



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 2c: WSAS WITH AVERAGE PERFORMING SYSTEMS

Rapporteur:

Orifuna Mavhola

Rustenburg Local Municipality

March 2025



Group 2c: Original group consists of 27 Municipalities

13 Water Services Authorities were in attendance

Portfolio Committee member recommended that all WSAs not in attendance to be summoned to account on non- attendance

Metro	District	Local	
City of Tshwane City of Johannesburg Nelson Mandela Bay eThekweni Metropolitan	Harry Gwala	Breede Mbombela/Umjindi Newcastle Rustenburg	Knysna Midvaal Nkomazi Lesedi
Absent			
Buffalo City Metro	Amathole DM Ilembe DM	Beaufort West Berg Rivier Cape Agulhus Dawid Kruiper George Mkhondo	Mogale Msunduzi Stellenbosch Steve Tswete uMhlatuze

Reflection on Presentation

- a) The Group did not agree on progress to date that was collected through the questionnaire
- b) Causes identified due to lack of progress :
 - the funding model from fiscus to local government is insufficient (10% Share)
 - Changes in strategic plans with changes in administration (all spheres)
 - Staggered payments in grants
- c) What should be done to accelerate implementation?
 - address inconsistencies between spheres of government with the function i.e. regulation
 - Regulator assessment of performance by DWS
 - Be selective in prioritization of activities to be able to make progress
- e) There was not a common understanding of what is meant by 'ringfencing' - DWS and NT needs to communicate clear guidelines of concept along with WSA and WSP internal and external
- e) Remaining points were discussed in context with the 5 pillars

Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
An Implementation and Delivery Model	<ul style="list-style-type: none"> Secondary cities must be prioritised to replicate Metropolitan reforms in terms of ringfencing water trading 	COGTA SALGA and DWS	Medium terms
	<ul style="list-style-type: none"> Screen against requirements to identify potential secondary cities that could access conditional grants linked to ringfencing 	City support programme	3 months
	<ul style="list-style-type: none"> Assess possibility to develop policy framework requirements on compulsory structuring of water trading service <ul style="list-style-type: none"> Can DWS do this through s10 Standards Water Services Act? MFMA? 	DWS, NT, Operation Vulindlela	3 years
	<ul style="list-style-type: none"> Appointing water services providers/est utilities to achieve separation of powers with performance criteria and consequence management by the WSA, noting that the WSPs will have to grow over time 	Present WSAs	2 years
	<ul style="list-style-type: none"> Review COGTA Staff Regulations on trading services to three separate business units and then require standard organogram for municipalities in terms of water business 	COGTA Regs need to be reviewed for trading services	2026

Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
Financial Viability of the Water and Sanitation Sector	Engage with WPO on potential performance based contracts to address NRW	All WSA/Water Partnerships Office	Month
	Secondary cities to establish dedicated teams for WCDM	WSAs	1 year
	Implementation of s10 standards on tariffs – and enforcement by DWS	DWS	Commenced Enforcement in 2026 once Bill is passed June 2025
	Implement true zero based budgeting to determine accurate cost	WSAs to review these actions to indicate measures that will be taken tailored to each WSA	
	Tariffs stepped Increased water and therefore also increased cost for wastewater		
	Appropriate sanitation tariff + industrial effluent trade charges		
	Standardise indigent list linked to equitable share with some form of control/audit to verify beneficiaries		
	Enforcement of bylaws + address corruption of enforcers /contractors		
	Bylaws for prepaid meters		

Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
Financial Viability of the Water and Sanitation Sector	<p>Remove illegal connections – campaigns to eradicate illegal connections with alternative to provide water legally</p> <p>Prioritise enforcement against non-payers of large consumers</p> <p>National drive: all who can afford to pay must pay</p> <p>Greywater from 50mm pipe in domestic system can be removed from sewer for reuse in garden. WSAs to encourage bulk users and new developments to have separate grey water from sewerage</p> <p>Off grid policy to be developed for decentralised systems</p>	<p>WSAs to review these actions to indicate measures that will be taken tailored to each WSA</p>	<p>June 2025</p>

Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
Technical and Operational Capacity	• Skills development programme to support compulsory minimum competency regulations (to be developed)	WISA/DWS	Due June 25
	○ Professionalisation of process controller (Reg 3630) give status to PCs need standardised training	ECSA/SAICE	
	○ Engineers, planning – operations –road to registration. Must register as professionals (S9 Compulsory standards)	DWS	2027
	○ Capacity of WSA – as local regulator	Link to COGTA regs and WSP license	Sept 25 Oct 25 (WSP)
	• Review organogram (vacancies) – link to WSP licensing system (competent WSP)	Link to OV WSA	2 years
	• Skills assessment and correct placement of personnel (s9 Standards)		
	• Existing body of knowledge – technologies and treatment methods, innovations in terms sanitation (Central and Decentralised), sludge beneficiation	WRC	Annual roadshows
	• Model conditions of Contracts for studies to incl. intellectual property rights	WSA determine if the condition this already in their contracts	June 2025

Five Pillars of Focus

Pillars	Action	Responsibility	Timeframe
Technical and Operational Capacity	Address challenges prohibiting uptake of technologies	Human Settlements regulations	DWS to engage with human settlements
	Build operate and transfer – private sector or large users in system (incentives to private sector)		
	Sludge beneficiation		
Building partnerships for resilient communities	Expand city support programme to secondary cities	NT	medium
	Work together with communities to prevent Vandalization	WSA to partnership with relevant stakeholders	June 2026
Fighting Crime and Corruption	Develop water infrastructure security plan to mitigate against sabotage, theft and vandalism	WSA in partnership with local law enforcement ECSA /SACNASP	3 months
	Disbar professionals if found guilty of corruption		

Annexure : Original Presentation

Part A: Recap Summary of key results (1)

Introduction

This group consists of 27 municipalities that scored average across their water supply systems in 2023 full Blue Drop and or 2022 full Green Drop Assessments

Key Positive Results

- Across the 27 municipalities, on average 99% of the required supervisors' posts are filled with properly qualified supervisors (Blue Drop); (81% Green Drop)
- 89% of the required qualified engineering posts across the 27 municipalities are filled
- Across the 27 municipalities, the average Blue Drop infrastructure condition is 75%. Fifteen of the 27 municipalities scored higher than 80% for Blue Drop infrastructure condition (good or excellent), 11 had infrastructure in an average condition and one had no Technical Site Assessment as it did not have a water treatment works
- Based on water quality tests carried out by the 27 municipalities in this group during the 2021/2022 municipal financial year, 88% of systems achieved excellent or good, 12% of systems unacceptable chemical water quality compliance

