



**INKOMATI-USUTHU**  
CATCHMENT MANAGEMENT AGENCY

# ANNUAL PERFORMANCE PLAN

*Financial year 2023/24*

## **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

## **FOREWORD BY THE MINISTER OF WATER AND SANITATION**



**Dear Stakeholder,**

The Catchment Management Agencies are institutions at the cutting edge of natural water resources management in South Africa. An Annual Performance Plan for the 2023/24 planning period does demonstrate how the Inkomati Usuthu Catchment Management Agency aims to continue with protection and enhancement of the natural water resources while also making a socio-economic contribution. The water resources sector has encountered several challenges associated with its external environment, such as the impacts of climate change, water availability and water quality among others, however, the organisation still managed that the spotlight be put on its work in building catchments resilience.

### **Transboundary catchment management**

The integrated catchment management responds to what is important to countries that share common catchments with South Africa to business and communities, including an array of other stakeholders. International collaborations that enable obligations to transboundary partners to be met, such as the Southern Africa Development Community protocols on shared catchment enhances the profile of South Africa in both the Regional Economic Community of Southern Africa and the African continent at large. It is therefore crucial that collaborative efforts be enhanced to continue so that the obligations to transboundary partner countries are met to deliver on the outcomes of transboundary catchment management.

### **Engagement with stakeholders**

A potential for big opportunities can be created if a new societal deal is forged, which is collaborative efforts being entered into between business, communities and Government. Those collaborations within the context of a social compact can enable the country to progress and propel its economic development. The Inkomati Usuthu Catchment Management Agency can play a huge role in those efforts through its stakeholder engagement efforts by empowerment of communities to not only take care of the water

resource, but to overcome the effects of some of the global forces such as climate change. In addition, involvement of business in socio economic development is central by ensuring that it is socially responsible and its activities do not adversely impact the water resources. The social compact will thus be informed by those collaborations among Government, business and communities to ensure that those who are historically disadvantaged are considered in the processes of water allocation reforms and granting of water use licenses.

### **Climate change**

Climate change has not only demonstrated to have an impact on the natural environment but also on the economy. It is expected that for any increase in temperatures beyond 1,5%, the economic impact of such will be blistering on economies, especially those of Sub-Saharan Africa. The impacts will also be most debilitating for countries that are in the Northern part of Africa where agricultural production will be mostly affected. Climate change affects the hydrological cycles, leads to more extreme weather events such as droughts and in a water scarce country similar to South Africa, it leads to rapid growth of water scarcity. There are however opportunities that are provided by the impacts of climate change, to the effect that other economies may emerge out of that, being implementation of penalties for those that are engaged in activities that may be detrimental to water resources. It has therefore never been opportune enough, for the waste water discharge charge system to be implemented in South Africa so that polluters of resources may start paying for the betterment of the water resources.

### **Industrial revolutions**

The current technological advances emerged from improvements within multiple persuasions or expertise and/or from a combination of disciplines and inventions that are seemingly disparate. There has also been an emergence of industrial revolutions within the water sector which necessitates further technological investments within the sector. The water sector is still considered as that where there is an under-investment in technology therefore, investments in remote sensing technology, artificial intelligence and big data, among others will usher in an era of effective technology enabled water resource management.

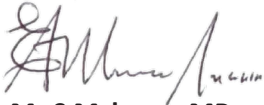
### **Optimisation of service delivery models**

Water service delivery models in the developed world have stabilised, and most of the developing countries are still in the process of service delivery models enhancement. In South Africa, there is an ongoing process of refinement of institutional models for service delivery improvements. Water sector economic regulation and oversight is being enhanced and strengthened to move towards an independent regulation of the water sector. There is an increasing trend towards an independent regulation of the water among the developing world and South African is also moving towards that. Continued establishment of Catchment Management Agencies will also be carried out as strategic institutions in water resources management.



## Conclusion

With the afore-mentioned, I thus wish the Board of the Inkomati Usuthu Catchment Management Agency, its senior management and employees, including its stakeholder community all the success in implementation of the commitments in this Annual Performance Plan. My office, including those of Deputy Ministers, David Mahlobo and Dikeledi Magadzi and the rest of the officials of the Department of Water and Sanitation will always provide the unwavering support to the Inkomati Usuthu Catchment Management Agency.



**Mr S Mchunu, MP**  
**MINISTER OF WATER AND SANITATION**

## FOREWORD BY THE CHAIRPERSON OF THE GOVERNING BOARD



### Dear Stakeholder

On behalf of the Accounting Authority, it gives me great pleasure to present the Annual Performance Plan (APP) to the shareholder, the Department of Water and Sanitation (DWS), for the financial year 2023/24.

The IUCMA is established in terms of section 78 of the National Water Act (NWA), 1998 (Act 36 of 1998). The legislative mandate of the IUCMA comprises the protection, conservation, development and management of water resources in a localised area.

As required by legislation, a Shareholder Compact (SHC) and an Annual Performance Plan (APP) must be developed to outline the planned activities and associated budget for the coming financial year. The current APP is in harmony with the national planned outcomes, the NDP, the DWS Strategic Objectives and the IUCMA Strategic Objectives, which also emanate from the IUCMA Catchment Management Strategy (CMS) which is aligned with the National Water Resources Strategy (NWRS).

