



**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 2b: **WATER SERVICES SECURITY**

Group 2bb: **WSAS WITH POORLY PERFORMING SYSTEMS**

Rapporteur: Xolani Zwane

28 March 2025



## Feedback received from the presentations

- The group agreed with some areas in the presentation; in addition, they indicated varying interpretation of some of the terms used (e.g) ringfenced
- It was observed that the Municipalities do not have financial problems but rather have an issue with the proper utilization of the funds and how to properly re invest the money. Also noted that they have sufficient policies to guide them but still can not execute the commercial part properly.
- It was also observed that the lack of progress on actions is due to Poor planning, poor procurement planning and sometimes misalignments between the financial and relevant technical functions.
  - To accelerate implementation, the Municipalities in this group considers proper planning , development of procurement plan, Coordinated and collaborative partnerships.
- The municipalities have not yet created separations between the water service authority and water service provider as required by the Water Services Act; however some of the municipalities do have SLA in place between the WSA and the WSP

## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>An Implementation and Delivery Model</b>	Explore appropriate delivery model e.g. SPVs, Concessions, PPP,S 76-78, District Development Model	WSAs	0 – 24 months
	Evaluate capacity of all Water Boards to be appointed as Implemented Agents / WSPs	DWS	June 2026
	Amendment of the Water Services Act to enable the regulation of the WSP function	DWS	2026
	Have a single accountability model so that there be one delegated authority in the WSP that is accountable	WSA	12 – 24 Months

## Five Pillars of Focus Nkangala DM

Pillars	Action	Responsibility	Timeframe
<b>Financial Viability of the Water and Sanitation Sector</b>	Prioritise Metering and Billing by WSAs	WSAs	6-12 Months
	Fully Ringfencing of Water Services Budgets and functions	WSAs	By 2026/27
	Implement Digitization of the manual systems for efficient water operations	WSAs	12-24 months
	Integrate water services revenue management systems with other related municipal services	WSAs	0 - 24 months
	Improve Data Integrity and Credibility	WSAs	12 Months

## Five Pillars of Focus Nkangala DM

Pillars	Action	Responsibility	Timeframe
<b>Technical and Operational Capacity</b>	Incentivise the Engineers working in Rural WSAs (Attraction and retention)	CoGTA/SALGA	12 – 24 months
	Encourage use retired Experts in the sector	CoGTA	12 - 24 Months
	Avail all relevant Tools of Trade	WSAs	6 – 12 Months
	Recognition of Prior Learning (RPL) -Plan	WSAs	6 - 12 months
	Good Performers to support and shadow the small municipalities-Mentoring	WSAs DWS	12 months
	Municipalities to conduct Skills Audit	WSAs	12 months
	Ensure organograms are fully implemented	SALGA	24 months
	Strengthen the Technical and operational capacity of the WSAs	Bulk Providers	12 months
	Implement effective asset management to extend the lifespan of Infrastructure	WSAs	6 Months



## Five Pillars of Focus Nkangala DM

Pillars	Action	Responsibility	Timeframe
<b>Building Partnerships for resilient Communities</b>	Collaborations with all relevant stakeholders at Provincial level through IGR processes-Water Care Forums	DWS	3-6 months
	Partnerships with institutions of higher learning, Research Institutions, and SETAs	WSA DWS	12 Months
	Encourage use PPPs arrangements	National Treasury / WPO	12 months

## Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
<b>Fighting Crime and Corruption</b>	Community education and awareness programmes to raise the implications of theft and vandalism on water infrastructure	DWS WSAs CoGTA	6 Months
	Elevate criminality to National Joint/Provincial Joint to address organised Crimes	DWS	6 months
	Promulgate the proposed water and sanitation norms & standards to address Tankering	DWS	12 Months
	Work with the SIU to abate vandalism.		0 – 12 Months

## **Annexure: Original Group presentation**



# Part A: Recap on Summary of key results

## Introduction

- This group consist of thirty-eight municipalities that scored poor on average across their water supply systems and/or wastewater supply systems in the 2023 full Blue Drop and 2022 full Green Drop assessments

## Key Positive Results

- Across the 38 municipalities, on average 90.3% of the required supervisors' posts are filled with properly qualified supervisors (Blue Drop); (61% Green Drop)
- 72% of the required qualified engineering posts across the 38 municipalities are filled (Blue Drop); (83% Green Drop)
- Across the 38 municipalities, the average Blue Drop infrastructure condition is 70%. 20 of the 38 municipalities scored average for the Blue Drop infrastructure condition and 13 scored good, 1 of the 38 municipalities was not assessed as it has no Water Treatment Works, and 4 of the 38 scored poor

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

## Key Negative Results

- Across the 38 municipalities, the average Green Drop Infrastructure condition is 49% (poor condition). 19 of the 38 municipalities scored average and 19 had less than average (poor or critical) scores for the condition of the infrastructure
- 35 of the 38 municipalities had NRW of 30% or higher
- Across the 38 municipalities, the average %NRW is 51%, with 8 municipalities having % NRW between 50% and 60%, 8 municipalities having a %NRW between 60 % and 70% and 5 having %NRW higher than 70%
- 31 of the 38 municipalities scored unsatisfactory for operational monitoring (i.e. onsite daily testing) (three do not require this monitoring as they have no Water Treatment Works)
- Across the 38 municipalities, on average there is 63.4% shortages of the required qualified process controllers (Blue Drop); (47% Green Drop)
- Shortfall level of qualified scientists is at 70% (Blue Drop); (36% Green Drop)
- 27 of the 38 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 (Blue Drop)

# Part A: Recap of Summary of key results (3)

## Key Negative Results continued

- 35% of the drinking water systems in the 38 municipalities did not achieve acceptable microbiological water quality compliance during the 2021/2022 municipal financial year
- Of the 38 municipalities, 30 (79%) are failing to conduct the compliance monitoring (daily on-site testing) for wastewater that is required by law
- Of the 38 municipalities, 35 (92%) are failing to conduct the tests for drinking water required by law
- 26 municipalities failed to issue advisory notices for 103 drinking water systems which did not meet chemical or microbiological water quality standards during testing in this time period – this is against the law

