



INKOMATI-USUTHU
CATCHMENT MANAGEMENT AGENCY

ANNUAL PERFORMANCE PLAN

Financial year 2022/23

APP

VISION

**Sufficient, equitable and quality water resources for all in the
Inkomati-Usuthu Water Management Area**

MISSION

To efficiently manage water resources by empowering
our stakeholders in our quest to contribute towards
transformation by promoting equal access to water and
protecting the environment

VALUES

Integrity

Batho Pele (Stakeholders Orientation)

Accountability

Diversity

Transparency

SLOGAN:

**“INKOMATI-USUTHU CMA, YOUR PARTNER IN
WATER MANAGEMENT”**



FOREWORD BY THE CHAIRPERSON OF THE GOVERNING BOARD



Dear Stakeholder,

Allow me on behalf of the Governing Board, to present an Annual Performance Plan (APP) of the IUCMA for the planning period spanning from the 2021/22 to 2025/26 planning period. The plan is presented at a point when the country and the entire globe is facing a structural break, in a form of a covid-19 pandemic. The pandemic did not only adversely impact on the health of individuals, but also on businesses, plunging the global economy into a downward spiral. The South African economy has also been growing at a very slow pace shrinking the the fiscal allocation to the IUCMA thus necessitating the development of a revenue trajectory that ensures future financial sustainability of the organisation.

The IUCMA remains steadfast in its commitment to support the Minister of Human Settlements, Water and Sanitation, as the custodian of South Africa's water resources, in the management of the water resources within the Inkomati-Usuthu Water Management Area (WMA). As a transboundary WMA, the IUCMA strives to effectively comply with the reserve (ecological and human health needs), international obligations, strategic use (transfers out of the WMA to support Eskom, the Secunda Sasol complex and town of Ermelo), poverty eradication, and to ensure equitable access of the remaining resources to serve the socio-economic benefit of the WMA.

The IUCMA is progressively working in collaboration with government departments and other institutions whose mandates have the potential of impacting on or being impacted by water resources management activities. To this effect, cooperation working agreements (MoUs) are in place with the DWS (Regional Office), the Mpumalanga Tourism and Parks Agency (MTPA), University of Mpumalanga (UMP), South African National Parks (SANParks), Water Research Commission (WRC) and some municipalities.

On the other hand, the alignment of the Intergovernmental Relations Framework Act, Act 13 of 2005 (IGR) to include CMAs would go a long way to enhance the recognition and support of the water resources management agenda by all. Although there are strategic relations with local and some provincial spheres of government within Mpumalanga, including the House of Traditional Leaders and the Disaster Management Forums amongst others to tackle *inter alia* the material water resource pollution challenge, the IUCMA is still not represented at Provincial Administrative Forums that are governed by the IGR. In the year ahead, these strategic interactions will be pursued to interact more through the Inter-Governmental Relations (IGR) Framework.

The IUCMA actively participates in transboundary water resources management forums/ meetings between the Kingdom of eSwatini, Republic of Mozambique and the Republic of South Africa (i.e., Komati Joint Operations Forums (KJOF); Joint Water Commission (JWC) Technical Advisors Meetings and Incomati River Basin Committee Meetings). Thus, with the anticipated expansion of the WMA to include Pongola, the IUCMA will fully participate in the Inco-Maputo Basin Water Resources Management. This makes it urgent for the IUCMA to fully participate in the Tripartite Technical Committee (TPTC) as the technical advisor to the DWS on behalf of the Republic of South Africa as a stakeholder engagement imperative.

On behalf of the Governing Board, Chief Executive Officer, Management, and staff, I would like to take this opportunity to thank the Honourable Minister and the Deputy Minister for their confidence and support to implement the aspirations contained in this strategic plan.



Mr. M.S. Mthembu
CHAIRPERSON OF THE GOVERNING BOARD

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Inkomati-Usuthu Catchment Management Agency under the guidance of, Minister S. Mchunu the Minister of Water and Sanitation.
- Considered all relevant policies, legislation, and other mandates for which the Inkomati-Usuthu Catchment Management Agency is responsible.
- Accurately reflects the impact and outcomes which the Inkomati-Usuthu Catchment Management Agency will endeavor to achieve over the period 2022/23.



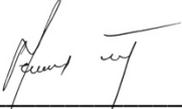
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Manager: Strategic Support



Mr. L.C. Mohalaba
Chief Executive Officer



Mr. M.S. Mthembu
Chairperson of the Governing Board

ACRONYMS

ACRONYM	DESCRIPTION
APP	Annual Performance Plan
ARA-Sul	Aqua Regional Association- South (Mozambique)
CMA	Catchment Management Agency
CME	Compliance Monitoring and Enforcement
CMF	Catchment Management Forum
CROCOC	Crocodile River Catchment Operations Committee
DEA	Department of Environmental Affairs
DSS	Decision Support System
DMR	Department of Mineral Resources
DWS	Department of Water and Sanitation
EIA	Environmental Impact Assessment
EMPR	Environmental Management Programme Report
EWSETA	Energy Water Sector Education Training Authority
EXCO	Executive Committee
GA	General Authorisation
GB	Governing Board
HYDSTRA	Surface Hydrology Information System
HLPW	High-Level Panel on Water
IUCMA	Inkomati-Usuthu Catchment Management Agency
IBWiWC	Incomati Basin Women in Water Conference
IT	Information Technology
ICT	Information and Communication Technology

ACRONYM	DESCRIPTION
IGR	Inter-Governmental Relations
KJOF	Komati Joint Operations Forum
MTSF	Medium Term Strategic Framework
MSP	Master System Plan
NWA	National Water Act, Act 36 of 1998
NWRS2	National Water Resource Strategy 2 (NWRS2)
NDP	The National Development Plan, 2030
NW&SMP	National Water and Sanitation Masterplan (NW&SMP)
WMI	Water Management Institutions (WMI)
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act 1 of 1999
REMCO	River and Environment Management Corporation
RMC	Risk Committee Meeting
REMP	River Eco-status Monitoring Programme
RQOs	Resource Quality Objectives (RQOs)
SAHRC	South African Human Rights Commission
SDG	Sustainable Development Goals
SADC	South African Development Community
SONA	State of the nation address
WAP	Water Allocation Plan
WAR	Water Allocation Reform
WMA	Water Management Area
WUA	Water Users Association
WULA	Water Use License Application

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PART A: OUR MANDATE

1. LEGISLATIVE AND POLICY MANDATES

The legislative environment, policies, and frameworks of Government, which among others provides a developmental priority for the country and the water sector provides a strategic impetus and functioning of the Inkomati-Usuthu Catchment Management Agency (IUCMA). Key legislation and policy mandates relevant to functioning and delivery of the IUCMA mandate are as follows:

1.1 Constitutional Mandate

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) as amended, provides through the Bill of Rights that:

- (a) everyone has a right to an environment that is not harmful to their health or well-being.
- (b) to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures that,
 - (i) prevent pollution and ecological degradation;
 - (ii) promote conservation; and
 - (iii) secure ecologically sustainable development and use of national resources while promoting justifiable economic and social development.

1.2 Legislative and Policy Mandates

National Water Act, 1998 (Act 36 of 1998) as amended

The National Water Act, 1998 (Act 36 of 1998) (NWA) provides for establishment of the IUCMA, which is detailed in Section 78 as a water resource management authority to perform water resource management functions within its WMA. The NWA further provides a mandate/object of the IUCMA and detail its inherent powers and functions as follows:

- (a) To investigate and advise interested persons on the protection, use, development conservation, management, and control of the water resources in its WMA;
- (b) To develop a Catchment Management Strategy (CMS);
- (c) To coordinate related activities of water uses and the establishment of the water management institutions within its WMA;
- (d) To promote coordination of its implementation with the implementation of any applicable development plan established in terms of the Water Services Act (Act 108 of 1997); *and*
- (e) To promote community participation in the protection, use, development, conservation, management, and control of the water resources in the WMA.

Public Finance Management Act, 1998 (Act 36 of 1998)

The Public Finance Management Act, 1998 (Act 36 of 1998) (PFMA) regulate financial management in the national government and provincial governments to ensure that all revenue, expenditure, assets, and

liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith. The IUCMA is a Public Entity listed in Schedule 3A of the PFMA.