The IUCMA is progressively working in collaboration with Government departments and other institutions whose mandates have the potential of impacting or being impacted on by water resources management activities within our Water Management Area (WMA), and being a CMA in a transboundary basin, has the responsibility to collaborate with other institutions locally, regionally and nationally to ensure that the resources in the basin are managed to the satisfaction of sharing states.

I would like to extend my gratitude and appreciation to the Minister and the Deputy Ministers for their unwavering support, leadership, and guidance since the appointment of the Board on 1 April 2019. I wish to express our appreciation to the IUCMA staff, Executive under the guidance of CEO, for their engagement and support. I am confident that the Agency will continue to strive to improve on its execution of its mandate and enhanced service delivery.

A handwritten signature in black ink, appearing to read 'MS Mthembu', written in a cursive style.

**Mr MS Mthembu**  
**CHAIRPERSON OF THE GOVERNING BOARD**

## OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by Management and approved by the Board of the Inkomati-Usuthu Catchment Management Agency (IUCMA) under the guidance of Mr. S Mchunu member of Parliament (MP), the Minister of Water and Sanitation.
- Considers all relevant policies, legislation and other mandates applicable to the IUCMA is responsible.
- Accurately reflects the impact and outcomes which the IUCMA will endeavour to achieve over the period 2023/24.



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Ms S Mabunda  
Chief Financial Officer



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Dr T Sawunyama  
Executive Manager: Water Resources Management (A)



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Adv MB Shabangu  
Executive Manager: Corporate Services



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Mr LC Mohalaba  
Chief Executive Officer



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Mr MS Mthembu  
Chairperson of the Governing Board

Approved by:

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Honourable S Mchunu MP  
Minister of Water and Sanitation

## ACRONYMS

ACRONYM	DESCRIPTION
ABSA	Amalgamated Banks of South Africa
APP	Annual Performance Plan
ARA-Sul	Aqua Regional Association- South (Mozambique)
CMA	Catchment Management Agency
CME	Compliance Monitoring and Enforcement
CMF	Catchment Management Forum
COBIT	Control Objectives for Information and related Technologies
CROCOC	Crocodile River Catchment Operations Committee
CIPC	Companies and Intellectual Property Commission
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
HDI	Historically Disadvantaged Individuals
HYDSTRA	Surface Hydrology Information System
IUCMA	Inkomati-Usuthu Catchment Management Agency
IBWiWC	Incomati Basin Women in Water Conference



ACRONYM	DESCRIPTION
IT	Information Technology
KJOF	Komati Joint Operations Forum
KLCBT	Kruger Lowveld Chamber of Business Tourism
MP	Member of Parliament
NWA	National Water Act, Act 36 of 1998
NWRS3	National Water Resource Strategy 3
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
SAHRC	South African Human Rights Commission
SARS	South African Revenue Services
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Agency
SMME	Small Medium and Micro Enterprises
WAP	Water Allocation Plan
WAR	Water Allocation Reform
WARMS	Water Use Authorisation and Registration Management System
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, provide developmental priorities for the country. Defined priorities provide strategic impetus for the water sector and ultimately the functioning of the IUCMA. Key legislation and policy 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) the environment is 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)**

The National Water Act, 1998 (Act 36 of 1998) (NWA), as amended 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 Water Management Area (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, 1997 (Act 108 of 1997);
- (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 1 of 1998)**

The Public Finance Management Act, 1998 (Act 1 of 1998) (PFMA) regulates financial management in the national government and provincial governments in order 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 3**

The scope and purpose of the third instalment of the National Water Resource Strategy 3 (NWR3) provides a vision for the protection and management of water resources to enable equitable and sustainable access to water and sanitation services in support of socio-economic growth and development for the well-being of current and future generations. The NWR3 aims to achieve this vision by means of on the following overarching goals:

- Water and sanitation supporting development and elimination of poverty and inequality;
- Water and sanitation contributing to the economy and job creation; and
- Water that must be protected, used, developed, conserved managed and controlled sustainably and equitably.

The institutional landscape required for effective delivery of services 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.

### **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 further 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 Masterplan**

The National Water and Sanitation Masterplan (NW&SM) intends to coalesce water users and all the Water Management Institutions (WMI) to resolve issues on water and sanitation service delivery. The NW&SM is a novel plan that will guide the South African water sector led by the DWS and implemented at 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 aspirations and is key to the IUCMA in particular 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 (SDGs) are designed to be a blueprint in achievement of a sustainable future across the world. The SDGs seek 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 to ensure 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 the achievement of availability and sustainable management of water and sanitation for all and the achievement of other multiple SDGs. High-level recommendations by the HLPW, among others, included; understanding, valuing and managing water which will provide a foundation for broader integrated water management; integrated approach at local, country and regional levels including building partnerships and international collaboration at global level.

### **Southern Africa Development Community Protocol on Shared Watercourses**

This South African Development Community (SADC) Protocol provides 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 utilisation of the shared watercourses;
- (c) Promote a coordinated and integrated environmentally sound development and management of watercourses;
- (d) Promote the harmonisation 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.