Recap summary of key results (2)

Key Negative Results

- Many of the 27 municipalities had less than average (poor or critical) scores for some of their water supply systems and wastewater systems
- Of the 27 municipalities, 6 scored poor or critical for 2023 No Drop
- 22 of the 27 municipalities had NRW of 30% or higher
- Across the 27 municipalities, the average %NRW is 42% with 10 municipalities having an average higher than 50%. 5 of these 10 municipalities' %NRW is above 60%
- 17 of the 27 municipalities scored unsatisfactory for operational monitoring
- Across the 27 municipalities, the average Green Drop infrastructure condition is 68%. Four municipalities had Green Drop Infrastructure in a poor condition
- Across the 27 municipalities, there is on average a shortfall of 32% of the required properly qualified process controllers (Blue Drop); (35% Green Drop)
- Shortfall levels of qualified scientists is at 37%
- Ten of the 27 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

Recap: Summary of key results (3)

Key Negative Results continued

- Of the 27 municipalities, 23 (85%) are failing to conduct the required compliance monitoring (testing) for wastewater (required by law)
- Of the 27 municipalities, 17 (63%) are failing to conduct the required tests for drinking water (required by law)
- Based on water quality tests carried out by the 27 municipalities in this group during the 2021/2022 municipal financial year 45% of systems achieved excellent or good, 55% unacceptable microbiological water quality compliance
- 13 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 average performing municipalities are well staffed in terms of qualified supervisors and engineers, but have severe shortage of certified process controllers and scientists
- 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
- Drinking water infrastructure is generally in a good condition. This indicates that non–infrastructure factors such as hiring certified process controllers are more important than infrastructure factors in terms of explaining lapses in performance for drinking water
- The municipalities in this group have relatively high NRW, which in turn indicates ineffective maintenance and management to minimise losses as well as ineffective billing and revenue collection systems
- The relatively poor condition of wastewater infrastructure is an indication of a lack of prioritisation of maintenance of wastewater infrastructure in particular

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 2c

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

- All WSA to ensure registration of plant, Process Controllers and upload monitoring data on IRIS with DWS support, within 6 months
- WSA to assess their compliance against the new Regulation 3630 on classification of works and Process Controller registration and ensure compliance by 26 June 2025
- Where under performance against KPAs are identified in BD, GD and ND reports these must be listed in the risk registers and discussed in Risk Management and Council meetings, within 2 months
- WSA to plan to recruit Supervisors, Engineers, Process Controllers & Scientists to replace the aging workforce (ongoing)

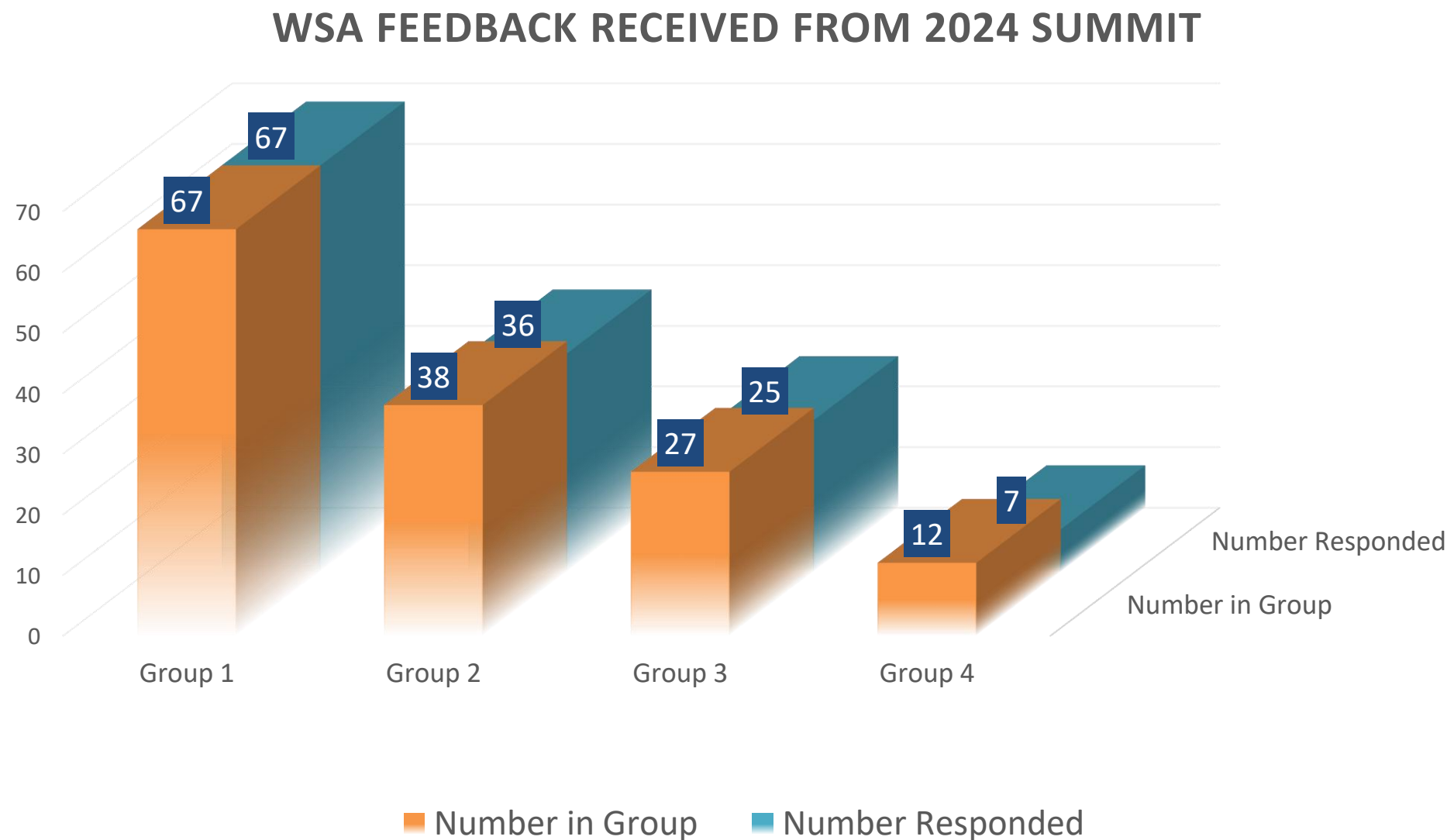
Specific agreed actions by WSAs Group 2c (2)

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

- WSA to partner with private sector and civil society where possible and feasible to improve service delivery and to protect infrastructure (e.g. PPP, collaboration with industry), supported by the Strategic Water Sector Partnership Network and Water Partnership Office (ongoing)
- WSA should plan to invest a portion of revenue for Infrastructure renewal
- WSA should engage with their communities to address non-payment (ongoing)
- WSA must focus on upskilling of existing staff with support of training bodies
- WSA to consider long-term planning (20y)
- WSA to assess possibility of obtaining direct feed from Eskom for their water and sanitation infrastructure to enable exemption from loadshedding.