## PART B: Recap on Analysis of results

- The overall poor performance of most municipalities in this group is mainly due to the poor performance of their wastewater systems
- The results indicate that municipalities in this group are neglecting their wastewater systems in particular:
  - The condition of wastewater infrastructure is significantly worse than the condition of drinking water infrastructure
- The results indicate that the key issue for drinking water systems for this group of municipalities is to address the shortages of process controllers and scientists; whereas the key issue for wastewater systems is to improve the condition of the infrastructure
- The fact that 72% of engineering/technical posts are filled questions the commonly held view that poor performance is due to an absence of engineers
- The shortages of certified process controllers and scientists may partially explain the relatively 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
- The fact that the shortages of process controllers are high but for supervisors are relatively low indicates that this group of municipalities generally needs to put more emphasis on addressing the shortage of qualified process controllers
- More than 50% of these municipalities have NRW above 50%. It is impossible for a municipality to run the water service function effectively, or to obtain any surplus from the sale of water, if % NRW is 50%, 60% or higher than 70% . It also makes it very difficult for the municipality to budget adequately for operations and maintenance, which cannot be funded from national grants

## 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 176l/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.

## Specific agreed actions by WSAs Group 2b

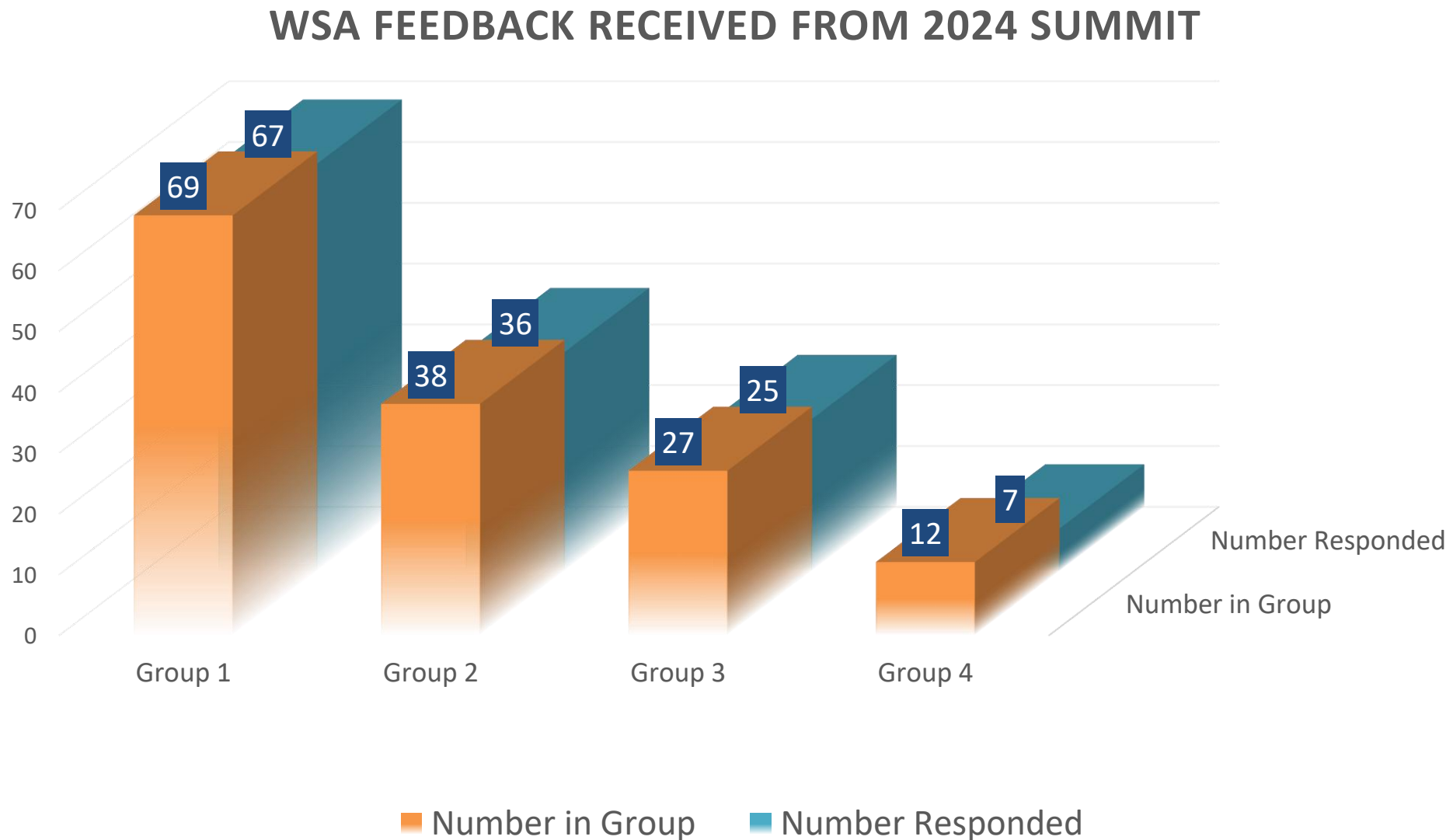
The action plans for the municipalities in Group 2b must also include:

- consideration of the Municipal Systems Act S78 process referred to above
- WSA water safety plans must include identification of potential pollution from upstream WWTW, and consultation with other relevant WSA to address this, within 3 months
- where appropriate the WSA in this group will engage relevant neighboring WSAs regarding joint catchment risk abatement planning to collectively deal with sewage pollution, within 6 months
- prioritization of investment infrastructure and equipment to reduce nonrevenue water (e.g. meters)
- engagement with their communities to address non-payment.