## Presidential Commission on the Fourth Industrial Revolution

The Presidential Commission on the Fourth Industrial Revolution (PC4IR) outlined a vision for development of South Africa to involve prosperity, wealth creation, inclusiveness, including being connected and being digitally advanced and smart. Furthermore, development of 4IR systems can help to reach several goals articulated in the South Africa: Vision 2030, specifically those that relate to:

- o Economy and unemployment;
- o Economic infrastructure;
- o Improving education, training and innovation;
- o Environmental sustainability and resilience;
- o South Africa in the Region and the World; and
- o Transforming human settlements.

The PC4IR further identifies that South Africa's water sector can respond to the opportunities that are provided by the advent and proliferation of technologies that can increase its effectiveness.

## Economic Reconstruction and Recovery Plan

The Economic Reconstruction and Recovery Plan (ERRP), published by the National Treasury in the midst the COVID-19 pandemic, aims to stimulate equitable and inclusive growth. One of the nine priority interventions the ERRP identified is "green economy interventions", which can be linked to the water sector as it guarantees the security of water supply, among others. The ERRP states that as part of South Africa's green agenda, private and public buildings will be retrofitted with measures to improve water efficiency. The plan earmarks creating 1560 new opportunities for facility maintenance, water and energy efficiency including construction of rural bridges.

The IUCMA outcomes are aligned to the relevant national Government outcomes and priorities including the SDG goals as presented below.

<i><b>SDG Goals</b></i>	<i><b>MTSF priorities</b></i>	<i><b>DWS outcomes</b></i>	<i><b>IUCMA outcomes</b></i>
Goal 6: Ensure availability and sustainable management of water and sanitation for all	Priority 1: Capable, ethical and Developmental State	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 and business capabilities
			Outcome 3: Maintain financial sustainability
	Priority 5: Spatial Integration, Human Settlements and Local Government	Outcome 2: Ecological infrastructure protected and restored	Outcome 4: Protection and use of water resources
	Priority 7: A better Africa and World	Outcome 3: Water demand reduced and water supply increased	

### **1.3 Relevant court rulings**

Whilst there are no rulings expected during the relevant period, the institution is continuously monitoring progress on two matters which have potential to impact on its policy and strategic direction. The first court matter is a matter in which the IUCMA is cited as a Third Respondent, and therefore, a party to the proceedings, together with the Department, the Minister, the Breede-Gouritz Catchment Management Agency, and the Chairperson of the Water Tribunal.

In *Forestry South Africa//Minister of Human Settlements, Water & Sanitation and Four Others*, on 29 October 2019 the Applicant (Forestry South Africa) launched an application in the Western Cape Division of the High Court, Cape Town, wherein it sought relief in the form of declaratory orders regarding the application of sections 33 and 35 of the National Water Act. The matter was argued, and judgment was handed down. Application for leave to appeal was granted on 7 August 2022. We (the Respondents) have since filed our application for condonation for the late filing of the Notice of Appeal; and our Notice of Motion for Appeal. It is anticipated that a favourable decision will be received from the Supreme Court of Appeal during the relevant period, after which the matter will be heard on appeal.

In *Casper Jacobus Lotter NO and Others//Minister of Water and Sanitation & Others* (And in two other matters held simultaneously), the case concerned the interpretation of section 25 of the National Water Act. The questions which begged for legal concern in this case was whether section 25 of the Act permits transfers of water use entitlements, with the approval of the regulatory authority, from the holder thereof to a third party; whether such transfers were contemplated by section 25 and whether trading of water use entitlements are prohibited by the Act. This matter was heard by the Constitutional Court on 25 August 2022. It is anticipated that judgment of the Constitutional Court will be handed down during the relevant period and the institution is closely monitoring other developments in industry and law which are relevant to the issues in this case.

## PART B: OUR STRATEGIC FOCUS

### 2. UPDATED SITUATIONAL ANALYSIS

#### 2.1 Overview of the Water Management Area

The Inkomati-Usuthu WMA is one of nine (9) WMAs in South Africa covering an area of approximately 36 256 km<sup>2</sup> 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 WMA of the IUCMA has four (4) main rivers which effectively divide the WMA into Sabie-Sand, Crocodile, Komati and Usuthu sub-catchments. The IUCMA operates within the Incomati International River Basin shared between the Republic of Mozambique, the Kingdom of Eswatini and the Republic of South Africa. The river basin is managed under Tripartite Permanent Technical Committee (TPTC) Interim Agreement and recently established Incomati and Maputo Water Commission.