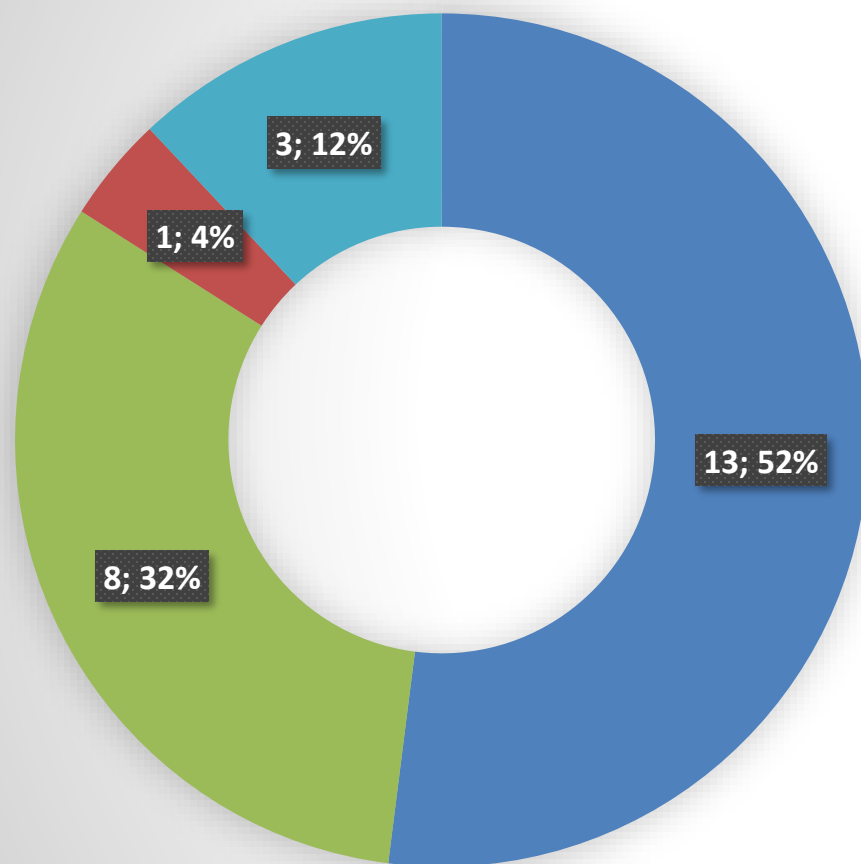
Progress of Group 2c against agreed actions

Responses received from Water Services Authorities regarding 2024 summit actions



Group 2c: WSAs report on WSP function is ringfenced or has been ringfenced since the summit or in process (25 out of 27)

Number of WSAs



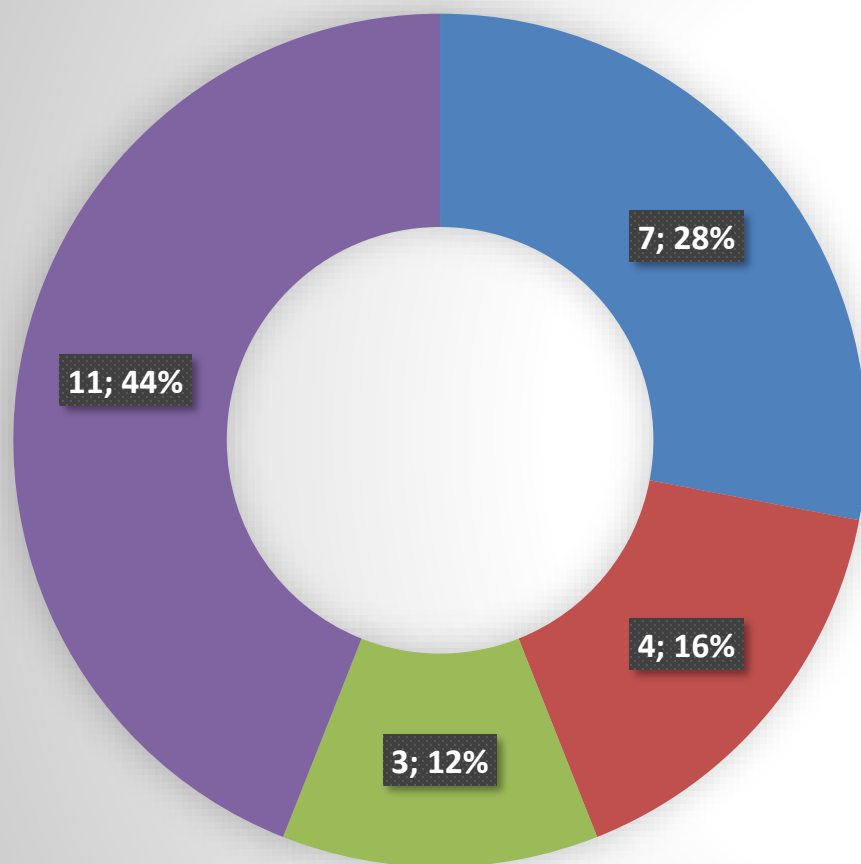
- 12% of WSAs in Group 2c reported ringfencing of WSP function subsequent to 2024 Summit
- 32% of WSAs in Group 2c reported that WSP function was ringfenced prior to Summit
- 52 % of WSAs in Group 2c reported that WSP were being ringfenced due to other reforms or process
- 4% of WSAs in Group 2c didn't report on ringfencing

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 2c: WSAs report on Systems Act Section 78 process for water and sanitation services (25 out of 27)

