actions by WSAs Group 2a

The action plans for the municipalities in Group 2a must also include:

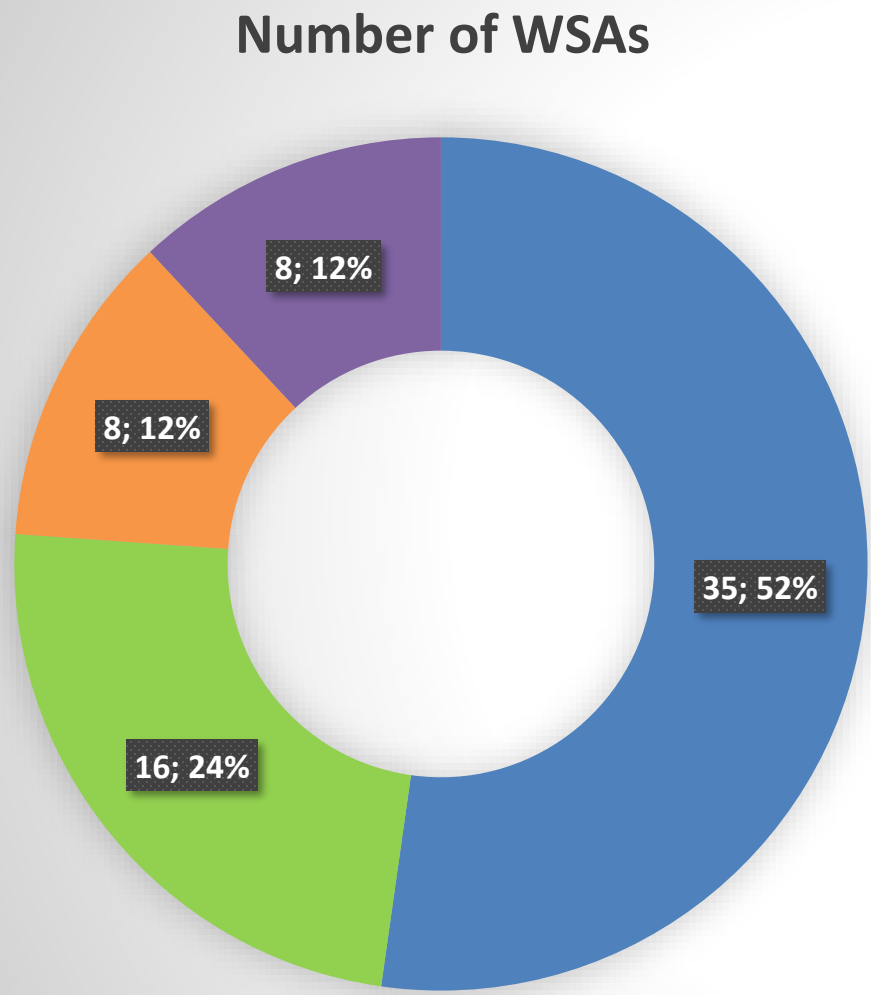
- the Municipal Systems Act S78 process referred to above
- addressing the shortages of certified process controllers, including through training of existing staff to enable certification
- improving operational monitoring (on site daily testing)
- improving the condition of wastewater infrastructure in particular
- improving financial management.

## **Progress of Group 2a against agreed actions**

# Responses received from Water Services Authorities regarding 2024 summit actions



Group 2a: WSAs report on WSP function is ringfenced or has been ringfenced since the summit or in process (67 out of 67)



- 12% of WSAs in Group 2a reported ringfencing of WSP function subsequent to 2024 Summit
- 12% of WSAs in Group 2a didn't report on ringfencing
- 24% of WSAs in Group 2a reported that WSP function was ringfenced prior to Summit
- 52% of WSAs in Group 2a reported that WSP were being ringfenced due to other reforms or process