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

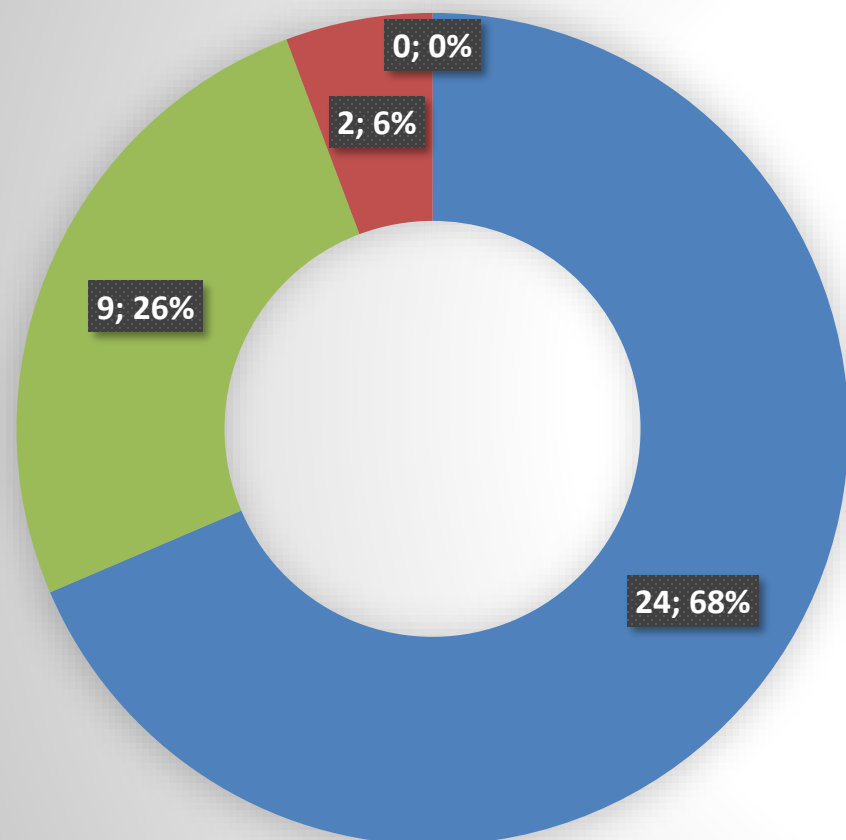


# Responses received from Water Services Authorities regarding 2024 summit actions



## Group 2b: WSAs report on WSP function is ringfenced or has been ringfenced since the summit or in process (36 out of 38)

Number of WSAs



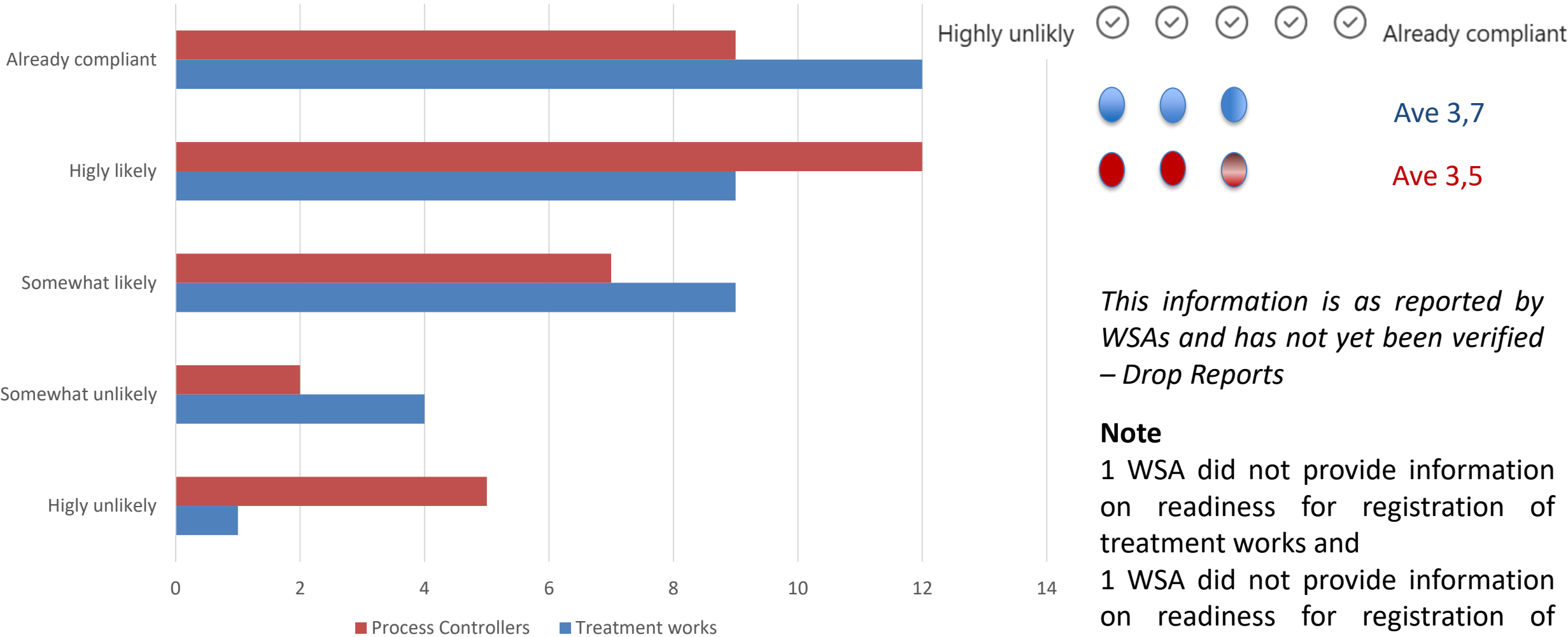
- 0% of WSAs in Group 2b reported ringfencing of WSP function subsequent to 2024 Summit
- 6% of WSAs in Group 2b didn't report on ringfencing
- 26% of WSAs in Group 2b reported that WSP function was ringfenced prior to Summit
- 68% of WSAs in Group 2b reported that WSP were being ringfenced due to other 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 2b: 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 (36 out of 38)**