Number of WSAs



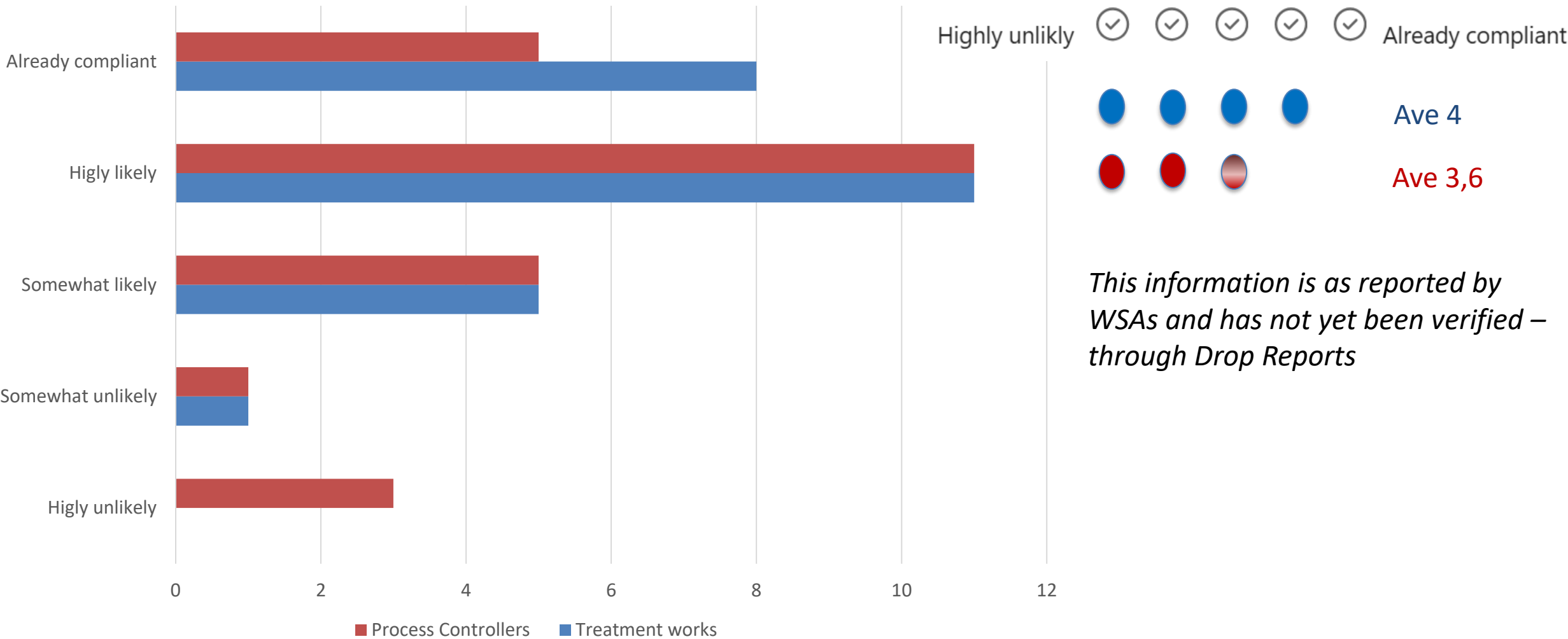
- 28% of WSAs in Group 2c reported that the Section 78 process for water and sanitation services has been approved and being implemented
- 16% of WSAs in Group 2c reported that the Section 78 process for water and sanitation services has been approved by Council
- 12% of WSAs in Group 2c reported Section 78 process was underway (Draft)
- 44% of WSAs in Group 2c reported no section 78 process is being undertaken for water and sanitation services

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

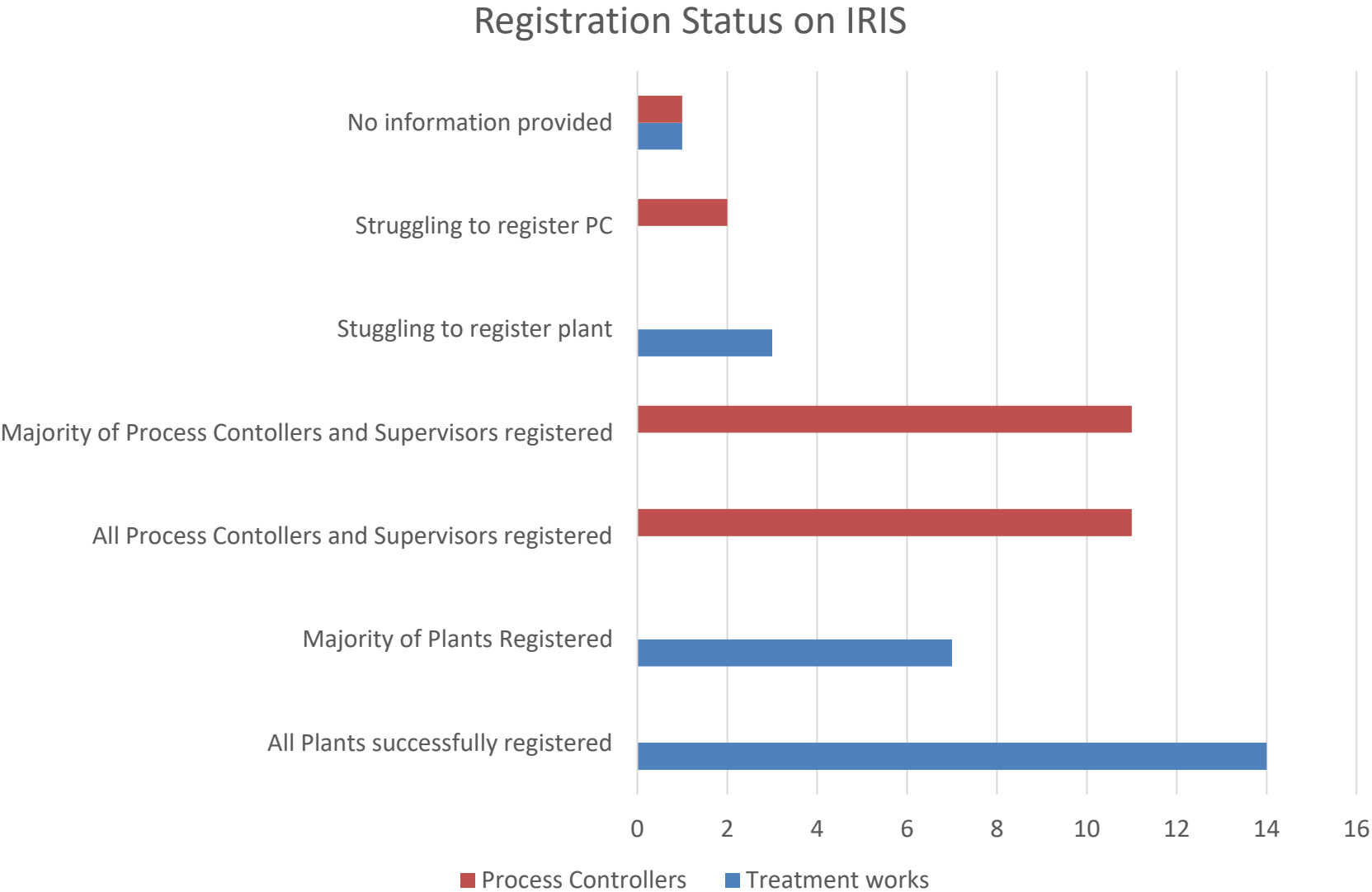
- Section 78 process for water and sanitation approved and being implemented
- Section 78 process for water and sanitation approved by Council
- Section 78 process underway
- No section 78 process underway