*This information is as reported by WSAs and has not yet been verified*

WSP function being ringfenced due to other reforms or process

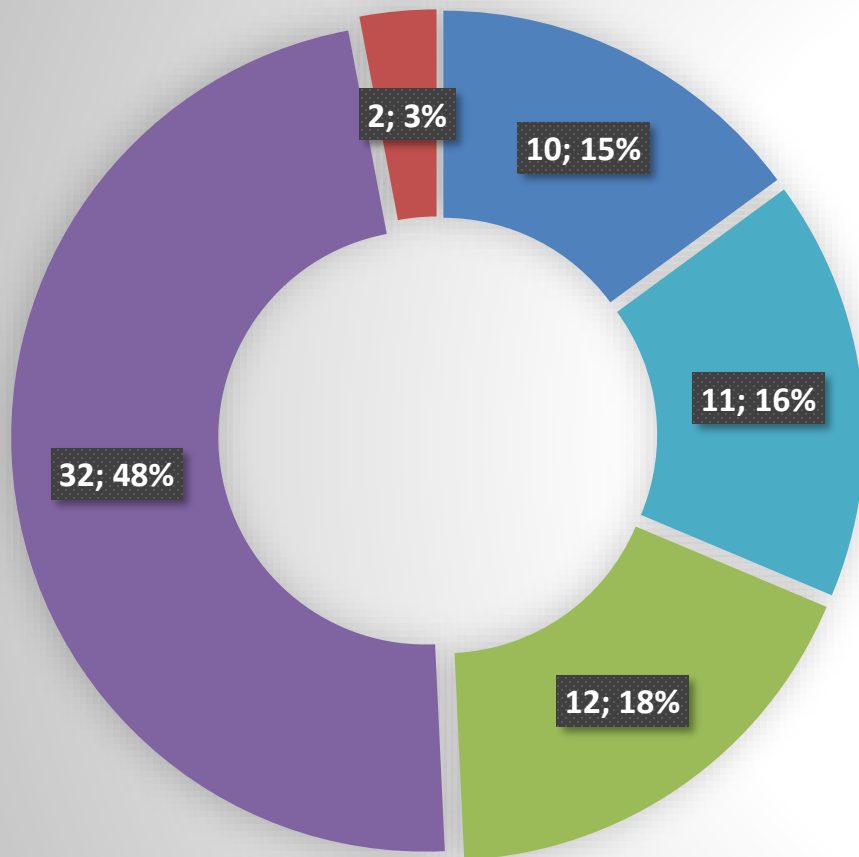
WSP function ringfenced prior to Summit

No information

WSP function ringfenced subsequent to Summit

## Group 2a: WSAs report on Systems Act Section 78 process for water and sanitation services (67 out of 67)

Number of WSAs

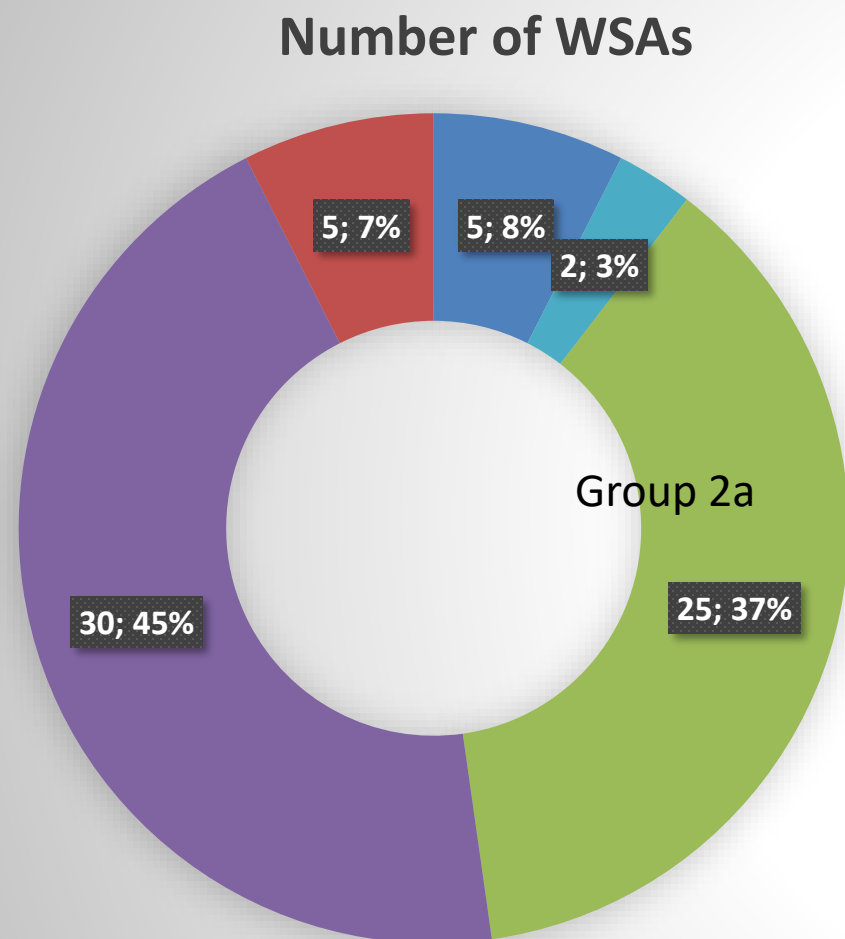


- 15% of WSAs in Group 2a reported that the Section 78 process for water and sanitation services has been approved and being implemented
- 16% of WSAs in Group 2a reported that the Section 78 process for water and sanitation services has been approved by Council
- 18% of WSAs in Group 2a reported Section 78 process was underway (Draft)
- 48% of WSAs in Group 2a reported no section 78 process is being undertaken for water and sanitation services
- 3% of WSAs in Group 2a didn't report on Section 78 process

*This information is as reported by WSAs and has not yet been verified*