National Water Resource Strategy 2

The scope and purpose of the National Water Resource Strategy 2 (NWRS2) is to ensure that national water resources are managed towards achievement of growth, development, and socio-economic priorities in an equitable and sustainable manner. The NWRS2 is also a legal instrument for implementation and operationalization of the NWA and is primary towards achievement of developmental imperatives of the National Government. To achieve this development imperative, the NWRS2 seeks to respond to key challenges, constraints, and opportunities in water resource management. This then provides a clarion call to the Department of Water and Sanitation (DWS) as a sector leader, associated sector departments such as the Department of Minerals and Energy (DMR), Department of Environmental Affairs (DEA), Catchment Management Agencies (CMAs), Water Boards, Private Sector, and other agencies of State to commit to an involvement in developmental water resource management. Further, the NWRS provides a developmental and transformational framework for the protection, use, development, conservation, management, and control of water resources for South Africa including how water must be management at catchment level within the defined water management areas.

National Development Plan, 2030

The National Development Plan, 2030 (NDP) provides an overarching policy framework on a trajectory in dealing with the triple challenges of inequality, unemployment, and poverty. The NDP supports a new societal deal of increased cooperation between Government, business, labour and other social partners for economic growth and development. The NDP further puts an emphasis on investment and development of bulk water including water resources management infrastructure for water conservation and demand management; integrated catchment management and resource protection such that there is water availability for economic sectors to create jobs.

National Water and Sanitation Master Plan

The National Water and Sanitation Masterplan (NW&SMP) intends to coalesce water users and all the Water Management Institutions (WMI) to resolve issues on water and sanitation service delivery. The NW&SMP is a novel plan that will guide the South African water sector led by the DWS and implemented at the local government level and other sector partners. The plan is intended towards implementation of tangible actions that will have an impact on the management of South Africa water resources and the supply and use of water and sanitation in the country.

African Union, Agenda 2063

Africa Union, Agenda 2063 (Agenda 2063) provides a blueprint and master plan for transformation of Africa into a global powerhouse of the future. It is a strategic framework for the continent that aims to deliver on the goals for inclusive and sustainable development. It serves as a concrete manifestation of the pan-African drive for unity, self-determination, freedom, progress and collective prosperity. South Africa has prioritised its contribution to the development of the continent and in this regard the African Union Agenda 2063 is key. It provides the strategic framework for the socio-economic transformation of the continent and builds on the initiatives for growth and sustainable development. A prosperous Africa based on inclusive growth and sustainable development is one of Agenda 2063 aspiration and is key to the IUCMA as it places an emphasis on Africa's unique natural endowments, health and protection of its environment and ecosystems with climate resilient economies and communities.

United Nations Sustainable Development Goals

The Sustainable Development Goals (SDG) are designed to be a blueprint in achievement of sustainable future across the world. The SDGs seeks to address key systematic barriers to sustainable development such as inequality, unsustainable consumption patterns, weak institutional capacity, and environmental degradation. The SDGs further seeks to improve quality of water through pollution reduction including ensuring sustainable withdrawals and supply of freshwater to address water scarcity. The United Nations further convened a High-Level Panel on Water (HLPW) which made recommendations on how to accelerate progress in achievement of availability and sustainable management of water and sanitation for all and achievement of other multiple SDGs. High level recommendations by the HLPW among others included understanding, valuing, and managing water will provide a foundation for broader integrated water management; integrated approach at local, country, and regional levels including building partnerships and international collaboration at the global level.

Southern Africa Development Community Protocol on shared water courses

This South African Development Community (SADC) Protocol provide institutional mechanisms to achieve the SADC agenda of regional integration and poverty alleviation. This protocol therefore seeks to:

- (a) Promote and facilitate the establishment of shared watercourse agreements and shared watercourse institutions for the management of shared watercourses.
- (b) Advance the sustainable, equitable and reasonable utilization of the shared watercourses.
- (c) Promote a coordinated and integrated environmentally sound development and management of watercourses.
- (d) Promote the harmonization and monitoring of legislation and policies for planning, development, conservation, protection of shared watercourses and allocation of resources thereof; and
- (e) Promote research and technology development, information exchange, capacity building and application of appropriate technologies in shared watercourses management.

SDG GOALS	MTSF PRIORITIES	SONA	DWS OUTCOMES	IUCMA OUTCOMES
Goal 6: Ensure availability and sustainable management of water and sanitation for all	Priority 1: Capable, Ethical and Developmental State	Finalization and implementation of the revised Raw Water Pricing Strategy which will have a positive impact on the funding model of the organization;	Outcome 1: Efficient, effective and development orientated department	Outcome 1: Increased stakeholder satisfaction
	Priority 7: A better Africa and World			Outcome 2: Enhanced human resources capabilities
				Outcome 3: Maintain financial sustainability
	Priority 5: Spatial Integration, Human Settlements and Local Government	Reviving the Green Drop and Blue Drop programs to strengthen water quality monitoring which will enhance the quality and health of our water resources	Outcome 2: Ecological infrastructure protected and restored	Outcome 4: Protection and use of water resources
	Priority 7: A better Africa and World	Finalization of water use licenses within a revised timeframe of 90 days	Outcome 5: Enhanced regulation of the water and sanitation sector	

1.3 Relevant Court Rulings

No court rulings have an impact in implementation of the Annual Performance Plan over the three-year planning period.

PART B: OUR STRATEGIC FOCUS

2. SITUATIONAL ANALYSIS

Overview of the Water Management Area

The Inkomati-Usuthu WMA is one of the 9 WMAs in South Africa covering an area of approximately 36 256 km² divided by the great escarpment (along the Graskop, Sabie, Nelspruit and Barberton axis) into the western plateau and the sub-tropical Lowveld in the east. The rainfall pattern shows a generalised west-east gradient, with the westerly mountainous regions receiving as much as 1 200 mm/yr and the eastern-most areas as little as 400 mm/yr. The WMA has 4 main rivers which effectively divide it into Sabie-Sand, Crocodile, Komati and Usuthu catchments, the characteristics of which are thus:

Table 2: Characteristics of the Water Management Area

ITEM	SABIE-SAND	CROCODILE	KOMATI	USUTHU
Area	9 304km ²	10 446km ²	8 621km ²	7 785km ²
Key economic activities	Forestry, irrigation, and eco-tourism	Forestry, irrigation, and industry	Inter-basin transfer to supply strategic water for Eskom, forestry, and irrigation.	Inter-basin transfer for supply to Vaal and Komati WMA. Strategic transfer for Eskom, Sasol Secunda complex, third party users, forestry, and irrigation.
Water requirements	Domestic use, irrigation and eco-tourism	Domestic use, irrigation, paper and sugar mills	Domestic use, irrigation, eco-tourism, and industry.	Domestic and strategic use, forestry
Water storage infrastructure	Inyaka Dam, transfer pipeline from Sabie to Sand catchment, Da Gama Dam	Kwena Dam, Witklip, Lomati, Klipkopjes, Primkop and Longmere dams	Vygeboom and Nooitgedacht dams in Upper Komati catchment, Driekoppies Dam in Lower Komati catchment and Maguga Dam in Swaziland.	Heyshope, Jericho, Morgenstond and Westoe dams

2.1 External Environment

Based on the situational analysis, the IUCMA has identified thematic areas that will serve as a framework to organise an external environment analysis thus, ***Water availability, Information Communication and Technology*** and ***Internationalisation***.

2.1.1 Water Availability

Sustainability of ecosystems, communities and economic activities depends on the continued availability and accessibility to water sources which are obtained through rainfall (precipitation), surface flow (rivers) and groundwater. Non availability of water from the catchments is a global phenomenon which continues to be at risk due to water scarcity. Almost more than half of the world population and most of the grain production will be at risk of water stress by 2050. Water scarcity is exacerbated by factors such as climate change which affects the hydrologic cycles leading to extreme weather events - such as droughts - that have adverse impact on quality of surface water and groundwater aquifers. Declining water quality is an acute problem around the world due to among others, agricultural runoff, industrial wastewater, and improper disposal of effluent. Water demands is on the increase due to rapid urbanisation, food security, irrigation, and industrial use. This increasing in water demand, declining water quality and climate change lead to a diminishing availability of water making allocation a serious challenge in South Africa.