Likelihood of achieving compliance to Regulation 3630

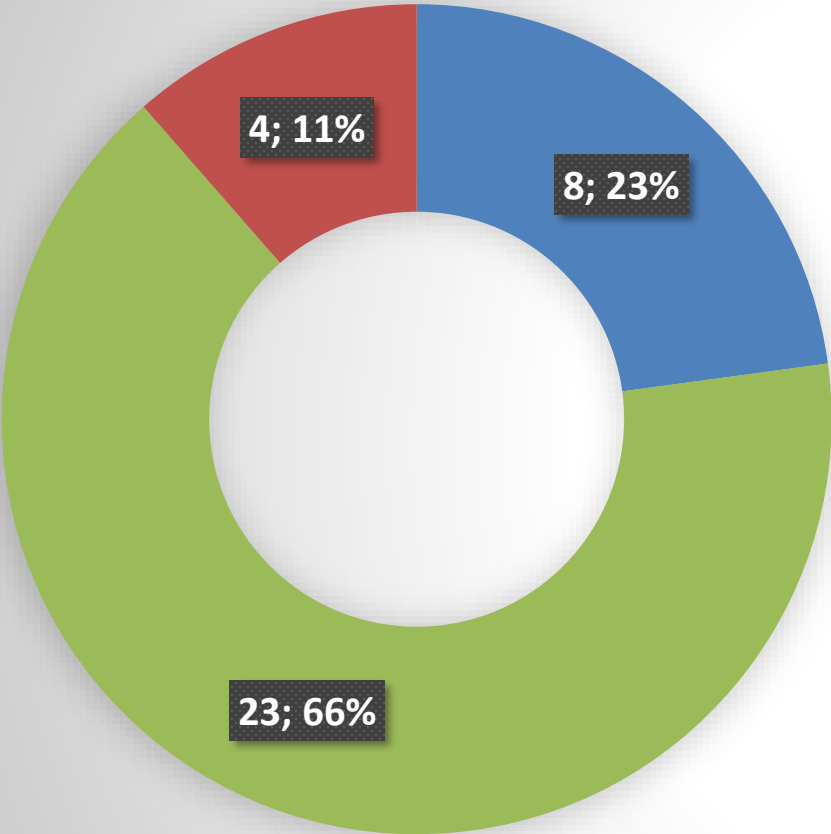


*This information is as reported by WSAs and has not yet been verified – Drop Reports*

**Note**  
1 WSA did not provide information on readiness for registration of treatment works and  
1 WSA did not provide information on readiness for registration of process controllers

## Group 2b: WSAs report on addressing Non-Revenue Water (36 out of 38)

Number of WSAs



11% of WSAs in Group 2b reported that there was no plans to address non-revenue water

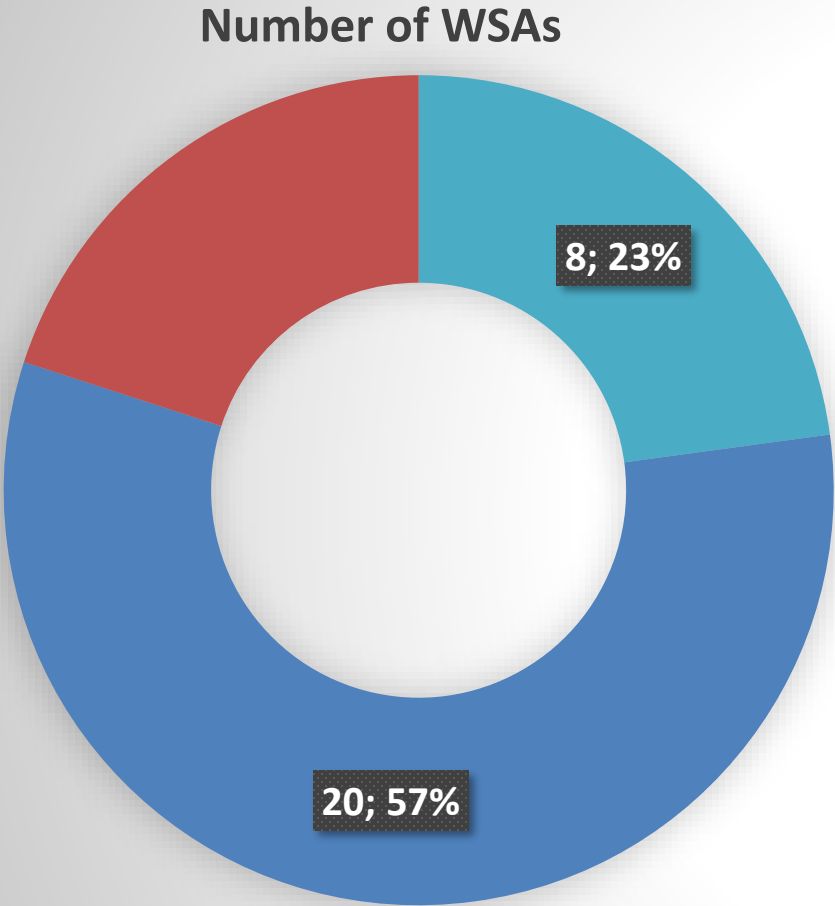
23% of WSAs in Group 2b reported that plans have been developed to address non-revenue water however implementation has not yet started

66% of WSAs in Group 2b 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*

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

Group 2b: WSAs progress report on implementing responsive systems for leak and sewage spill reporting (36 out of 38)