Group 2c: 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 (25 out of 27)

Likelihood of achieving compliance to Regulation 3630



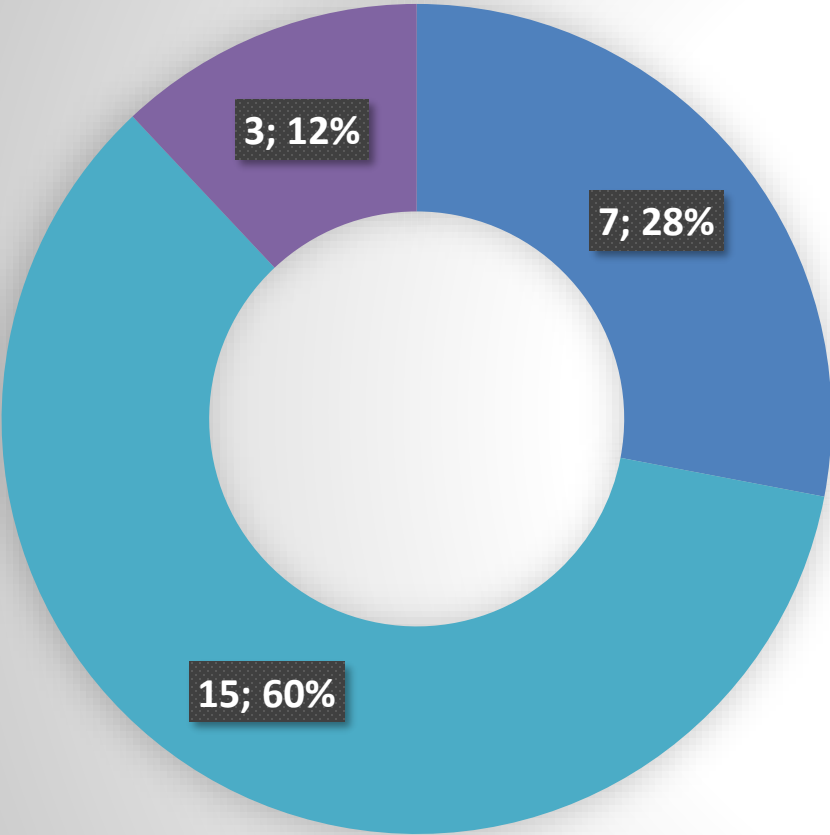
Group 2c: WSAs progress report on registration of plant data and Process Controllers (PCs) on the Integrated Regulatory Information System (25 out of 27)



- 56% of WSAs in Group 2c reported all plants successfully registered
- 28% of WSAs in Group 2c reported majority of plants successfully registered
- 12% of WSAs in Group 2c reported challenges in registering plants
- 44% of WSAs in Group 2c reported all PC and supervisors successfully registered
- 44% of WSAs in Group 2c reported majority of PCs and supervisors successfully registered
- 8% of WSAs in Group 2c reported challenges in registering PCs
- 1 WSA did not report against this required action for both the plant and PC registration

Group 2c: WSAs report on addressing Non-Revenue Water (25 out of 27)

Number of WSAs



28% of WSAs in Group 2c reported that plans have been developed to address non-revenue water however implementation has not yet started

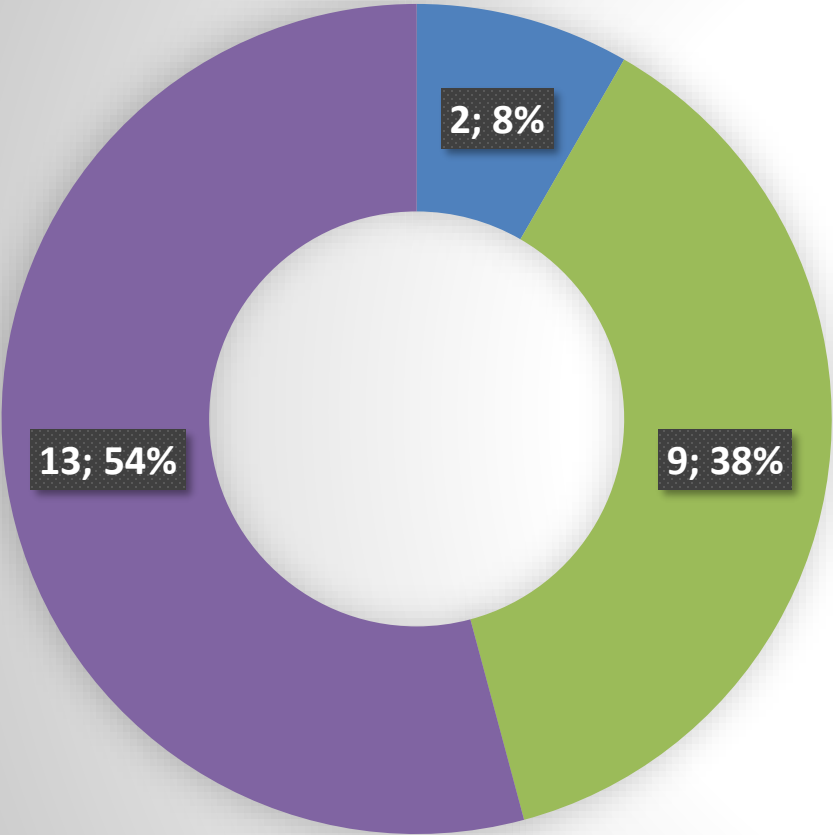
60% of WSAs in Group 2c reported that plans to address non-revenue water has been developed and being implemented

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

Group 2c: WSAs progress report on joint catchment risk abatement planning (25 out of 27)