The characteristics of the WMA are thus:

Table 1: Characteristics of the Water Management Area

Item	Sabie-Sand	Crocodile	Komati	Usuthu
Area	9 304km <sup>2</sup>	10 446km <sup>2</sup>	8 621km <sup>2</sup>	7 785km <sup>2</sup>
Key economic activities	Forestry, irrigation and eco-tourism	Forestry, irrigation, eco-tourism 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	Kwena dam, Witklip, Lomati, Klipkopjes, Primkop and Longmere	Vygeboom and Nooitgedacht dams in upper Komati, Driekoppies dam in low Komati and Maguga dam in Swaziland.	Heyshope, Jericho, Morgenstond and Westoe

The Inkomati-Usuthu WMA is characterised by large transfers into the Vaal system and the Olifants WMA for strategic use to SASOL Secunda and ESKOM power stations. Inter-basin transfers 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 catchment is of strategic importance as it is utilised for power generation. Land use within the WMA is largely for irrigated agriculture from commercial and emerging farmers; extensive afforestation; urban, rural and industrial users including international and ecological water requirements.

## **2.2 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 as follows:

### ***Climate change***

Climate change is one of the powerful global forces inspiring a new business narrative as it may destabilise markets and curb economic growth. Weather patterns are increasingly becoming less favourable, the frequency or severity of extreme events is increasing as temperatures are projected to continue rising with rainfall patterns expected to shift. Those climate change phenomena have blistering effects on the global water resources and the South African water resources are no exception. Africa is one of the regions largely exposed to climate change with Southern Africa already disproportionately affected by its impacts, which has made agricultural developments in Africa more challenging. Climate change does not only have adverse impacts on agricultural productions but will have debilitating impacts on economies as the South African economy is largely dependent on agriculture – the sector which is the highest water user.

Agreements as per the Paris Accord was to keep the temperatures increase by 1,5% which could potentially lessen the GDP losses of countries. If these countervailing actions to reduce emissions are not implemented in South Africa, temperatures could increase by 4% to the year 2100 resulting in increased potential GDP losses of 3,4%.

### ***Industrial Revolutions in the Water Sector***

The Fourth Industrial Revolution (4IR) involves a range of new technologies and new forms of connection between various economic actors, with information and communication technology (ICT), digitisation being particularly critical to the 4IR. Technologies related to the 4IR are disruptive to the traditional business models, albeit being one of the global forces that are inspiring a new narrative of doing business. The traditional business models involved customer-to-business type of relations whilst, the 4IR technologies enhance development of new industries and online platforms that enable customer-to-customer exchange. In addition to the 4IR, the water sector is undergoing its own fourth revolution, which involves establishing water conservation strategies and transitioning toward closing water loops.



## ***The Economic Environment***

The global economic growth is sluggish with the global GDP stagnating in the second quarter of 2022. High inflation is also persisting for longer than expected, exacerbated by the lingering impacts of the COVID-19 pandemic. These adverse effects resulted in slowed expansion momentum wherein the World Bank revised its global growth projections. The world GDP is expected to grow by 3% in 2023 and the worldwide global output in trade volumes is expected to grow by 4,3%.

Similar to the global economic outlook, South Africa GDP growth remains constrained and worsened in the second quarter of the 2022 year, albeit the economic growth started on a steady recovery path in the beginning of 2022. Adverse international developments contributed to the deterioration in the economic growth with the outlook remaining weaker with the GDP growth outlook of 1,4%. Inflationary pressures have been on the increase in South Africa, leading to a projected high inflation rate of 5.3% by 2023.

## ***State of the water resources and services***

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. 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, as reflected above, which affects the hydrologic cycles leading to extreme weather events such as droughts having adverse impacts such as salination of surface waters and groundwater aquifers.

Increasing water demand due to rapid urbanisation, population growth, declining water quality, irrigation for food security and industrial use impacts adversely on available water resources. South Africa is generally well-endowed with water resources infrastructure and is highly dependent on it to maintain reliable water supplies. Water resources and water services infrastructure in South Africa are relatively well developed, with approximately 4 395 registered dams and a storage capacity of approximately 31 million m<sup>3</sup> with almost 20% provisioned for the ecological reserve.

The South African water resources and services sector is not without challenges which can be summarised as follows:

- In the year 2030, the water deficit could be between 2,7 and 3,8 billion m<sup>3</sup>/annum, which is a gap of about 17% of available surface and groundwater;
- South Africa average use of water is approximately 235 l/c/d which is above a global average of 173 l/c/d;
- Water losses are exceptionally high with non-revenue water estimated at 41%;
- The capacity of Water Services Authorities (WSA) to operate Wastewater Treatment Works (WWTWs) is inadequate thus, 56% of those are in a poor and critical state, when 44% are in a poor or critical condition when 11% are dysfunctional;
- 5,3 million households do not have access to reliable drinking water; and



- There is a R33billion water infrastructure funding gap.