- Section 78 process for water and sanitation approved and being implemented
- Section 78 process for water and sanitation approved by Council
- Section 78 process underway
- No section 78 process underway
- No information

Group 2a: WSAs report on development of an infrastructure security plan (67 out of 67)



- 7% of WSAs in Group 2a reported Water Services Infrastructure security plan is approved and being implemented
- 3% of WSAs in Group 2a reported Water Services Infrastructure security plan is approved by Council
- 37% of WSAs in Group 2a reported Water Services Infrastructure security plan has been drafted
- 45% of WSAs in Group 2a reported that no Water Services Infrastructure security plan has been developed
- 7% of WSAs in Group 2a provided no information on the status of development of a Water Services Infrastructure security plan

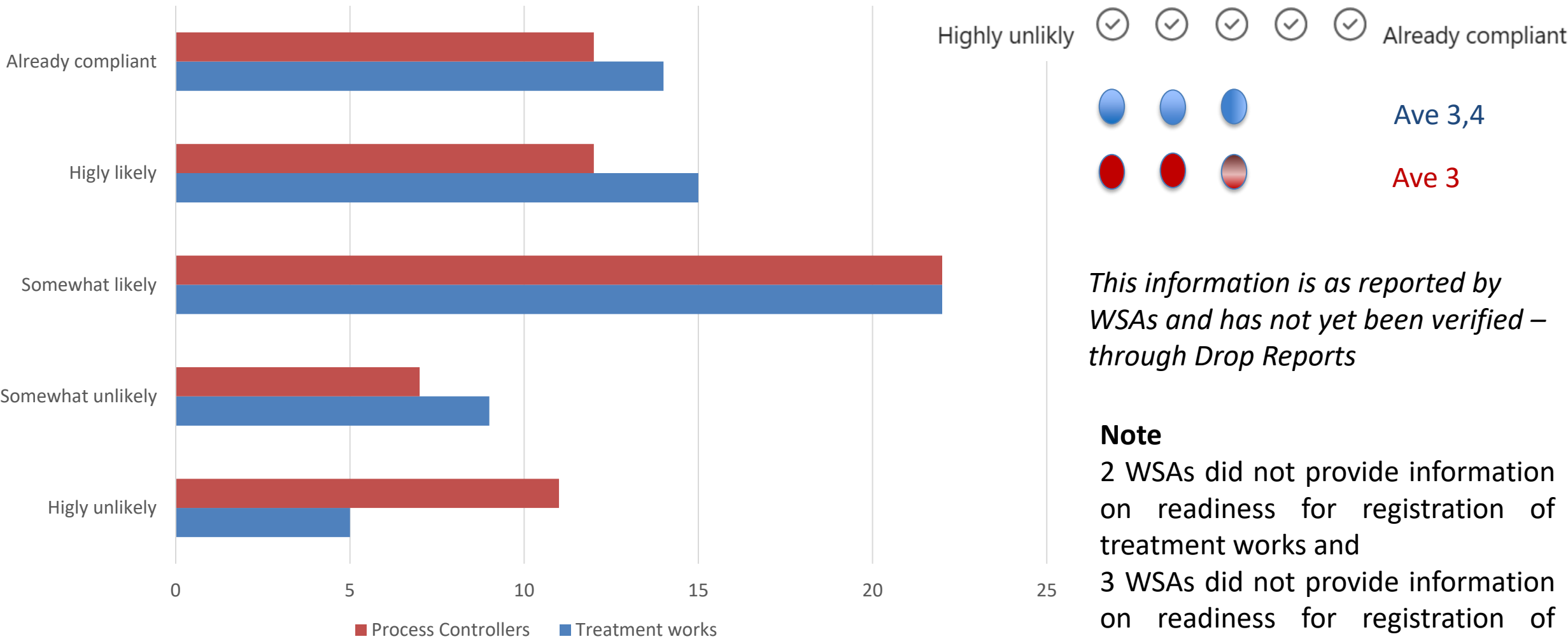
*This information is as reported by WSAs and has not yet been verified*