Number of WSAs



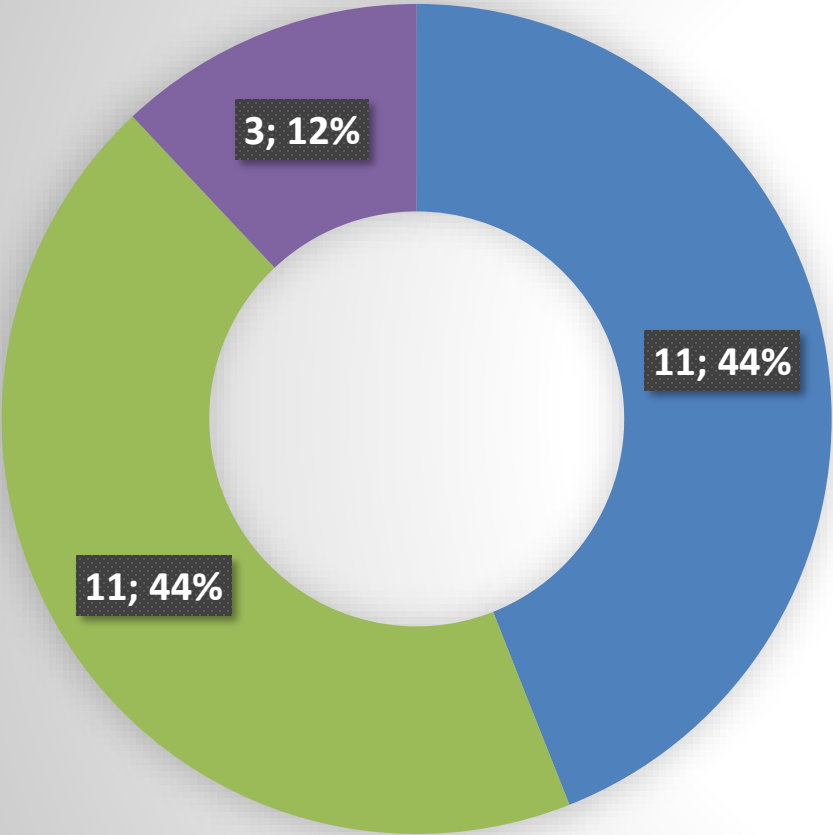
2 WSA in KZN and NC in Group 2c reported that joint catchment risk abatement plans have been developed and approved (though only 1 other was reported in NC in group 2b)
38% of WSAs in Group 2c reported that plans to address joint catchment risk abatement has been drafted
54% of WSAs in Group 2c reported 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

Group 2c: WSAs progress report on updating risk register with underperformance KPAs identified in the Drop Reports (25 out of 27)

Number of WSAs

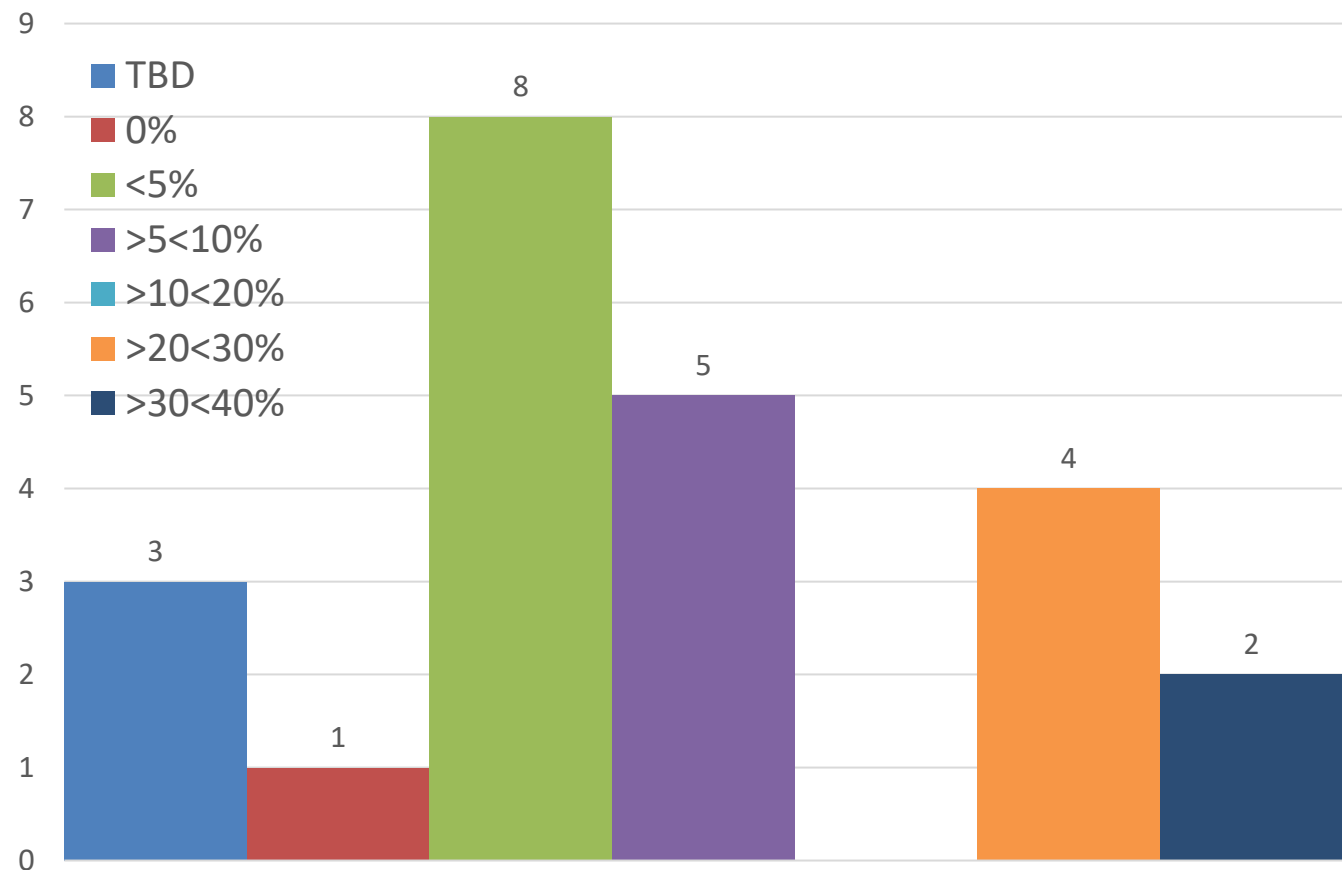


44% of WSAs in Group 2c reported that risk registers were updated with Drop KPAs where systems were identified as underperforming
44% of WSAs in Group 2c reported that risk registers were partially updated
12% of WSAs in Group 2c reported that risk registers have not been updated

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

- Risk Registers updated with Drop KPA where systems are underperforming
- Risk Registers partially updated with Drop KPA where systems are underperforming
- Risk Registers not updated

Group 2c: Percentage revenue being invested for infrastructure renewal per annum (25 out of 27)