19% of WSAs in Group 2b reported no information on this action

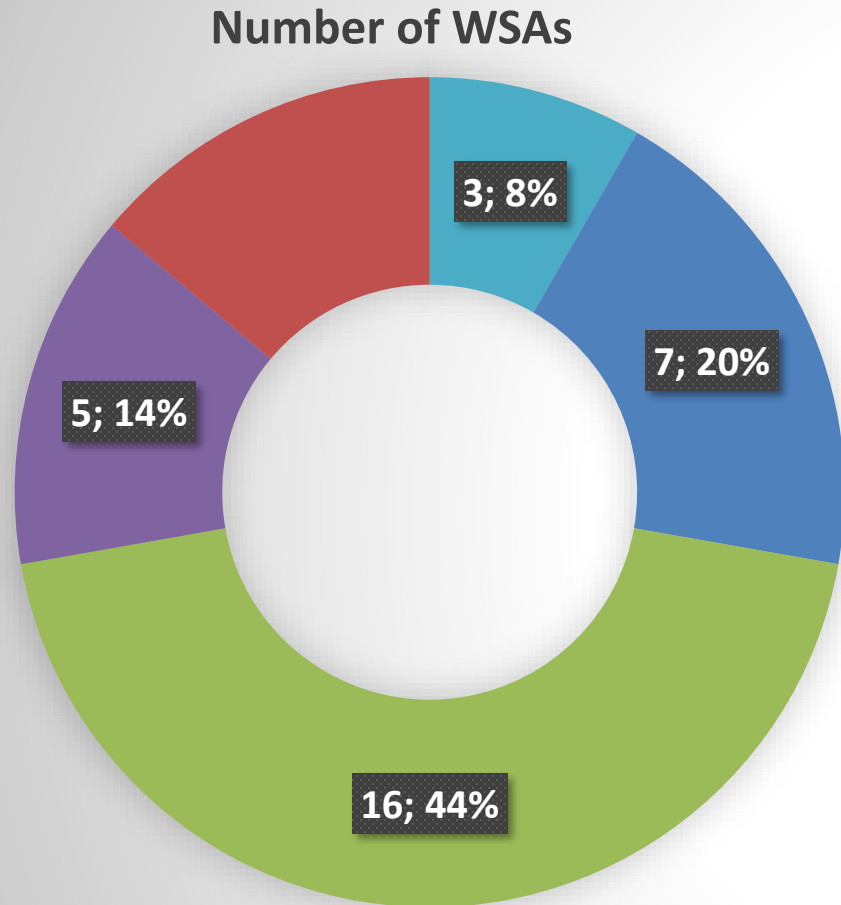
23% of WSAs in Group 2b reported that responsive systems are in place

57% of WSAs in Group 2b reported that systems are in place but that response times can improve

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

- Systems in place and operational
- Systems in place but response times can improve
- No information provided

## Group 2b: WSAs report on review of water safety plans to identify potential pollution from upstream WWTWs



14 % of WSAs in Group 2b reported that no reviews of water safety plans were done

14% of WSAs in Group 2b provided no information on this action

8% of WSAs in Group 2b reported that water safety plans address potential upstream risks already

20% of WSAs in Group 2b reported that water safety plans were reviewed, approved and being implemented

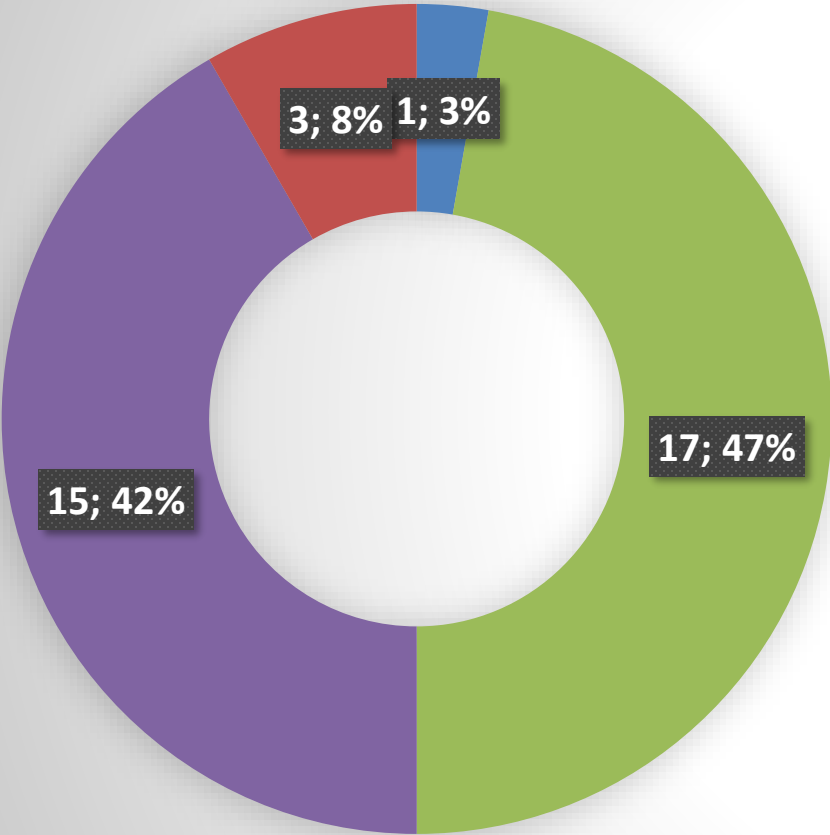
44% of WSAs in Group 2b reported that water safety plans were

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

- Water Safety plans already addressed the upstream challenges
- Reviewed plan approved and being implemented
- Water Safety plan in draft
- No information provided

Group 2b: WSAs progress report on joint catchment risk abatement planning (36 out of 38)

Number of WSAs



1 WSA in NC in Group 2b reported that joint catchment risk abatement plans have been developed and approved (though only 2 other was reported in KZN and MP in group 3)

47% of WSAs in Group 2b reported that plans to address joint catchment risk abatement has been drafted

42% of WSAs in Group 2b reported that there was no plans to address joint catchment risk abatement