Availability of *surface water* within the WMA is less than the demand as the resource is over committed with current demands, reflective of the stress under which the WMA is. Needs of various sectors including the ecological reserve has a total volumetric demand of 2 981Mm³ and a supply of 2 177 Mm³. The levels of *groundwater* within the WMA have been declining over the years at a rate higher than it can be replenished. The groundwater potential of the WMA for catchments that still has available groundwater and those that are over-utilised needs to be understood.

Quality of water within the WMA is determined through compliance of the resource quality to the following:

- Resource Quality Objectives (RQO),
- South African Target Water Quality Guidelines (TWQG) where the RQOs are not set, and
- International Water Quality Guideline (IWQG) to determine compliance to the International Obligations set out in the Interim IncoMaputo Agreement between the Kingdom of Eswatini, and the Republics of Mozambique and South Africa.

Generally, surface water in the WMA complied with the RQO, TWQG and the IWQG. However, a concern is the high levels of *E.coli* which can be attributable to pollution that emanates from human or animal faecal materials. There are also quality concerns in the WMA due to non-compliance in the WMA showing high levels of sulphate concentrations because of existing and defunct mining activities.

Strategic water and land use in the Water Management Area

The Inkomati Usuthu WMA is characterised by large transfers into the Vaal system and the Olifants WMA for strategic such as water supply to SASOL Secunda complex and ESKOM power stations. Inter-basin transfers also occur through a complex water supply system of dams, pumping schemes, diversion weirs, canals, pipelines including inter-basin water transfer schemes. Most of the water from the Upper Komati and Usuthu catchments is of strategic importance as it is utilised for power generation. Land use within the WMA is largely by irrigated agriculture from commercial and emerging farmers; extensive afforestation; urban, rural, and industrial users including international and ecological water requirements.

Hydrological overview and ecological importance

The rainfall patterns within the WMA have changed over a long period of time. The WMA is characterised by seasonal rainfall of wet summers and dry winters with most of the water demand in the lower, and hot parts of the WMA where there is little rainfall. These have an adverse impact on the regional economy which is highly reliant on the availability of water thus having adequate management of water resources is crucial. The average cumulative rainfall in the WMA has shown declining patterns over a 10-year period spanning from 2009 to 2018.

The Kruger National Park is 37% situated within the WMA, along with other nature reserves, this underlies the importance of water provision to aquatic ecosystems. To sustain the regional economy and create jobs, it is important that the natural environment is carefully managed for the benefit of all the users within the WMA.

2.1.2 Institutional Realignment

Institutional models in water resource management in most of the developed countries have stabilised when there is an ongoing refinement of institutional models to optimize and reform service delivery improvements. There is potential for growth in the Pongola-Umzimkhulu WMA which has offers economic benefit of being in a remote area far from the existing centres of demand. Another strategic advantage of this WMA is that after all resources across the country have been fully developed and utilised, additional water with high economic yield is still available in the Pongola-Umzimkhulu WMA. The Pongola catchment of the Pongola-uMzimkhulu WMA is also part of the trans-boundary IncoMaputo River Basin which is shared with the Republic of Mozambique and the Kingdom of eSwatini and the IUCMA possess those institutional capabilities.

2.1.3 Internationalisation

Water governance is growing to be extremely essential with more than 286 rivers and about 600 aquifers crossing sovereign borders. This then equates to about 40% of the world population living within shared

river basins. Without transboundary water cooperation, inclusive sustainable development can be severely curtailed with potential threats to economic integration and development. The SADC protocol on shared water courses provide an overarching framework for the required institutional mechanisms in management of shared water courses and fostering of transboundary water cooperation. The Sabie, Crocodile, Komati, and Usuthu rivers flow into the Kingdom of Eswatini and Mozambique as a result, international treaties and committees have been established to manage water use by these three countries. These treaties set limits to the amount of water that South Africa may utilise out of the rivers as well as the amount of water that the countries are obliged to release downstream. South Africa, though the IUCMA is obliged to operate within these international treaties and create harmonized monitoring mechanisms, compatible assessment methods, data management systems, and uniform reporting procedures.

2.2 Internal Environment

Pursuit and success in execution of the strategy of the IUCMA can be achieved when the organisation has built the required strategic resources and capabilities. Those resources and capabilities that are a basis for successful strategy execution must be ready for deployment for effective functioning of the IUCMA.

2.2.1 Resourcing of the Mandate

The South African economy has been growing at a very sluggish pace over the previous number of years. This was further exacerbated by covid-19, that caused a structural break to the economy and in some instances forcing a total shutdown of the economy resulting in a recession. The economy is expected to slightly grow due to a fiscal policy and monetary policy stances and the stimulus packages that were announced by the Government. Possibility is that through the fiscal policy, the allocation to the IUCMA may reduce over the years. This will require the Agency to espouse commercial principles of its primary revenue definitive of water resource management charges. The current funding model is that allocation from the fiscus makes up 66% of the total IUCMA annual budget when 34% is collection of water resource management charges. This funding model is sub-optimal and will not be sustainable in a long term therefore, a strategically oriented funding framework is required to allow the IUCMA the ability to deliver on its mandate.

2.2.2 Organizational Structure

The organizational structure is characterised by three distinct functions namely **Administration** (Governance and the Office of the CEO), the **Support Core** (Corporate Services and Finance) as well as the **Technical Core** (Water Resources Management).

The Governing Board reports to the Minister of Water and Sanitation while Administratively, the CEO reports to the Department of Water and Sanitation. A pictorial presentation of the Organisational structure is presented overleaf.

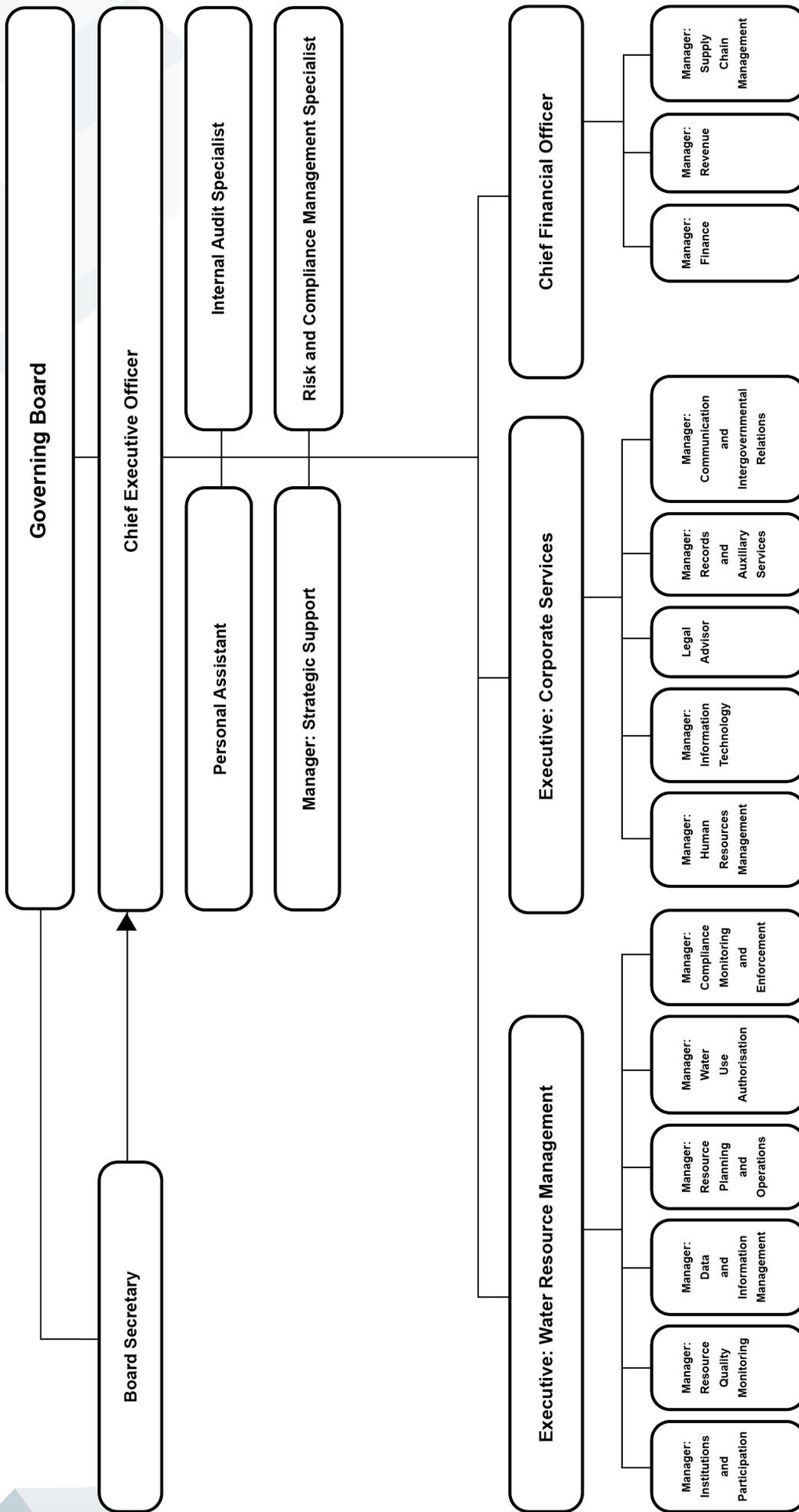


Figure 1: Summarised organizational structure of the IUCMA.