South Africa is a water scarce country with a net negative precipitation index made up of low rainfall, high evaporation and uneven rainfall distribution thus pressure on the water resources is mounting. The mean average rainfall is 500mm compared to the global average of 860mm with 65% of the country receiving less than 500mm and 21% receiving less than 200mm. Water resources are impacted by severe and prolonged droughts wherein 25% are drained by perennial rivers and 75% by seasonal to episodic rivers which is depicted below:

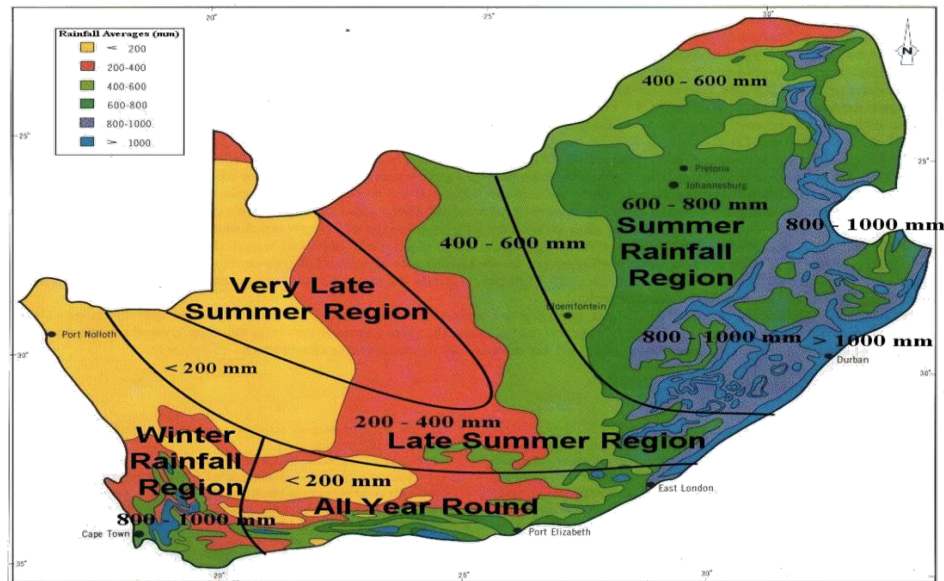


Figure 1: Mean average rainfall

### ***Water availability in the Water Management Area***

The WMA is characterised by seasonality of rainfalls thus wet summers and dry winters which is variable over longer periods with changes in rainfall seen on a yearly basis and at longer time scales. Most of the water demand is in the lower, drier, and hotter parts of the WMA where there is little rainfall and runoff. These factors create complexity and an unstable situation for the economy of the region, which is reliant on the availability of water and makes the proper management of the river flows very important. Generally, demand of water in the WMA, generally exceeds supply.

Emerging trends with regards to water availability are as follows:

- There is a need for allocation plans, considering both water resources infrastructure development and demand management;
- Promotion of water use efficiency, particularly in stressed catchments;
- Increased assurance of supply to existing users and/or make water available to new water users;

- Implement adaptation strategies for water resource resilience to population growth and climate change.

### ***Surface water availability in the WMA***

Availability of water from the rivers is generally less than the demand to enable both a sustainable economy and resource. This level of stress is dependent on the level of risk that water users are willing to accept. The implementation of the Reserve, which is an amount of water that must remain in the rivers to enable sustainability in the catchment and for basic human needs, will increase this level of stress and the NWA prioritises the Reserve. The WMA and the resource are generally dynamic and despite the overall state of water stress in the WMA, there is still potential for increased yield and economic development in some areas of the catchments based on reconciliation strategies done for major towns by the Department of Water and Sanitation (DWS). The main source of water is from key major dams and the combined storage of the dams by the end of September 2022 is as shown in Figure 1.