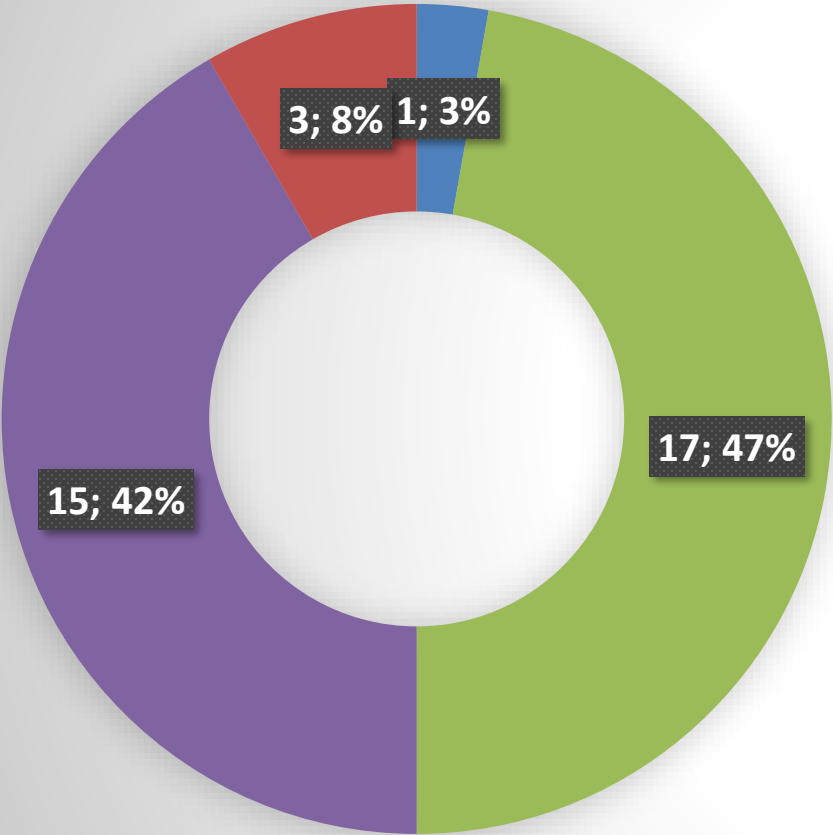
*This information is as reported by WSAs and has not yet been verified*

- Joint catchment risk abatement plan approved by multiple parties
- Joint catchment risk abatement plan in draft
- No joint catchment risk abatement plan
- No information provided



Group 2b: WSAs progress report on joint catchment risk abatement planning (36 out of 38)

Number of WSAs



1 WSA in NC in Group 2b reported that joint catchment risk abatement plans have been developed and approved (though only 2 other was reported in KZN and MP in group 3)

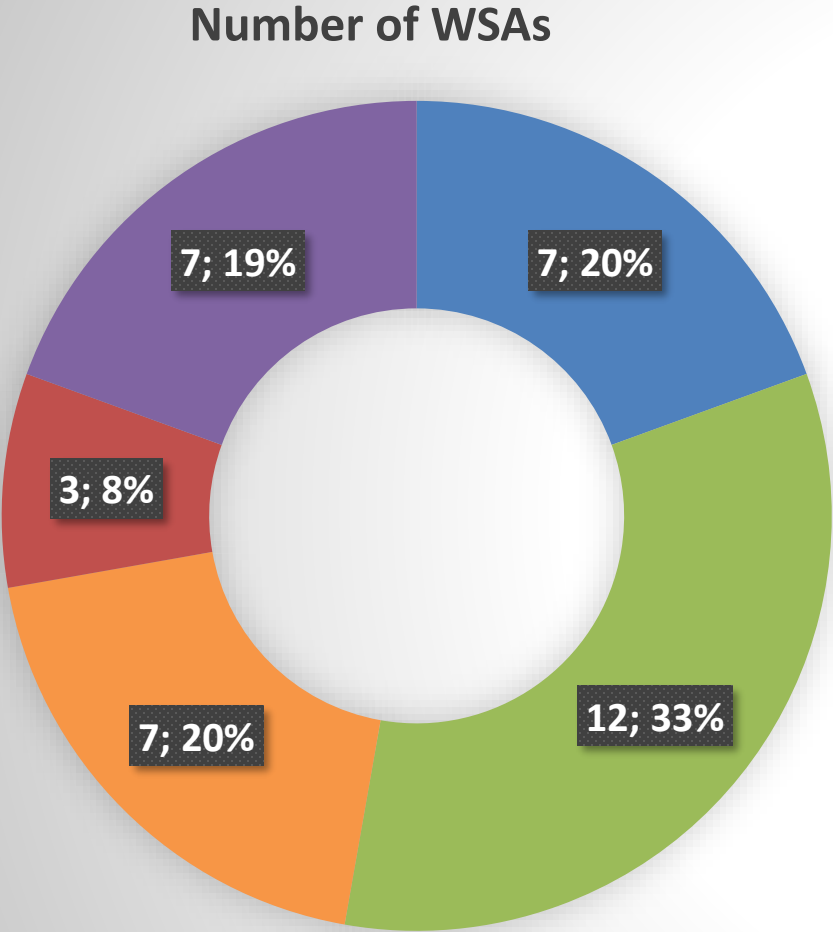
47% of WSAs in Group 2b reported that plans to address joint catchment risk abatement has been drafted

42% of WSAs in Group 2b reported that there was no plans to address joint catchment risk abatement

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

- Joint catchment risk abatement plan approved by multiple parties
- Joint catchment risk abatement plan in draft
- No joint catchment risk abatement plan
- No information provided

Group 2b: WSAs report on progress in reviewing bylaws to enforce revenue collection (36 out of 38)



20% WSA in Group 2b reported existing bylaws as effective in enabling revenue collection

33% WSA in Group 2b reported revenue collection bylaws as reviewed, approved by Council and being enforced

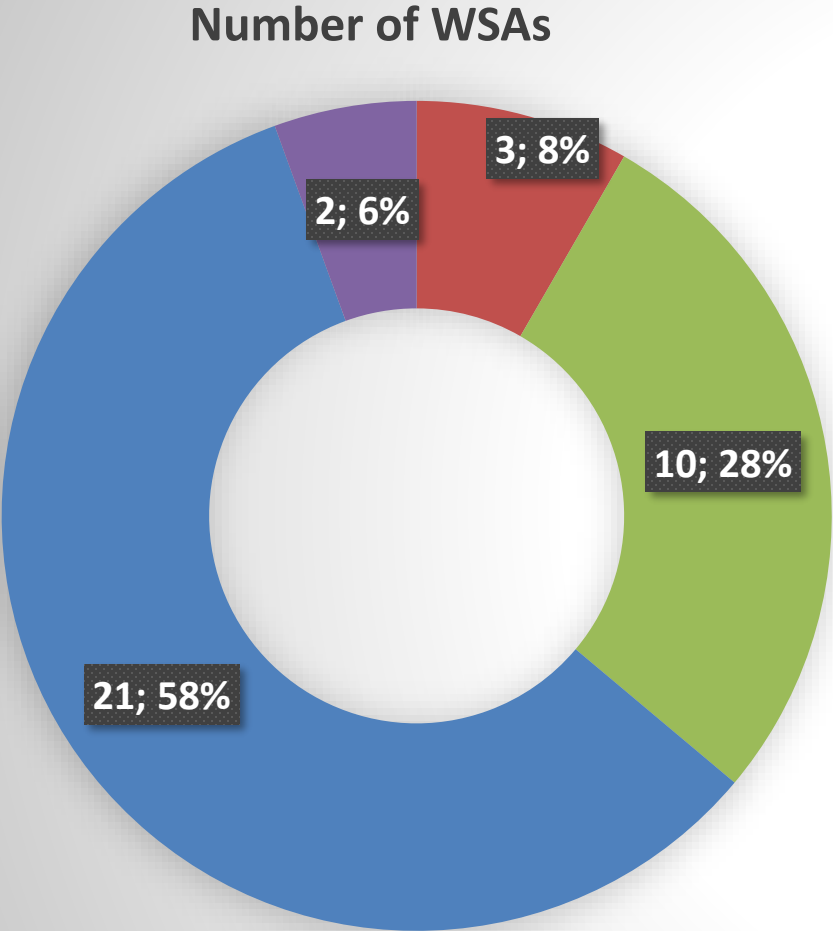
20% WSA in Group 2b reported revenue collection bylaws as reviewed, but not yet approved