2.2.3 Organizational Culture

The organisational culture of the IUCMA is complex making it difficult for the organisation to effectively define and communicate a consistent message of its prevailing culture. The complex organisational culture requires multidisciplinary interventions that are aligned to the requirements of the strategy delivery and execution effort. A healthy culture that embraces execution-supportive attitudes, behaviours, and work practises where a result-oriented work climate is encouraged is espoused. This type of culture will enable alignment of rewards and incentives directly to achievement of strategic outcomes.

2.2.4 Information and Communication Technology

The Information and Communication Technology (ICT) environment within the IUCMA has been identified as an area that requires attention. ICT is considered as a business enabler to provide effective and efficient processes of the IUCMA across its value chain to effect the key business processes. An ICT Master System Plan (MSP) was developed to address business efficiency and effectiveness in the enterprise architecture of the IUCMA.

The water sector continues to face increasing pressures due to the impact of climate change, increasing water demand, declining quality, rapid urbanisation and increasing populations. Resilience and sustainability of the sector can be achieved through innovation and utilisation of technology which have a vital role to play in ensuring efficiency of operations, data, and analytics. Funding of implementation of prioritised elements of the ICT MSP is therefore required.

PART C: MEASURING OUR PERFORMANCE

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The optimal operating model design was utilized to organize organizational capabilities into a programme structure to implement strategy as follows:

- Programme 1: Administration and Governance, aligned to outcome 1;
- Programme 2: Human Resources and business support, aligned to outcome 2;
- Programme 3: Financial sustainability, aligned to outcome 3; and
- Programme 4: Protection and use of water resources, aligned to outcome 4.

3.1 Programme 1: Administration and Governance

The purpose of this programme is to support the business of the IUCMA in terms of planning, risk management, assurance services, governance structures and setting of appropriate parameters for organizational performance. The extent of the programme is within the Office of the Chief Executive Officer within the areas of business management and governance as reflected in the former statement. Further, this programme is also responsible for stakeholder engagement and international liaison to ensure that all the material issues of engagement with stakeholders, locally and internationally are addressed to mitigate against the potential reputational risk.

3.2 Programme 2: Human Resources and Business Support

This programme supports and provides enhanced capabilities for other programmes in a shared services model. The scope of this programme is provision of a full scope of human resources, adequate enablement of ICT, records management, and stakeholder engagement.

The programme consists of the following sub-programmes:

3.2.1 Sub-Programme 2.1: Human Resources Management

The objective of this sub-programme is development of human resources including communities in the WMA through transformation, skills development, and local employment. In the medium term, the context will be integrated/strategic workforce planning to not only respond to the current staffing needs but to respond to ongoing staffing needs. The process of staffing will be informed by the intended strategic outcomes and impacts of the IUCMA. A response to strategic outcomes and impacts will result in diagnosis of talent implications on the strategic trajectory of the IUCMA. The staffing process will also be focused on considering wider organizational and labour market risk to strategy execution. A three-to-five-year integrated workforce outlook will be maintained to support the organisational strategy.

This sub-programme also verves towards full scope talent management for the IUCMA employees through provision of various instruments that enable enhancement of talent. The enhancement of talent extends beyond employees of the IUCMA to empowerment of local communities in the WMA through traineeship in the form of learnerships and internship programmes. This endeavour to empower local communities aligns with the transformation trajectory of our National Government.

3.2.2 Sub-Programme 2.2: Business Support

This sub-programme enables business support in provision of effective and efficient Information and ICT, Risk Management, Legal Services, Communications & IGR, and Records Management and Auxiliary Services.

ICT architecture and plans should align with business priorities so that resources are appropriately deployed such that there are continuous improvements and ongoing ICT service delivery and optimization of ICT investments.

Information Communication and Technology

The business environment is also rapidly changing and the ever-increasing demands for service delivery make efficient, effective leverage of technology even more critical for the IUCMA. This leverage can only be achieved if the business environment is well-understood and the technology solutions are clearly traceable to the business requirements. Business driven frameworks must be employed as a method for organising the thinking around the business in a way that makes it possible to clearly drive technology solutions out of the business strategy.

The advent of global forces such as Industrial Revolutions, in this instance the fourth Industrial Revolution, the Internet of Things and Digital Transformations, it is essential that the IUCMA continuously assess the implication of these forces and provide an appropriate response. These global forces can affect and lead to changes in business models of organisations therefore the IUCMA need to have some strategic responses to have Information Communication Technology (ICT) strategies that enables the entire business strategy. The Department of Public Service and Administration (DPSA) also issued a Corporate Governance for ICT Framework that provides a trajectory of the ICT strategy development and how to have ICT as an enabler of strategies in service delivery. This implies that the IUCMA should implement ICT solutions that aligns with business priorities so that resources are appropriately deployed for continuous improvements in the ICT realm.

Records management

The National Archives and Record Service Act (No. 43 of 1996) provides the terms and conditions under which public records must be managed. The IUCMA should thus embrace this compliance and business imperatives of effective records management within the ambit of good governance, accountability, and transparency. Records management system that tracks and store electronic documents with capabilities of keeping track of various versions as they are modified by different users. Records management should also be driven by strategic imperatives since records are digital assets of an organization.

Employee wellness and safety

In addition to the factors mentioned above, this sub-programme seeks to reduce reportable safety, health and disabling incidents through effective management and provision of facilities in compliance with applicable quality and safety standards. In addition, legal services are provided to ensure that the organisation is not exposed to litigations taking its operations into account. Wellness of employees in the organisation is a serious imperative and the IUCMA will implement an employee wellness programme in the medium term.

In addition to the factors mentioned above, this sub-programme seeks to reduce reportable safety, health and disabling incidents through effective management and provision of facilities in compliance with applicable quality and safety standards.

3.3 Programme 3: Financial Sustainability

The objective of this programme is to ensure that adequate capital base is built to ensure financial sustainability of the organization. The scope of the programme is management of the balance sheet, income statement, cost management, tariff setting and overall management of working capital. This programme also provides capabilities for funding of capital infrastructure and expansions when required.

The programme consists of the following sub-programmes:

3.3.1 Sub-Programme 3.1: Supply Chain Management

The objective of this sub-programme is to ensure that there is value for money on acquisition of goods and services by the IUCMA through ensuring heightened economic transformation and a seamless operation of the organizational value chain.

3.3.2 Sub-Programme 3.2: Financial Management

This sub-programme ensures sound financial accounting in accordance with applicable standards and legislation. Its scope entails full general ledger management, reporting, budgeting, and the protection of financial resources of the IUCMA. These measures are ultimately reflected effective working capital management and optimum current ratio.

3.3.3 Sub-Programme 3.3: Revenue

This sub-programme ensures financial sustainability by continuous effective management of billing accuracy, customer payment plans and robust credit control procedures. The sub-programme also provides capabilities to ensure that the tariff determination and consultation processes are effected.

3.4 Programme 4: Protection and Use of Water Resources

This programme effects the core mandate area of the IUCMA in ensuring effective, efficient, and sustainable management of water resources. The scope of the programme is management of the resource through Quality Monitoring, Planning and Operations, Compliance Monitoring and Enforcement, Water Use Authorisations, Data and Information Management and Institutions and Participations.

The programme has the sub-programmes detailed below.

3.4.1 Sub-Programme 4.1: Resource Quality Monitoring, Planning and Operations

The sub-programme implements effective river operations within the WMA to manage floods and droughts, surface and groundwater resource management including international obligations, water allocation plan and data management systems to effect the mandate of the IUCMA. The sub-programme also implements water quality routine monitoring plans and contributes to the implementation of Resource Quality Objectives (RQOs).