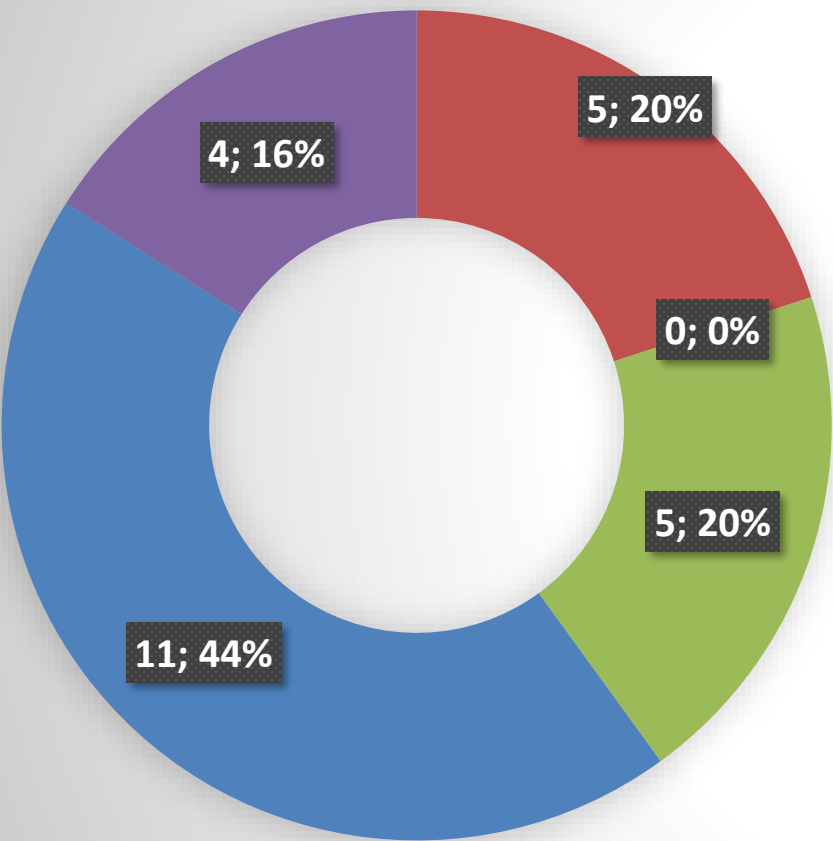


*This information is as reported by
WSAs and has not yet been verified –
through Drop Reports*

- 12% of WSAs in Group 2c indicated that the requested information has not been determined
- 4% of WSAs in Group 2c reported 0% investment of revenue for renewal per annum
- 32% of WSAs in Group 2c reported investment below 5% of revenue for renewal per annum
- 20% of WSAs in Group 2c reported investment between 5 and 10% of revenue for renewal per annum
- 16% of WSAs in Group 2c reported investment between 20 and 30% of revenue for renewal per annum
- 8% of WSAs in Group 2c reported investment between 30 and 40% of revenue for renewal per annum

Group 2c: WSAs progress report on improving the condition of wastewater systems identified as poor (26 out of 27)

Number of WSAs



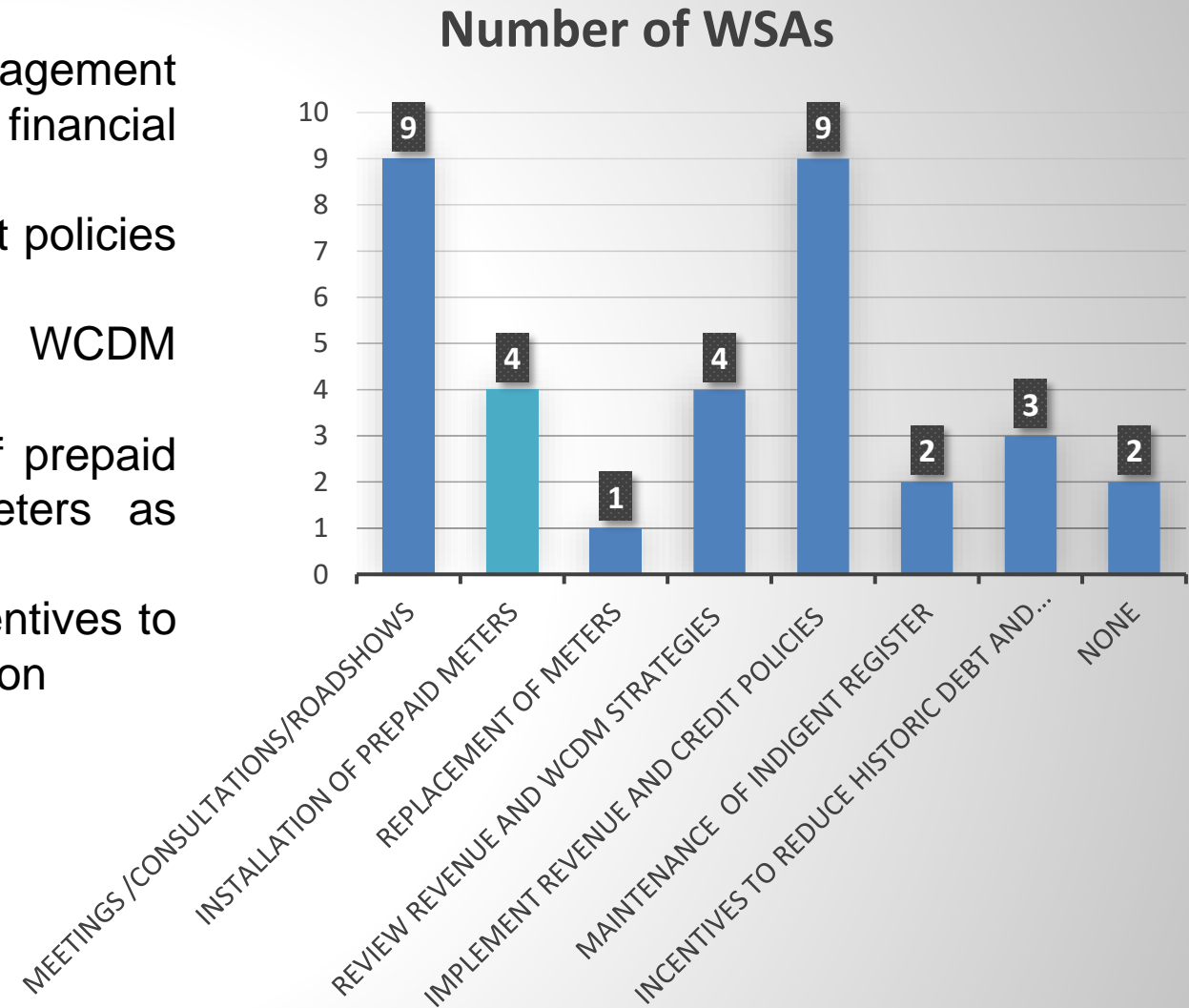
20% of WSAs in Group 2c reported no progress
20% of WSAs in Group 2c reported sourcing funding for plans to address infrastructure condition
44% of WSAs in Group 2c reported positive progress in improving the condition of wastewater systems
16% of WSAs in Group 2c did not report on progress as there was no critical wastewater systems identified