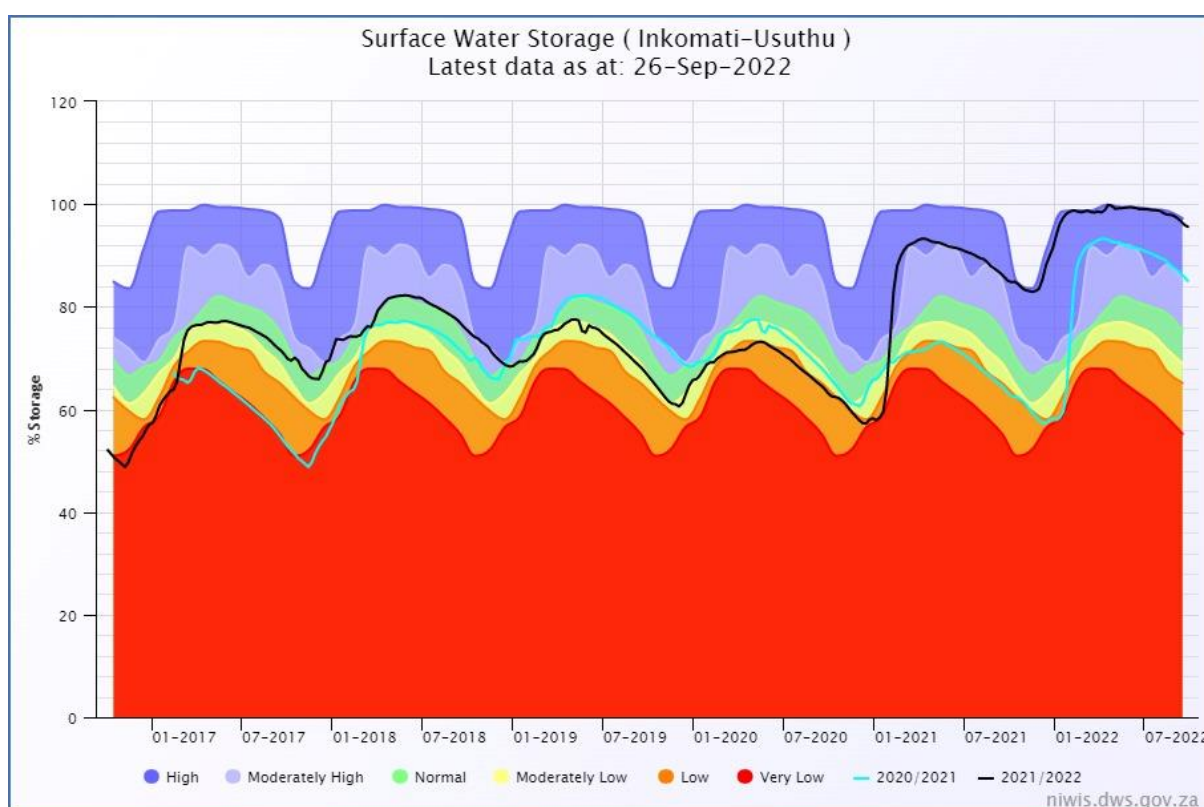


Figure 1: Inkomati – Usuthu WMA Dams Storage historical analysis

The needs of various sectors including the ecological reserve has a total volumetric requirement of 2 981Mm<sup>3</sup> and a supply of 2 177 Mm<sup>3</sup>. The prevailing trend, of volumetric requirements exceeding supply is pervasive in all the sub-catchments of the IUCMA. The graphical depiction of the demand and supply dynamics is presented in Figure 2.

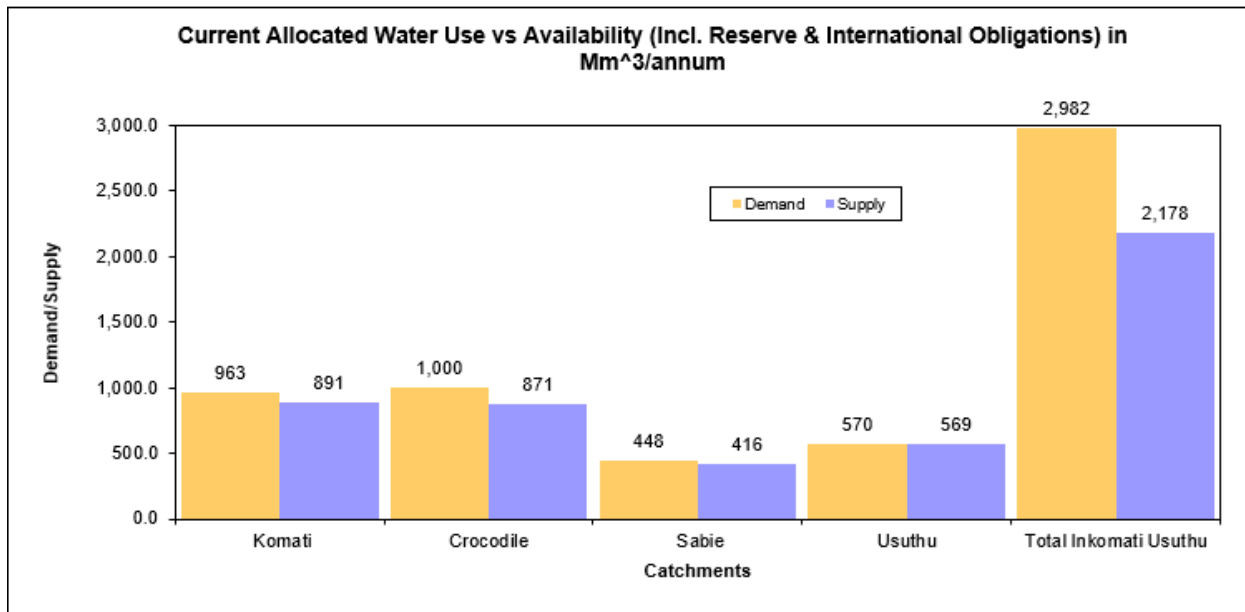


Figure 2: Current demand and availability

### **Ground water availability in the WMA**

Levels of groundwater within the WMA has been declining over the years at a rate which is more than that which it can be replenished. Since 2006, the groundwater potential of the IUCMA is as follows:

- The Crocodile catchment dropped by 142 million m<sup>3</sup>/annum from a resource potential of 707 million m<sup>3</sup>/annum to an available yield of 566 million m<sup>3</sup>/annum;
- The Sabie-Sand catchment dropped by 678 million m<sup>3</sup>/annum from a resource potential of 682 million m<sup>3</sup>/annum to an available yield of 4 million m<sup>3</sup>/annum; and
- The Komati catchment dropped by 79 million m<sup>3</sup>/annum from a resource potential of 944 million m<sup>3</sup>/annum to an available yield of 865 million m<sup>3</sup>/annum.

### **Water Quality in the WMA**

Quality of water within the WMA is determined through compliance of the resource quality in terms of criteria set through:

- Resource Quality Objectives (RQO) of the IUCMA;
- South African Target Water Quality Guidelines (TWQG); and
- International Water Quality Guideline (IWQG) to determine conformance with obligations contained in the tri-partite agreement among the Kingdom of Eswatini, Mozambique and South Africa.