3.4.2 Sub-Programme 4.2: Water Use Authorisations

The Water Use Authorisation (WUA) function has been delegated to the IUCMA to perform administrative function through the assessment of applications which is a function performed by this sub-programme. This is to ensure that water use applications are assessed and submitted with recommendations to the Responsible Authority within the regulated period. Those authorisations include water use licences (WULs) and General Authorisations (GAs).

3.4.3 Sub-programme 4.3: Compliance monitoring and enforcement

This sub-programme performs inspections and audits, including investigations of reported incidents of resource pollution in compliance with the NWA and other environmental legislation. Implementation of a comprehensive education and awareness campaigns to ensure that water users and law enforcement agencies are aware of their role in supporting the work of the IUCMA are carried out.

3.4.4 Sub-programme 4.4: Institutions and Participation

This sub-programme establishes new institutions and co-ordinates the related activities of water users within the water management area. It also facilitates community participation through capacity building programmes in decision making processes that promote integrated water resources management.

3.4.5 Sub-programme 4.5: Data and Information Management

This sub-programme performs administrative function of water use information database management, Existing Lawful Use (ELU) determination and processing, as well as geospatial database management.

4. OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

The programme outputs, performance indicators and targets aligned to outcomes are as follows:

Table 2: Outcomes, outputs, performance indicators and targets

OUTCOME	PROGRAMME	OUTPUT	OUTPUT INDICATORS	ANNUAL TARGETS		
				ESTIMATED PERFORMANCE		
				2021/22	2022/23	2023/24
Outcome 1: Increased stakeholder satisfaction	Programme 1: Administration and Governance	Effective institutions and stakeholder participation	Percent implementation of a stakeholder engagement plan	80%	85%	90%
Outcome 2: Enhanced human resources capabilities	Programme 2: Human Resources and business support	Employee safety	Disabling Injury Frequency Rate	<1	<1	<1
		Optimal employee retention	Rate of Employee turnover	6%	6%	6%
Outcome 3: Maintain financial sustainability	Programme 3: Finance	Cost control	Working ratio	80%	≤80%	≤80%
			Current ratio	-	≥1:1	≥1:1
		Revenue enhancement	Debt collection ratio (Toxic book)	-	4%	10%
			Debt collection ratio (Healthy book)	-	60%	65%
			Debt collection ratio	25%	-	-
Outcome 4: Protection and Use of water resources	Programme 4: Water resource management	Effective resource management	Percent monitoring of compliance to Resource Quality Objectives	≥90%	≥90%	≥95%
			Percent monitoring of compliance to international obligations	≥90%	≥90%	≥95%
		Water use authorisations	Percentage of water use authorisations processed within the regulated timeframe	80%	80%	80%
		Water use database management	Percentage of approved water use authorizations registered on WARMS	90%	90%	95%
		Regulative compliance	Percentage of activities monitored for compliance.	90%	90%	95%

OUTCOME	PROGRAMME	OUTPUT	OUTPUT INDICATORS	ANNUAL TARGETS		
				ESTIMATED PERFORMANCE		
				2021/22	2022/23	2023/24
			Percentage of enforcement action taken against non-compliant activities	100%	100%	100%

The quarterly targets are presented below.

Table 3: Output indicators, annual and quarterly targets

OUTPUT INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS			
	2022/23	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Percent implementation of a stakeholder engagement plan (technical, governance, support, and finance)	85%	85%	85%	85%	85%
Disabling Injury Frequency Rate	<1	<1	<1	<	<1
Working ratio	≤80%	≤80%	≤80%	≤80%	≤80%
Current Ratio	≥1:1	≥1:1	≥1:1	≥1:1	≥1:1
Debt collection ratio (Toxic Book)	4%	1%	2%	3%	4%
Debt collection ratio (Healthy Book)	60%	15%	30%	45%	60%
% Monitoring of compliance to Resource Quality Objectives	≥90%	≥90%	≥90%	≥90%	≥90%
% Monitoring of compliance to International Obligations	≥90%	≥90%	≥90%	≥90%	≥90%
Percentage of water use authorizations processed within the regulated timeframe	80%	80%	80%	80%	80%
Percentage of issued water use authorizations registered on WARMS	90%	90%	90%	90%	90%
Percentage of activities monitored for compliance	90%	90%	90%	90%	90%
Percentage of enforcement action taken against the non-compliant facilities/users	100%	100%	100%	100%	100%

5. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

In order to provide an outline of planned performance over the three-year period, strategic intents were organised per programme for effective strategy execution. Key priorities over the medium term are as follows:

Programme 1 – (Outcome 1: Avoidance of reputational risk and increased stakeholder satisfaction)

Enhancement of partnerships with Stakeholders will be effected in order to support strategy execution and manage reputational risks. Stakeholders will be profiled considering their extent of influence on the operations of the IUCMA and material issues of engagement with such stakeholders will be identified.

Key priorities over the medium term are as follows:

- Development and implementation of a stakeholder engagement plan;
- Implementation of a combined assurance model that provides assurance of key risks and controls; and
- Development and adoption of a Corporate Governance Framework;
- Application of ISO 14001 standards to manage environmental incidents;
- Implementation of OHSAS 18001 standards for management of reportable safety and health incidents.

Programme 2 – (Outcome 2: Enhanced human resources capabilities)

The potential for excellence in mandate delivery by the IUCMA should be enhanced by how the organisation orchestrate its resources. Its structures must be strengthened to enhance delivery in core operational mandate area of water resources management, including the support core areas. The IUCMA will implement human resources plans within the context of Board-approved policies.

Key priorities over the medium terms are as follows:

- Implementation of a human resources strategy covering the following areas:
 - Remuneration:** To implement a rewards system that is consistent with the outcomes, outputs and attributes of the IUCMA;
 - Succession planning and career pathing:** Development of employees with specific competencies to take up key position by maintenance of a database of employees with specific competencies;
 - Recruitment & Selection:** To ensure effective recruitment and retention of staff with expertise, experience and skills within a framework that ensures diversity and skills;
 - Incentives:** To recognise and reward performance that is geared towards achievement of the strategic objectives and targets of the IUCMA;
 - Employment Equity:** Creation of an environment free of discrimination and removal of barriers to actively appoint and develop individuals with potential from previously disadvantaged groups;
 - Training and development:** implementation of employee development initiatives.
- Perform a baseline employee culture survey; and

- Perform a baseline employee survey.

Programme 3 – (Outcome 3: Maintain financial sustainability)

The advent of the fifth Industrial Revolution presents maximised opportunities that enable smart and effective management of financial resources. These opportunities as maximised in the reported year realised an increase in efficiency by reducing administration and processing time whilst increasing time allocated for reviews and evaluation of processes. With activities competing for limited financial resources, a prerequisite to cautiously manage the working capital of the entity became apparent in the year. The resultant was the Agency's ability to adequately meet all its long and short-term obligations as they fell due. Sustainability was further enhanced by protecting the already compromised capital base, applying prudent cashflow management, ensuring effective contract management and identification of cost containment strategies that don't stifle business processes. Financial sustainability as a programme is broken down into sub-programmes each having its own specific mandate that ultimately supports the overarching mandate of the programme.

Sub-Programme 3.1: Supply Chain Management

This sub-programme's mandate is centred in establishing seamless transformed organisational value chain processes. Transformed value chain for the Agency is definitive of achieving economic empowerment for previously disadvantaged groups - black people, the youth, women as well as people living with disabilities - as prescribed by the Broad-Based Black Economic Empowerment Act 46 of 2013 as amended. Equity achieved through economic transformation was and will continue to be an evident strong business agenda of the Agency. This was realised by an intentional policy position that promotes the prescripts of the Preferential Procurement Policy Framework Act of 2000 as well as Preferential Procurement Regulations of 2017. Through policy position, it is expected that performance in future periods will not only be geared to achieve economic empowerment through competitive appointments but be further extended to include deliberate and strategic initiatives that allow for skills transfer and creation of long-lasting strategic partnerships. In addition, economic empowerment as a performance indicator will in future be disaggregated and indicative of actual contributions to women, youth and those living with disabilities.