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

- No progress reported
- WSA in process of sourcing funding
- WSA reported positive progress
- N/A Systems not identified as poor

Group 2c: WSAs report on measures taken to improve financial management of WSS function (26 out of 27)

- 35% of WSAs in Group 2c indicated community engagement and meetings as measures to improve financial management
- 35% indicated implementation of revenue and credit policies as measures to improve financial management
- 15% of WSAs indicated review of Revenue and WCDM Strategies
- 15% of WSAs in Group 2c indicated installation of prepaid meters whilst 3% indicated replacement of meters as measures to improve financial management
- 12% of WSAs in Group 2c indicated the use of incentives to reduce historic debt and to increase revenue collection
- 8% of WSAs in Group 2c reported the update of indigent policy as a measure
- 7% of WSAs in Group 2c reported no measures taken to improve financial management



Group 2c: WSAs reported measures implemented to upskill existing staff with support of training (26 out of 27)

- 1 WSA in Group 2c indicated all supervisors have undergone NQF4 training
- 2 WSAs in Group 2c indicated NQF 2 and 4 water and wastewater training in progress
- 1 WSA in Group 2c indicated use of laboratory equipment training
- 5 WSAs in Group 2c indicated implementation of annual skills plan
- 1 WSA in Group 2c indicated that Rand Water has been appointed to conduct skills audit and to identify training needs
- 1 WSA in Group 2c indicated collaboration with Umgeni Uthukela and skills plan development
- 1 WSA in Group 2c indicated training can occur if there is budget
- 5 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

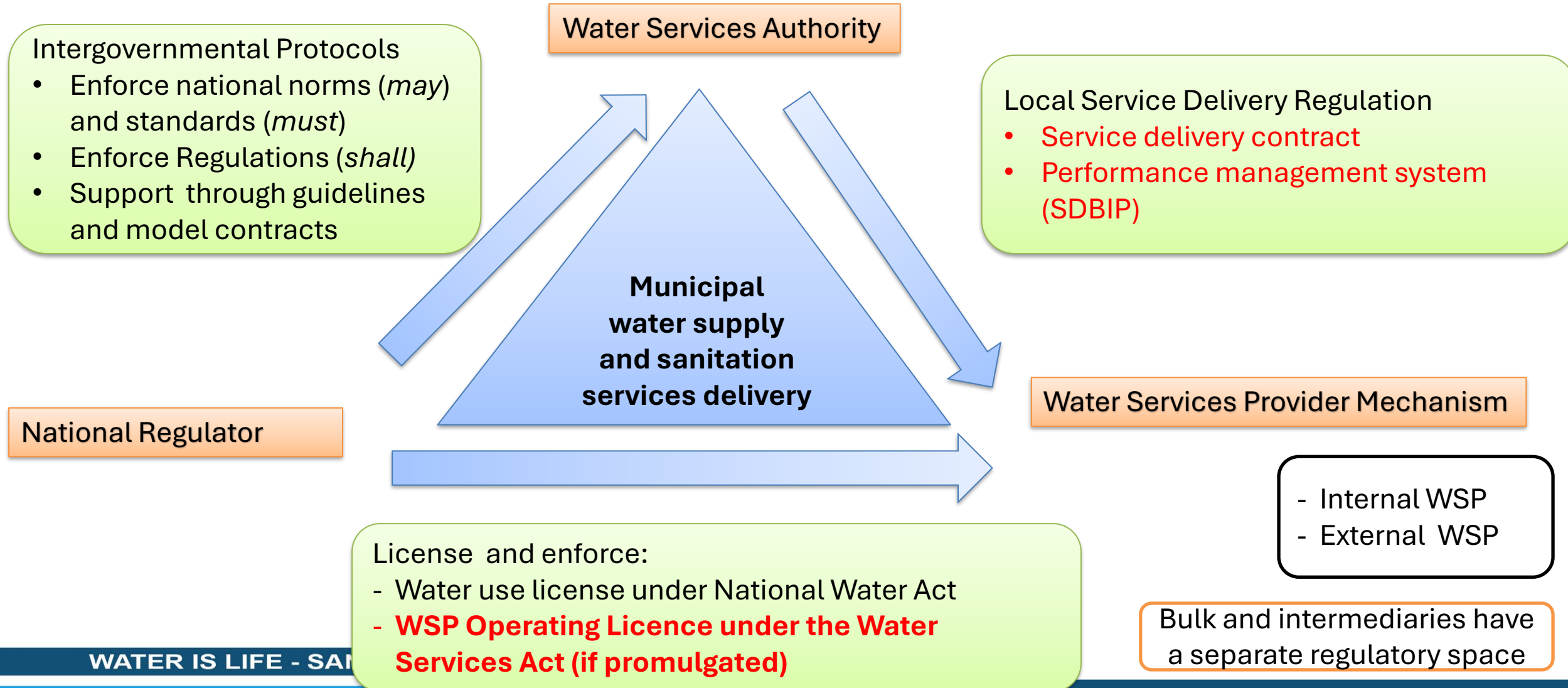


The proposed concepts are within the existing Constitutional Framework in terms of which:

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

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?
4. Adjustments to presentation to be made to plenary

Agenda for Group 2c 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 partnerships for resilient communities			
Fighting Crime and Corruption			

Group 2c:

Average Performing Systems/WSAs

1. Amathole District Municipality
2. Beaufort West Local Municipality
3. Bergrivier Local Municipality
4. Breede Valley Local Municipality
5. Buffalo City Metro Municipality
6. Cape Agulhas Local Municipality
7. City of Johannesburg Metropolitan Municipality
8. City of Tshwane Metropolitan Municipality
9. Dawid Kruiper Local Municipality
10. eThekweni Metropolitan Municipality
11. George Local Municipality
12. Harry Gwala District Municipality
13. iLembe District Municipality
14. Knysna Local Municipality
15. Lesedi Local Municipality
16. Mbombela/ Umjindi Local Municipality
17. Midvaal Local Municipality
18. Mkhondo Local Municipality
19. Mogale City Local Municipality
20. Msunduzi Local Municipality*
21. Nelson Mandela Metropolitan Municipality
22. Newcastle Local Municipality
23. Nkomazi Local Municipality
24. Rustenburg Local Municipality
25. Stellenbosch Local Municipality
26. Steve Tshwete Local Municipality
27. uMhlathuze Local Municipality