- Water Services Infrastructure security plan approved and being implemented
- Water Services Infrastructure security plan approved by Council
- Draft Water Services Infrastructure security plan developed
- No Water Services Infrastructure security plan
- No information provided



**Group 2a: WSAs report on likelihood of compliance to Regulation 3630 in terms of registration of all treatment works and process controllers by June 2025 as required (67 out of 67)**

Likelihood of achieving compliance to Regulation 3630



*This information is as reported by WSAs and has not yet been verified – through Drop Reports*

**Note**  
2 WSAs did not provide information on readiness for registration of treatment works and  
3 WSAs did not provide information on readiness for registration of process controllers

## Group 2a: WSAs report on addressing shortages of certified process controllers (67 out of 67)

### Registration

- 4 reported adequate and successful registration of process controllers
- 3 reported registration of process controllers is in progress

### Training

- 13 reported various on-going training initiatives
- 9 reported planning / requested training initiatives but required funding
- 1 reported that a functioning training committee is in place
- 3 reported that a skills audit is being undertaken and development plan will be developed

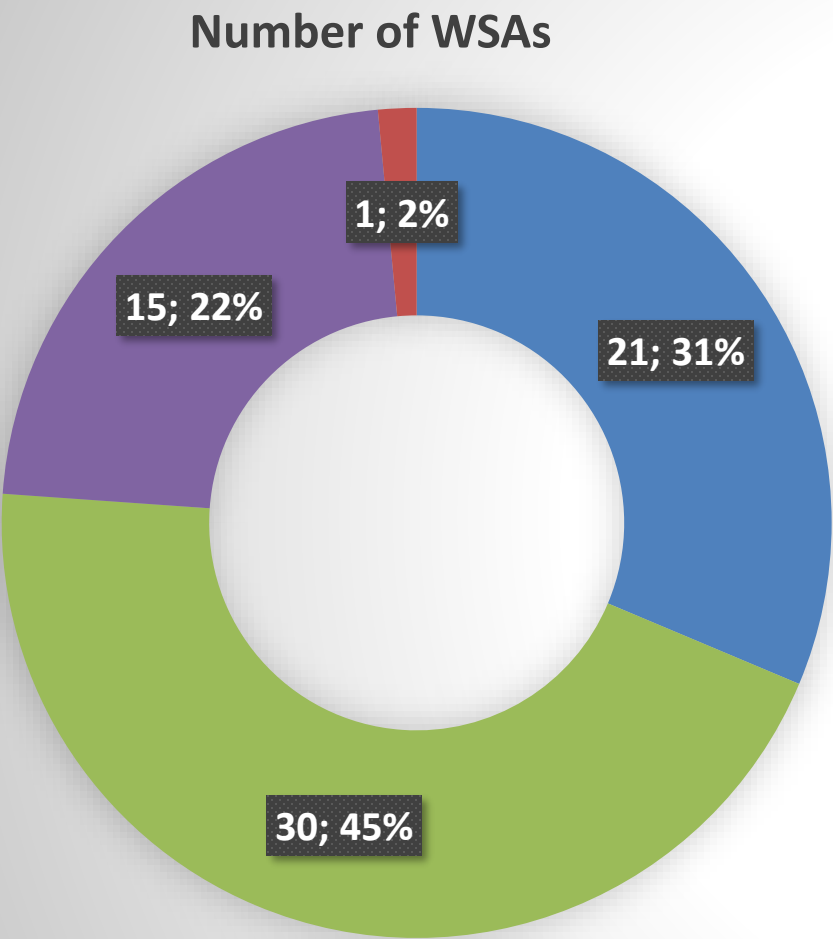
### Recruitment

- 13 reported vacancies are being filled
- 1 reported that gaps were identified on the organogram which was updated and submitted for approval