Sub-Programme 3.2: Financial Management

Financial management as the second sub-programme reported optimum performance by ensuring sound financial accounting in accordance with applicable standards and legislation. It is expected that the Agency will achieve this by meticulous general ledger management that promotes timeous and accurate reporting processes as an enabler of informed decision making. The sub-programme in addition has developed robust internal controls that support the safeguarding of all financial and non-financial assets of the Agency from theft, misuse, or loss. These measures were reflective in reported effective working capital management, optimal capital structures, unqualified opinion expressed and an assured going concern.

Sub-Programme 3.3: Revenue

With total revenue constituting the majority of grant fund appropriated by parliament, it is evident that the Agency will continue to put heavy reliance on such revenue streams received from the Department of Water and Sanitation (DWS). However, the shrinking national budgets that have over the years translated into substantial reduction of allocation appropriated by DWS threaten the Agency's sustainability. In restoring palatable levels of sustainability, the Agency is required to reduce reliance on fast declining sources of revenue. Reduced reliance has been moderately achieved with water charges collection rates increasing between 2017/18 to 2020/21 by approximately 83%. Regrettably, reported increments over the periods have not translated into satisfactory collection rates. Positive performance has been negated by persistent challenges of adequately collecting historic debt. This challenge becomes a pertinent strategic risk expected to be mitigated by management in future periods by the identification of responsive strategies that deal specifically with historic debt. The said strategy in addition will identify initiatives that will allow for early collection of current debt thus curbing it from being defined as historic debt.

Challenges around slow paying debtors have been further exasperated by weakness of the current applied Water Pricing Strategy. These weaknesses include the lack of a provision within the strategy for the Agency to implement the water discharge charge as well as a glaring misalignment of applicable tariffs from true costs attributable to the delivery of service. These challenges are envisioned to be corrected with the reviewal of the Pricing Strategy that is underway.

The Agency in 2019/20 conducted consultations with stakeholders on the proposed Water Resource Management charges as mandated by section 57 of the National Water Act 36 of 1998 as well as the Pricing Strategy of April 2007. Following consultative processes proposed tariffs for 2022/23 were tabled and are under consideration by the Minister. Figure 5 below tables tariffs as presented to the Minister.

Figure 2: Tariff Comparison

Sectors	Domestic/ industrial c/m3	Irrigation c/m3	Forestry c/m3
2021/22 Applied Tariffs	3.87c	1.96c	1.55c
2022/23 Proposed Tariff	4.26c	2.09c	1.76c
% Increase on cost	10%	6,7%	11%
Capping Policy Applications	D&I - no capping applicable	Capping as per WPS - Base year x PPI of 6.7% as per Water Pricing Strategy	Capping as per WPS - 10p/h plus April PPI of 6.7%

Programme 4 – (Outcome 4: Protection and Use of Water Resources)

Availability of water in terms of both quantity and quality within the WMA is a serious challenge and is a powerful force that requires attention. As a strategic imperative, resources within the WMA will be protected so that the availability of water for strategic and economic use is secured.

- Finalisation of validation and verification studies in the WMA to 90%;
- Effective update and registration of approved water use authorization on WARMS to 90% accuracy;
- Effective capturing and management of all water resource data and information;
- Update water availability and assessment studies to describe the quality and quantity of water in the WMA and the impacts of land use on such;
- Monitor water users' implementation of water resource conservation and demand management strategies as a condition of water use authorization to support sustainable water use;
- Develop and implement a water quality strategy for improvement of the resource quality and quantity through compliance and enforcement;
- Establishment of Water Allocation Reform (WAR) plan and report on the implementation of the plan;
- Disaster and risk management on droughts, floods, and pollution incidents;
- Establishment and coordination of WMI for effective stakeholder participation in water resource management

6. PROGRAMME RESOURCE CONSIDERATIONS

6.1 Sources of Funding

In accordance with the National Water Act, Act 36 of 1998 (NWA) Section 84 (2), the main funding channels of the Agency are through money appropriated by parliament and water use charges. The Agency anticipates operating with a funding model in 2022/23 that will require 38% of revenue derived from water use charges, 60% appropriated by a parliamentary grant and the remaining 2% from interest earned as a form of passive income.

6.1.1 Water Use Charges by The Water Trading Entity

Albeit mandated by legislation, the IUCMA only received delegations to charge water resource charges on the 1st of November 2017 wherein it inherited a debt book of R199 million. The debtors book inherited contained approximately 3,496 registered water users. Upon transfer, the Agency successfully incepted the billing functions in the same year however, historic debt as well as overall recoverability rates exhibited by customers are an apparent challenge for the Agency. In addition, the function of Water Use Charges by Water Trading Entity is currently supported by the utilisation of SAP and WARMS. The IUCMA is greatly dependent on DWS as systems are currently fully funded by DWS on behalf of the IUCMA and will continue to be funded in the future. The said dependency increases risk exposure to the IUCMA, as a

result, the entity has developed a Business Continuity Plan covering systems management and integration. Management is investigating the possibility of running other systems parallel to WARMS and SAP to reduce risk associated with system dependency.

6.1.2 Grant Subsidy

It is definite that the grant subsidy is the IUCMA's major source of income. Risk attributed to this revenue stream has increased due to massive downward adjustments of allocation by DWS. Downward adjustment of grant subsidy is not a sustainable financial trajectory and will require the identification of other revenue streams to augment the already strained sources.

Table 4: Revenue Trends

SOURCE OF FUNDING	Audited Outcome 2019/20	Audited Outcome 2020/21	Applied Budget 2021/22	Proposed Budget 2022/23	%	Proposed Budget 2023/24	Proposed Budget 2024/25	Proposed Budget 2025/26
MAIN ACCOUNT	80 357 470	84 375 000	88 861 371	89 394 000	60%	137 855 191	148 069 022	156 616 584
WTE- IUCMA	50 086 018	47 193 285	49 702 637	55 485 141	38%	56 437 901	58 436 438	62 819 171
ACCUMULATED SURPLUS	95 368 447	-	-	-				
INTEREST RECEIVED	-	1 100 000	1 145 060	3 000 000	2%	3 135 000	3 276 075	3 505 400
TOTAL FUNDING SOURCES	225 811 935	132 668 285	139 709 067	147 879 141	100%	197 428 092	209 781 536	222 941 156

6.2 Expenditure

The budget has been formulated on a zero-based basis taking the activities of the IUCMA into account to include the current delegations within the water management area. If delegations are revised to include other areas, the budget may require to be adjusted upwards.

Major movement in the years under discussion is noted in salaries and wages and is due to the conclusion of a three-year phased organogram implementation plan which commenced in the 2020/21 reporting period. The newly approved structure will allow for increased responsiveness to the new delegations from the Minister of Human Settlements, Water and Sanitation which entails the handing over of the revenue and billing function including the creation of a focused Validation and Verification approach. Operational costs where applicable have been linked to prevailing contracts and where no contracts exist, amounts have been extrapolated based on cost assumptions as presented in the MTEF Technical Guidelines for 2022. Movement of the budget over years has further taken into consideration all cost containment measures introduced by National Treasury which resulted in a decrease of budget allocation to identified items for cost containment.

A summary of the budget per functional structure is as follows:

Table 5: summary of the budget over the medium term

FUNCTION	AUDITED OUTCOME 2019/20	APPROVED BUDGET 2020/21	APPLIED BUDGET 2021/22	PROPOSED BUDGET 2022/23	% Allocation	PROPOSED BUDGET 2024/25	PROPOSED BUDGET 2024/25	PROPOSED BUDGET 2025/26
Administration & Governance	*	*	R12 006	R8 998	9%	R9 628	R10 302	R11 023
Board	R1 502	R2 000	**	**	**	**	**	**
Office of the Chief Executive Officer	R19 883	R7 264	****	****	****	****	****	****
Water Resource Management	R142 810	R76 453	*****	*****	*****	*****	*****	*****
Protection and Use of Water Resources	*****	*****	R73 303	R69 013	46%	R89 637	R94 588	R97 503
Governance & Support	R61 617	R46 951	***	***	***	***	***	***
Human Resource an Business Support	****	****	R35 467	R46 492	32%	R61 062	R72 213	R72 375
Finance	****	****	R18 933	R23 376	13%	R43 436	R39 185	R48 934
Total	R225 812	R132 668	R139 709	R147 879	100%	R203 763	R216 288	R229 835

* Reported separately as Board and Governance & Support

** Amalgamated with Administration & Support

*** Governance amalgamated with Board. Support split between Financial Management and Corporate Services

**** Included in Governance & Support

***** Changed to Protection and Use of Water Resources

7. KEY RISKS AND MITIGATION

The approach to risk management assumed an integrated Enterprise-Wide Risk Management which incorporates internal controls into the entire risk management process. The risk management process is premised on a notion that the IUCMA provides value to its Stakeholders so that the IUCMA can be able to effectively deal with uncertainty, associated risks, and opportunities. Risks identified will enable the IUCMA to effectively mitigate against any events that may impede achievement of the IUCMA strategy.