Generally, surface water in the WMA complied with the RQO, TWQG and the IWQG, however, quality concerns were identified in the following areas:

- High levels of *E. coli* mainly in Sabie and Crocodile catchments;

- Phosphate concentration in Usuthu and Komati catchments; and
- Electrical conductivity mainly in Komati and Crocodile catchments.

The quality concerns could be attributable to the following:

- Pollution that emanates from human or animal faecal materials;
- Existing and defunct mining activities; and
- WWTWs effluent discharge; and
- Raw water sewer overflowing manholes.

### ***Transboundary water resource management***

The SADC Protocol on Shared Watercourses provides an overarching framework for the required institutional mechanisms in management of shared watercourses 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 commissions have been established on these rivers to control the use of water by the three countries. In addition, the 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 is mandated to operate within these transboundary treaties, to meet the then Piggs Peak Agreement which required a minimum flow of 2 cumecs from the rivers of the Inkomati Catchment across the Mozambican border at Ressano Garcia. This has been replaced with more sophisticated flow pattern requirements of the newer Interim IncoMaputo Agreement (IIMA) which has a higher minimum flow requirement of 2.6 cumecs.

Similarly, the minimum flow from Sabie River is 0.6 cumecs to Mozambique while 0.1cumecs flow from Usuthu to Eswatini. This resulted in the establishment of the Incomati and Maputo Water Commission (INMACOM) at the end of 2021 to manage the Inco-Maputo Basin shared between South Africa, Eswatini and Mozambique creating harmonised monitoring mechanisms, compatible assessment methods, data management systems, and uniform reporting procedures.

### **Transformation agenda**

- **Job creation**

As part of job creation, the Agency in the 2022/2023 financial year initiated an Alien Vegetation programme which has employed 75 community workers for a period of 2 years within the sub-catchments in water management area. The Agency has also initiated a River Rehabilitation which will also see more than 75 community workers employed for 2 years. Internally, the Agency annually employs 20 graduates through the graduate programme. In 2023/24 a new cohort of graduates will be given an opportunity to be part of the programme.



- **CSI**

The Agency continues to support Historical Disadvantaged Individual (HDIs), through drilling of boreholes and provision of storage tanks.

- **HDI empowerment**

Initiatives such as education and awareness, water use authorisation workshops, resource protection road shows with the public and schools, career exhibitions are aimed to empower water users, especially the historically disadvantaged individuals (HDIs) in the process of applying for water use authorisation. The other initiatives are aimed at creating awareness on resource protection and encouraging school learners to follow careers in the water sector in order to close the skills gap in the sector.

- **BBBEE**

The Broad-Based Black Economic Empowerment (B-BBEE) Act, 2013 (Act 46 of 2013) as amended was established as a framework to support black economic empowerment to restore economic disparities. The Agency's strategic outcome in 2023/24 has been defined as 40% of total spending allocated to B-BBEE suppliers. It is the Agency's strategic outcome to ensure heightened support for women, youth as well as people living with disabilities. This has now been fully catered for by the inclusion of prequalification criteria in the revised SCM Policy as approved on the 29th of October 2021. Supply Chain Management intends to conduct free seminar workshops targeting SMMEs within the catchment in collaboration with key strategic partners such as SEFA, SARS, SEDA, CIPC, Nedbank, ABSA, Provincial Treasury, KLCBT and other strategic partners. The workshop intends on focusing on pertinent business areas that will allow for economic growth for the sector

Management has further identified service providers that will be coached and mentored by Supply Chain for other opportunities and interests outside the IUCMA procurement plans. This initiative will ensure real value is created for the sector beyond procurement prospects at the IUCMA. The data assessed internally is indicative of the high non-responsiveness of SMMEs when responding to tenders as advertised by the IUCMA. This data may suggest that similar cases of poor performance are likely consistent in other entities. The process of selection will be limited to a pool of SMMEs that have responded to technical bids with adverse outcomes due to non-compliance with the tendering process. The mentoring will be aimed at limiting future disqualifications resulting from poor completion of the documents and attachments of wrong returnable documents of the tender document. The coaching and mentoring will be conducted utilising in-house skills limited to two entities per annum and will focus on training on the following main aspects:

- Tendering framework (regulations, policy and contract)
- The legality of a tender document (completing a tender document)



- Returnable and their meaning to the contract
- Legal requirements of the responding entity to a tender

### **2.3 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 form the basis for successful strategy execution must be ready for deployment for effective functioning of the IUCMA.

#### ***Resourcing of the mandate***

The current funding model is that allocation from the fiscus makes up 69% of the total IUCMA annual budget and 31% collected from 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.

#### ***Organisational culture***

The IUCMA strives to create a healthy culture that embraces execution-supportive attitudes, behaviours and work practices where a result-oriented work climate is encouraged and espoused. This type of culture will enable alignment of rewards and incentives directly to the achievement of strategic outcomes.