4 reported very little to no progress

*This information is as reported by WSAs and has not yet been verified –through Drop Reports*

## Group 2a: WSAs report on addressing Non-Revenue Water (67 out of 67)

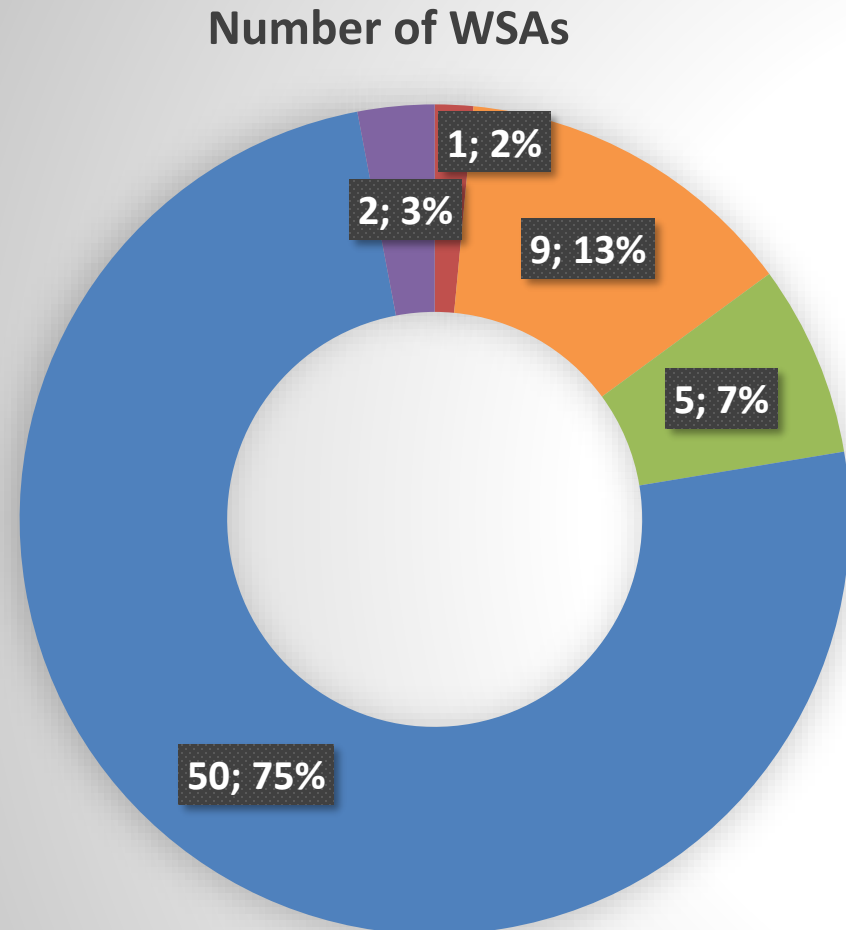


1 WSA in Group 2a did not report on plans for non-revenue  
22% of WSAs in Group 2a reported that there was no plans to address non-revenue water  
31% of WSAs in Group 2a reported that plans have been developed to address non-revenue water however implementation has not yet started  
45% of WSAs in Group 2a reported that plans to address non-revenue water has been developed and being implemented

*This information is as reported by WSAs and has not yet been verified –through Drop Reports*

- Plan developed to address NRW, but not yet implemented
- Plan developed and being implemented to address NRW
- No plan to address NRW
- No information provided

## Group 2a: WSAs progress report on improving the condition of wastewater systems (67 out of 67)



- 1 WSA in Group 2a reported no progress
- 2 WSAs in Group 2a did not report on progress in improving the condition of wastewater systems
- 13% of WSAs in Group 2a reported that condition assessments are being concluded and plans developed
- 7% of WSAs in Group 2a reported sourcing funding for plans to address infrastructure condition
- 75% of WSAs in Group 2a reported positive progress in

*This information is as reported by WSAs and has not yet been verified –through Drop Reports*

- No progress reported
- WSA in process of conducting assessments and developing plans
- WSA in process of sourcing funding
- WSA reported positive progress
- No information provided