Table 5: Strategic risks and mitigation actions

OUTCOME	STRATEGIC RISK	RISK MITIGATION
Outcome 1: Increased stakeholder satisfaction	Reputational risk (loss of trust and credibility by Stakeholders)	Develop and implement a Stakeholder engagement plan. Implementation of the communication strategy
Outcome 2: Enhanced human resources capabilities	Skills and capabilities (Failure to attract and retain skilled employees)	Develop and implement human resources strategy
Outcome 3: Maintain financial sustainability	Growth and sustainability (unstainable revenue trajectory) Cyber-security (failure of ICT systems)	Develop and implement the Resource Allocation Model Implementation of the enterprise architecture
Outcome 4: Protection and Use of water resources	Water quality (deteriorating resource quality) Water availability (availability of water resources) Human resources security	Develop and implement the water resource improvement strategy. Functional monitoring systems for the implementation of sustainable water resource management. Education and awareness; training and development as well as collaboration with other sector partners.

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Outcome 1: Avoidance of Reputational Risk and Increased Stakeholder Satisfaction

INDICATOR TITLE	PERCENT COMPLIANCE WITH THE STAKEHOLDER ENGAGEMENT PLAN (I&P, Comms & IGR, Gov, RPO)
Definition	To depict that the organisation complied with stakeholder engagement milestones as per the stakeholder engagement plan
Source of data	Records showing attendance of meetings and engagement with stakeholders
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner as follows:</p> <p>Governance (w), Core (x) and support (y) and finance (z) each representing weight of 100% and an average of the scores to be reported on $(w+x+y+z/4)$</p> <p>Where: for example: $x=a/b*100$</p> <p>This is also applicable to y and z</p> <p>And:</p> <p>a is total number of actual engagements</p> <p>b is total number of planned engagements</p>
Means of verification	Minutes indicating the meeting occurrence
Assumptions	Reliable records of engagement with stakeholders
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Chief Executive Officer, EWRM, CFO, ECS

INDICATOR TITLE	DISABLING INJURY FREQUENCY RATE
Definition	The indicator measures the disabling injuries to reduce the number of workplace fatalities
Source of data	Records showing disabling injuries
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b * 100$ <p>y= disabling injury frequency rate</p> <p>a=total number of incidents</p> <p>b=total number of warm bodies</p>
Means of verification	Time and attendance of employees and records showing existence of a disabling injury
Assumptions	Reliable records showing disabling injuries
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on an annual basis
Reporting cycle	Annually
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive – Corporate Services

Outcome 2: Enhanced Human Resources Capabilities

INDICATOR TITLE	RATE OF EMPLOYEE TURNOVER
Definition	The indicator measures the extent of employees that resigned from the organisation to those that are actively employed. Resignations does not include dismissals.
Source of data	Human resources systems showing a number of employees actively employed and those who resigned
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner
Means of verification	Human resources systems
Assumptions	Reliable employment records
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative at the end of the financial year
Reporting cycle	Annually
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive – Corporate Services

Outcome 3: Maintain Financial Sustainability

INDICATOR TITLE	WORKING RATIO
Definition	The indicator measures the efficiency of cost management of the IUCMA and the extent to which the costs are covered by the revenue of the organisation
Source of data	Financial records
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner $y = a/b * 100$ $y = \text{working ratio}$ $a = \text{total operating expenditure}$ $b = \text{total revenue}$
Means of verification	General ledger derived from the financial system
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on a quarterly basis
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Chief Financial Officer

INDICATOR TITLE	CURRENT RATIO
Definition	The indicator measures the liquidity of the Agency. This measure reflects the extent to which the IUCMA can cover its liabilities utilising its assets.
Source of data	Financial records
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner $y = a/b$ $y = \text{current ratio}$ $a = \text{total assets}$ $b = \text{total liabilities}$
Means of verification	General ledger derived from the financial system
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on a quarterly basis

INDICATOR TITLE	DEBT COLLECTION RATIO (Healthy Book)
Definition	The ratio measures the amount of debt recovered from debt that has been categorised as healthy. This debt is definitive of current debt and historic debt that has high recoverability rates.
Source of data	Financial records
Method of calculation or assessment	The indicator will be calculated in a quantitative manner $y = (a/b) * 100$ $y =$ debt collection ratio for healthy book $a =$ total debt recovered from healthy book $b =$ total healthy debt outstanding
Means of verification	General ledger derived from the financial system
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on a quarterly basis
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Chief Financial Officer

INDICATOR TITLE	DEBT COLLECTION RATIO (Toxic Book)
Definition	The ratio measures the amount of debt recovered from debt that has been categorised as toxic. This debt is definitive of very low recoverability rates and includes debt that has been handed over for legal action.
Source of data	Financial records
Method of calculation or assessment	The indicator will be calculated in a quantitative manner $y = (a/b) * 100$ $y = \text{debt collection ratio for toxic book}$ $a = \text{total debt recovered from toxic debt}$ $b = \text{total toxic debt outstanding}$
Means of verification	General ledger derived from the financial system
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on a quarterly basis
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Chief Financial Officer

Outcome 4: Protection and use of water resources.

INDICATOR TITLE	PERCENTAGE MONITORING OF COMPLIANCE TO RESOURCE QUALITY OBJECTIVES
Definition	The indicator measures the capacity of the organisation to monitor the EWR sites' compliance to RQOs.
Source of data	Resource quality monitoring data River flow stations field inspection reports
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner as follows: $X \text{ or } y = a/b * 100$ Where x or y is a percentage and a is the actual number of EWR sites monitored for compliance to RQOs in the quarter b is the total number of EWR sites $Z = (X+Y)/2$ (Where Z is the overall percentage of performance for this outcome indicator)
Means of verification	Laboratory data River flow stations field inspection reports
Assumptions	Reliable records showing compliance with the set Resource Quality Objectives (RQOs)
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive: Water Resources Management

INDICATOR TITLE	PERCENTAGE MONITORING OF COMPLIANCE TO INTERNATIONAL OBLIGATIONS
Definition	The indicator measures the capacity of the organisation to monitor the IO sites' compliance to the IIMA minimum requirements.
Source of data	Field inspection reports Water quality data
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner (each with weight of 90%) as follows: $X \text{ or } y = a/b * 100$ Where x or y is a percentage And a is the actual number of international obligation sites monitored in the quarter b is the total number of international obligation sites $Z = (X+Y)/2$ (where Z is the overall percentage performance for this outcome indicator)
Means of verification	Field inspection reports Water quality data
Assumptions	Reliable records showing compliance to international obligations
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive: Water Resources Management

INDICATOR TITLE	PERCENTAGE OF WATER USE AUTHORISATIONS PROCESSED WITHIN THE REGULATED TIMEFRAME
Definition	The indicator measures the capacity of the organisation to process the water use authorisation applications within the regulated timeframe
Source of data	Record of recommendation GA confirmation Record of backlog
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner as: $z = x / a * 100$ Where: x is the actual processed authorizations within the regulated timeframe a is all applications in the system due for finalization
Means of verification	Record of recommendation GA confirmation Record of backlog
Assumptions	Reliable records showing applications for authorisations
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive: Water Resources Management

INDICATOR TITLE	PERCENTAGE OF ACTIVITIES MONITORED FOR COMPLIANCE
Definition	The indicator measures the capacity of the organisation to monitor planned activities
Source of data	Feedback letters Audits report
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner as follows: $x = a/b * 100$ Where: a= Actual activities monitored b= Total planned activities to be monitored
Means of verification	Feedback letters Audits report
Assumptions	feedback letters and audit reports
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive: Water Resource Management