8% WSA in Group 2b reported no revenue collection bylaws in place

19% WSA in Group 2b did not report against this action

- Existing bylaws reported as effective in enabling revenue collection
- Revenue collection bylaws reviewed, approved by Council and being enforced
- Revenue collection bylaws reviewed, but not yet approved
- No revenue collection bylaws in place
- No information provided

Group 2b: WSAs progress report on improving the condition of wastewater systems (36 out of 38)



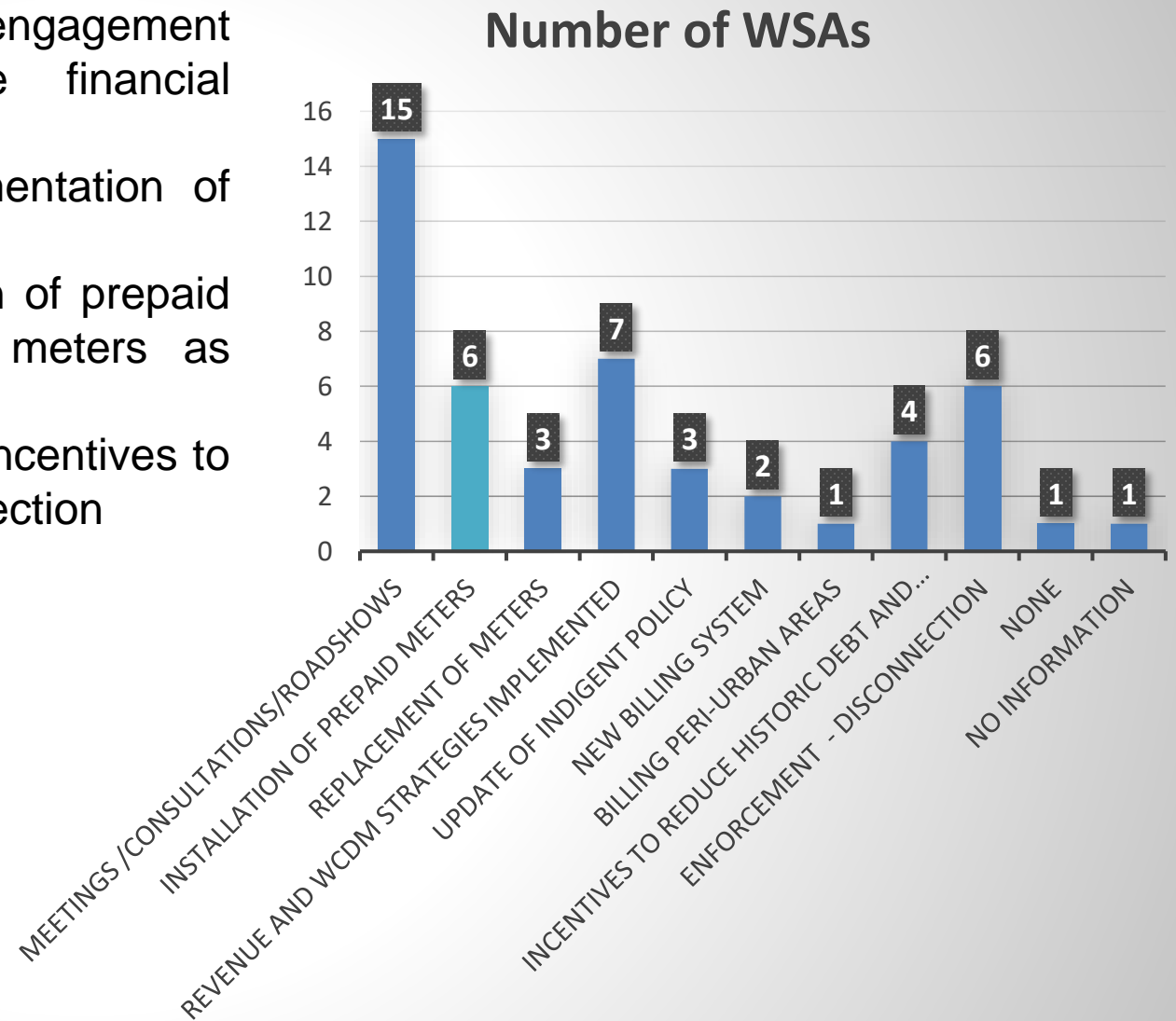
2 WSAs in Group 2b reported no progress  
2 WSAs in Group 2b did not report on progress in improving the condition of wastewater systems  
28% of WSAs in Group 2b reported sourcing funding for plans to address infrastructure condition  
58% of WSAs in Group 2b reported positive progress in improving the condition of wastewater systems

*This information is as reported by WSAs and has not yet been verified – 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 2b: WSAs report on measures taken to improve financial management of WSS function (36 out of 38)