## Group 2a: WSAs reported measures taken to improve financial management of WSS function (67 out of 67)

- Introduction of a more cost reflective structure
- Development of financial recovery plan (10)
- Creating new line items to monitor expenditure of all O&M costs associated with each plant
- Standardising equipment to mitigate emergency procurement (also reducing unauthorised and irregular exp)
- Procure at least one repair mechanism (e.g. rotating pumps)
- Appoint internal expertise to assess internally value for money on all repair costs and extent of work required
- Inhouse implementation of O&M projects
- Preventative O&M
- Review tariff structure in line with new norms and standards
- Installation of smart meters (7) and implementation of Credit control policy
- Regular inspections and replacement of faulty meters
- Installation of bulk zonal watermeters
- Annual tenders for chemicals and hiring of plants
- Monthly meetings with finance department to address NRW
- Ringfenced budget for each WTW and WWTW
- Ringfencing of operations and maintenance budget (3)
- Community engagements on paying for water services (2) with debtor amnesty
- (6) WSAs did not report any measures against this action
- Development of revenue enhancement strategy

Proposed new Regulatory Tools  
for  
For Municipal Water Supply and Sanitation  
Services



# Sector Reform

Triggered by the decline in municipal water and sanitation services delivery, as demonstrated by the latest Drop Reports, the Department, in consultation with sector partners, has identified the need to do things differently

The Water Services Amendment Bill introduces 2 new concepts:

The requirement that a municipal service delivery mechanism must have a minimum competency

The requirement that the WSA must regulate performance of the WSP by contract – whether internal and/or external

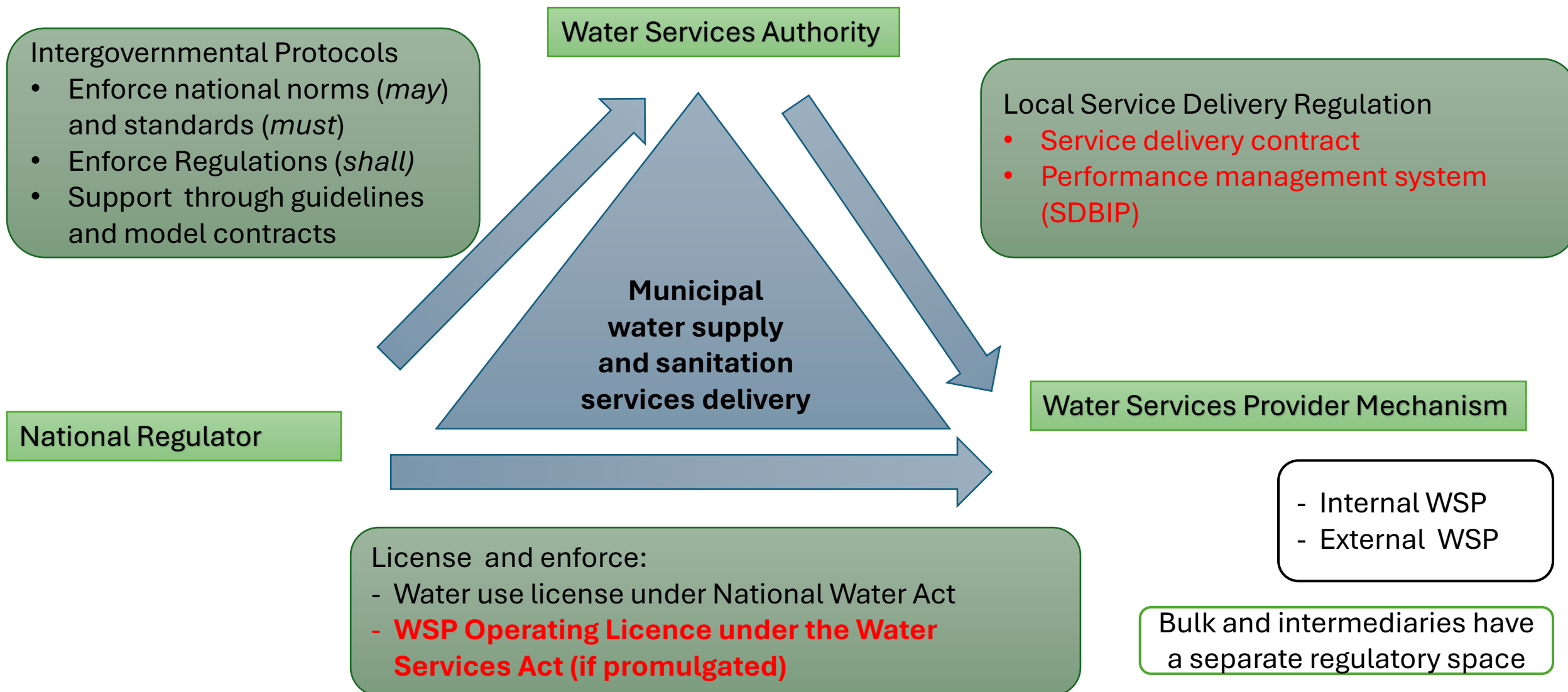
The proposed concepts are within the existing Constitutional Framework in terms of which:

Local government is accountable for ensuring service delivery in a sustainable manner

National government has a duty to make sure municipalities perform their functions

WATER IS LIFE - SANITATION IS DIGNITY

# Distinguishing local and national regulation



## Minimum competency

- Whilst it is the Council's imperative to choose how to deliver services, it is national regulator duty to set minimum national norms and standards
- The WSP, whether internal or external, will need to have competency
  - In line with National treasury's trading services reform, it will ultimately need to have its assets, liabilities and income separately reported on, have accountable management and be sustainable
- The Water Services Act (as amended) will require all WSPs to apply for a license
- If they don't meet the minimum criteria, the WSA, together with SALGA, COGTA and NT, will need to address how the WSA will ensure minimum WSP competency

## Ensuring sustainable service delivery - the WSAs constitutional duty

- In executing its legislative and executive authority the WSA must
  - Choose and appoint its WSP
  - Ensure the WSP has minimum competency so that it can be licensed
  - Regulate the performance of the WSP, ensuring it meets national norms and standards
- Contracting with an external mechanism is regulated by the Water Services Act (S19), the Systems Act (S80) and the MFMA (S116)
- So what regulates the performance of an internal mechanism?
  - The SDBIP process with the head of the water and sanitation trading service (S53 of the MFMA)
  - An agreement must be concluded between the WSA and the unit in the municipality responsible for water and sanitation services delivery (WSP). It must reported against and monitored by the WSA

## Group 2a:

### Critical Systems/WSAs,

1. Tokologo LM
2. Kareeberg LM
3. Metsimaholo LM
4. Merafong LM
5. Rand West LM
6. Blue Crane Route LM
7. Kouga LM
8. Makana LM
9. Ndlambe LM
10. Kopanong LM
11. Mantsopa LM
12. Matjhabeng LM
13. Moqhaka LM
14. Nala LM
15. Ngwathe LM
16. Phumelela LM
17. Setsoto LM
18. Umkhanyakude DM
19. Umzinyathi DM
20. Zululand DM
21. Mogalakwena LM
22. Polokwane LM
23. Thabazimbi LM
24. Vhembe DM
25. Bushbuckridge LM
26. Lekwa LM
27. Pixley Ka Seme LM
28. Gamagara LM
29. Nama Khoi LM
30. Dr. Ruth S Mompoti DM
31. Maquassi Hills LM
32. Moretele LM
33. Moses Kotane LM
34. Ngaka Modiri Molema DM
35. Langeberg LM
36. Swellendam LM
37. Dr Beyers Naude LM
38. Koukamma LM
39. Sundays River Valley LM
40. Mafube LM
41. Maluti-a-Phofung LM
42. Masilonyana LM
43. Mohokare LM
44. Albert Luthuli LM
45. Dipaleseng LM
46. Msukaligwa LM
47. Thaba Chweu LM
48. !Kai! Garib LM
49. !Kheis LM
50. Dikgatlong LM
51. Emthanjeni LM
52. Ga-Segonyana LM
53. Joe Morolong LM
54. Kamiesberg LM
55. Karoo Hoogland LM
56. Kgatelopele LM
57. Khai-Ma LM
58. Magareng LM
59. Phokwane LM
60. Renosterberg LM
61. Richtersveld LM
62. Siyancuma LM
63. Ubuntu LM
64. Umsobomvu LM
65. Kgetlengrivier LM
66. Kannaland LM
67. Prince Albert LM