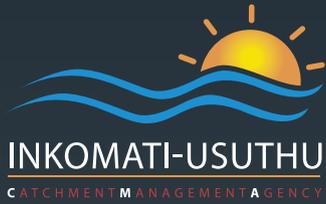
INDICATOR TITLE	PERCENTAGE OF ENFORCEMENT ACTION TAKEN AGAINST NON-COMPLIANT ACTIVITIES
Definition	The indicator measures the capacity of the organisation to implement enforcement action against non-compliant users/ facilities
Source of data	Notices Directives Formal letters Cas number
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner as: $x = a/b*100$ Where: a= Actual number of non-compliant activities identified b= Total number of enforcement action taken
Means of verification	Notices, directives, formal letters and case number
Assumptions	Reliable records of formal and informal instruction to comply, notice of intention to issue a directive, directive and criminal cases opened.
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive: Water Resource Management

INDICATOR TITLE	PERCENTAGE OF APPROVED WATER USE AUTHORIZATIONS REGISTERED ON WARMS
Definition	The indicator measures the capacity of the organisation to capture the approved authorizations on WARMS
Source of data	Approved water use authorisation
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner as follows:</p> $x = a/b * 100$ <p>Where:</p> <p>a is the actual captured/ registered authorizations or declared ELU on the WARMS database</p> <p>b is the total GAs confirmed/Authorizations issued by the DWS/ ELU declared</p>
Means of verification	Approved authorizations and confirmed GAs & ELU
Assumptions	Reliable records showing approved authorizations, confirmed GAs and ELU
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive: Water Resources Management

ANNEXURE A

DESCRIPTION	AUDITED BUDGET			APPLIED BUDGET 2021/22	PROPOSED BUDGET 2022/23	PROPOSED BUDGET		
	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21			BUDGET 2023/24	BUDGET 2024/25	BUDGET 2025/26
SALARIES AND WAGES								
BASIC SALARIES	71 509 768	83 854 104	88 376 170	95 506 544	96 890 322	122 522 186	131 588 828	141 457 990
PERFORMANCE AWARD	715 098	2 271 852	821 535	1 432 598	-	1 837 836	1 973 836	2 121 874
TOTAL SALARIES AND WAGES	72 939 963	86 125 956	89 197 705	96 939 142	96 890 322	124 360 023	133 562 664	143 579 864
GOODS AND SERVICES								
EXTERNAL AUDIT FEES	242 000	255 312	300 000	316 500	500 000	535 000	570 000	487 039
INTERNAL AUDIT SERVICES	-	-	-	-	800 000	500 000	400 000	800 000
SECURITY SERVICES	-	-	-	-	480 000	500 000	520 000	540 000
GARDENING SERVICES	-	-	-	-	60 000	65 000	70 000	75 000
PROVISION FOR BAD DEBT	-	-	-	-	21 902 096	22 575 160	23 374 575	25 127 669
ADVERTISING AND MARKETING	526 025	1 189 728	290 000	410 350	100 000	320 000	340 000	360 000
TRAINING AND DEVELOPMENT	1 000 000	2 932 992	1 050 000	1 160 500	800 000	900 000	1 000 000	1 100 000
EXTERNAL BURSARIES	-	-	-	527 500	350 000	360 000	370 000	380 000
BANK CHARGES	44 000	130 416	70 000	127 720	144 000	160 000	170 000	180 000
CELLPHONE CHARGES	203 683	-	855 000	1 070 925	1 400 000	1 700 000	1 900 000	2 000 000
CELLPHONE CONTRACT	428 828	1 408 836	21 500	127 683	-	-	-	-
CLEANING	78 500	47 616	44 679	47 137	120 000	125 340	131 482	141 343
PROJECTS	30 121 600	90 957 384	23 437 643	14 063 396	5 035 000	28 988 870	29 633 519	29 519 040
COURIER CHARGES	52 800	55 704	61 274	64 644	20 000	22 000	61 358	65 960
CONSUMABLES	-	227 496	163 000	217 918	60 000	64 200	68 694	73 503
ELECTRICITY	539 000	1 123 200	625 510	960 000	1 334 000	1 393 363	1 461 638	1 571 261
WATER	13 926	52 044	16 161	17 050	36 000	40 000	44 000	48 000
REFUSE REMOVAL	6 963	-	8 149	8 597	30 000	32 100	34 347	36 751
FINANCE CHARGES	82 500	55 008	95 741	101 007	60 000	62 670	65 741	70 671
INSURANCE	165 000	174 072	191 483	202 014	800 000	856 000	916 000	980 000
LEGAL FEES	440 000	764 196	1 000 000	1 070 825	400 000	450 000	500 000	550 000
FUEL	174 075	99 996	140 000	154 700	200 000	250 000	300 000	400 000
TOLL GATES	23 210	24 492	26 935	46 417	30 400	31 753	33 309	35 807
VEHICLE HIRE	182 605	424 011	95 000	364 950	240 000	250 680	262 963	253 239
TRAVEL & SUBSISTANCE	2 225 735	3 840 030	1 385 000	2 929 475	400 000	428 000	457 500	488 000
PRINTING & STATIONERY	256 026	324 828	269 352	919 416	500 000	550 000	600 000	650 000
RENTAL PREMISES	4 320 510	9 455 028	4 860 000	5 552 964	6 500 000	7 685 000	8 105 000	8 625 000
RENTAL OFFICE EQUIPMENT	11 000	261 684	12 766	80 000	260 000	270 000	280 000	290 000
PROFESSIONAL REGISTRATION FEES	257 408	500 280	260 000	333 290	200 000	220 000	240 000	260 000
ACCOMMODATION	1 390 025	2 843 976	1 075 000	2 702 700	400 000	428 000	457 500	488 000
PROTECTIVE CLOTHING	500 000	727 500	80 000	411 450	600 000	680 000	690 000	700 000
CHEMICAL ANALYSIS	1 800 000	1 899 000	3 000 000	3 165 000	2 600 000	3 028 110	3 173 447	3 312 156
INTERNATIONAL TRAVEL	304 500	1 337 136	60 000	153 075	100 000	120 000	140 000	150 000
TELEPHONE & FAX	348 150	572 292	404 028	426 250	829 323	887 376	949 492	1 015 956
RELOCATION COSTS	150 000	158 256	150 000	158 250	70 000	193 350	188 704	203 357
CONFERENCE FACILITIES	462 000	1 015 104	250 000	521 450	400 000	450 000	500 000	550 000
WORKMENS COMPENSATION	77 000	81 240	89 359	94 273	130 000	135 785	142 438	153 121
RECRUITMENT S&T	-	-	-	60 000	50 000	100 000	100 000	100 000
TOTAL GOODS AND SERVICES	46 547 069	122 938 857	40 387 580	38 567 426	47 940 819	75 357 757	78 251 707	81 780 873
REPAIR AND MAINTENANCE								
COMPUTERS	1 163 458	1 145 412	400 000	239 150	40 000	40 000	80 000	86 000
MOTOR VEHICLES	197 038	300 000	-	190 000	228 000	150 000	50 000	53 750
OFFICE FURNITURE & EQUIPMENT	-	268 644	53 000	89 700	80 000	60 000	80 000	100 000
TOTAL REPAIR AND MAINTENANCE	1 360 495	1 714 056	453 000	518 850	348 000	250 000	210 000	239 750
CAPITAL OUTLAY								
COMPUTERS	500 000	3 817 500	300 000	346 500	100 000	150 000	450 000	150 000
OFFICE FURNITURE & EQUIPMENT	564 840	8 165 531	330 000	800 000	100 000	200 000	200 000	200 000
MOTOR VEHICLES	-	-	-	427 150	-	-	-	-
TOTAL CAPITAL OUTLAY	1 064 840	11 983 031	630 000	1 573 650	200 000	350 000	650 000	350 000
BOARD RELATED COST								
BOARD OPERATIONAL COSTS	614 000	1 653 894	1 050 000	1 107 750	500 000	937 961	983 921	1 057 715
BOARD FEES	802 500	1 396 140	950 000	1 002 250	2 000 000	2 506 800	2 629 633	2 826 856
TOTAL BOARD RELATED COST	1 416 500	3 050 034	2 000 000	2 110 000	2 500 000	3 444 761	3 613 554	3 884 571
GRAND TOTAL	123 328 869	225 811 935	132 668 285	139 709 068	147 879 141	203 762 540	216 287 925	229 835 058





ANNUAL PERFORMANCE PLAN

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