- 42% of WSAs in Group 2b indicated community engagement and meetings as measures to improve financial management
- 19% of WSAs in Group 2b indicated implementation of Revenue and WCDM Strategies
- 17% of WSAs in Group 2b indicated installation of prepaid meters whilst 8% indicated replacement of meters as measures to improve financial management
- 11% of WSAs in Group 2b indicated the use of incentives to reduce historic debt and to increase revenue collection
- 8% of WSAs in Group 2b reported the update of indigent policy as a measure
- 6% of WSAs in Group 2b indicated the use of new billing systems
- 3% of WSAs in Group 2b reported the commencement of billing in peri-urban areas



## **Group 2b: WSAs reported measures implemented to upskill existing staff with support of training (36 out of 38)**

- 15 WSAs in Group 2b reported training interventions for Process Controllers, plumbers, Technicians etc
- 5 WSAs in Group 2b indicated implementation of annual skills plan
- 8 WSAs in Group 2b indicated skills audits are being undertaken
- 5 WSAs in Group 2b indicated dependencies on securing funding from EW /LG SETA and DWS
- 6 WSAs reported no measures against this action

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

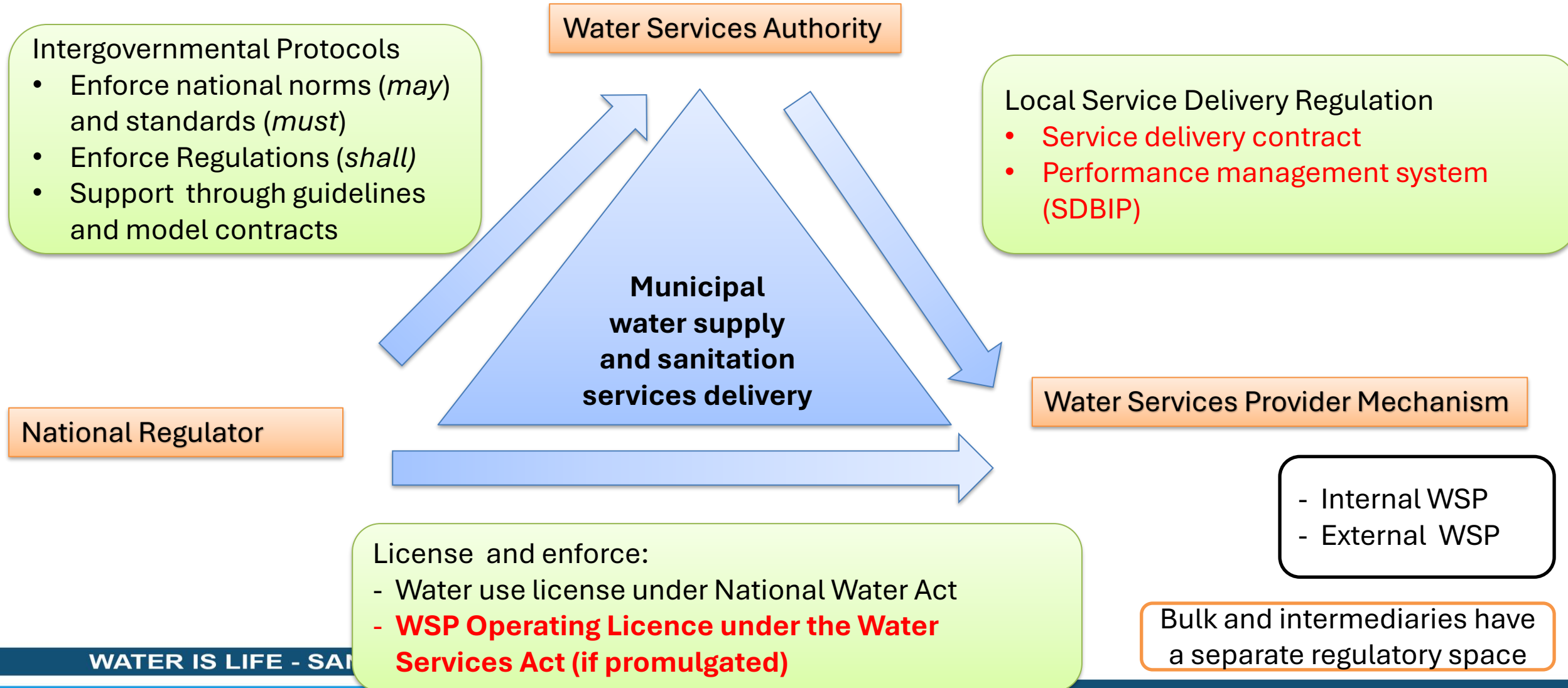
The proposed concepts are within the existing Constitutional Framework in terms of which:

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

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



# 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 2b:

### Poor Performing Systems/WSAs

- |                          |                              |                      |
|--------------------------|------------------------------|----------------------|
| 1. Chris Hani DM         | 14. Alfred Nzo DM            | 27. Emalahleni LM    |
| 2. Letsemeng LM          | 15. Joe Gqabi DM             | 28. Govan Mbeki LM   |
| 3. Nketoana LM           | 16. O R Tambo DM             | 29. Thembisile LM    |
| 4. Amajuba DM            | 17. Dihlabeng LM             | 30. Victor Khanye LM |
| 5. King Cetshwayo DM     | 18. Mangaung Metro           | 31. Sol Plaatjie LM  |
| 6. Capricorn DM          | 19. Tswelopele LM            | 32. Thembelihle LM   |
| 7. Greater Sekhukhune DM | 20. Emfuleni LM              | 33. Tsantsabane LM   |
| 8. Lephalale LM          | 21. Ugu DM                   | 34. Madibeng LM      |
| 9. Emakhazeni LM         | 22. uThukela DM              | 35. Matlosana LM     |
| 10. Hantam LM            | 23. Bela-Bela LM             | 36. Hessequa LM      |
| 11. Siyathemba LM        | 24. Modimolle-Mookgophong LM | 37. Matzikama LM     |
| 12. Cederberg LM         | 25. Mopani DM                | 38. Oudshoorn LM     |
| 13. Laingsburg LM        | 26. Dr J S Moroka LM         |                      |