#### ***Information and Communication Technology***

The Information Communications and Technology (ICT) environment within the IUCMA has been identified as an area that requires attention. An assessment of the ICT control environment has been performed which has revealed that an enterprise architecture of the IUCMA needs to be assessed and defined. The enterprise architecture will allow an assessment of the current status and the desired state of the following components:

- Applications architecture;
- Database architecture;
- Technology architecture; and
- The ICT business area.

A Control Objectives for Information and related Technologies (COBIT) assessment has been performed and has identified governance areas for enhancement. In addition to the COBIT assessment that was performed, an ICT strategy has been developed to implement ICT projects that will enable the IUCMA to embark on a digital transformation strategy in the future.

## 2.4 High -level organisational structure

A high-level organisational structure to support the execution of mandate is depicted:

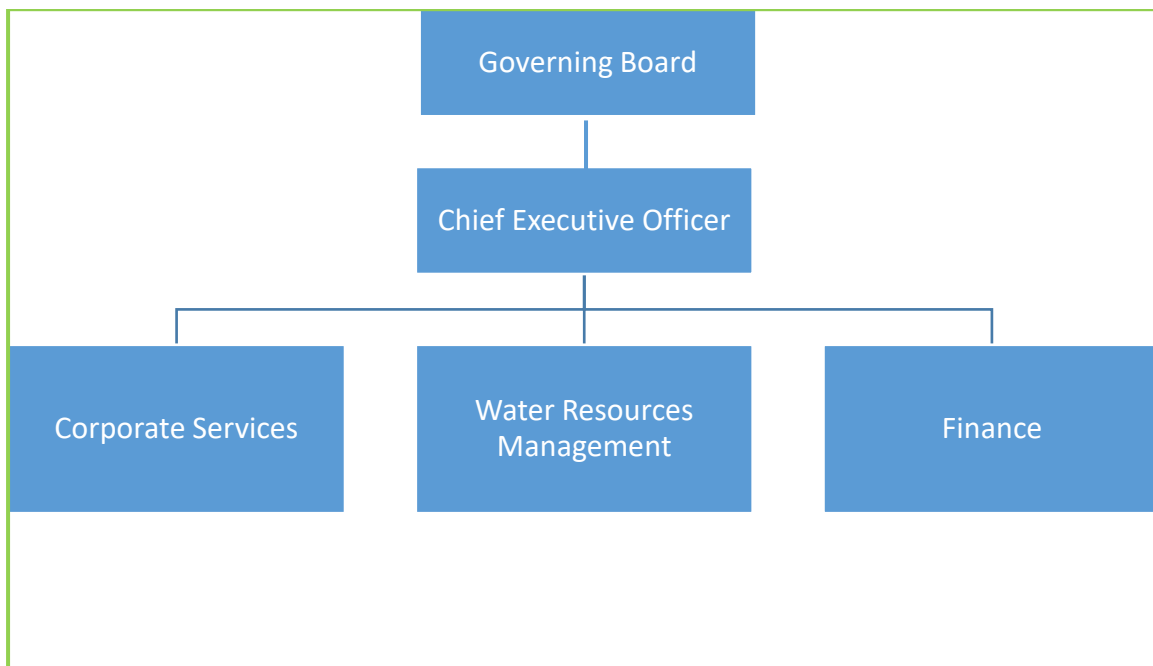


Figure 3: High level organisational structure

## **PART C: MEASURING OUR PERFORMANCE**

### **3 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION**

The optimal operating model design was utilised to organise organisational 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: Protected 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 organisational performance. The extent of the programme is within the Office of the Chief Executive Officer within the areas of governance as reflected in the former statement.

The programme consists of the following sub-programmes:

##### **Governance and Assurance services**

Assurance services are provided through internal audit services and risk management activities and governance of performance information of the IUCMA so that the organisation can effectively communicate its value creation story. The corporate compliance cycle of the IUCMA is implemented through this sub-programme to ensure that the accountability obligations, that is preparation of strategic and annual plans including quarterly report are met. Support to the Governing Board and its various committees is provided through this sub-programme to ensure that their duties are fulfilled in conformance with the applicable laws and regulations.

#### **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 Information Communication and Technology (ICT), records management and stakeholder engagement.

The programme's outcomes are centred around the following areas:

The objective of this programme is development of human resources including communities in the WMA through transformation, skills development, and local employment. This extends to supplier development through initiatives intended towards enterprise development. The scope of the sub-programme serves

towards full scope talent management for the IUCMA employees, provision of learnerships and traineeship in the form of internship programmes. As far as enterprise development is concerned, the scope of this sub-programme is procurement from local emerging micro enterprises.

This programme enables business support in provision of effective and efficient Information Communication and Technology (ICT), legal services, custody of information in the form of records management including facilities management. 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.

The National Archives and Record Service of South Africa Act, 1996 (Act 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.

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: Finance**

This programme ensures effective and efficient utilisation of the financial resources of the Agency. With an appreciation that the Agency's activities compete for resources, the programme ensures delivery of outcomes by achieving heightened recoverability of all revenue due, sound equitable and economic utilisation of financial assets as well as timeous and accurate reporting of all financial activities.

#### ***Sub-programme 3.1: Supply Chain Management***

This sub-programme's mandate is centered on establishing seamless transformed procurement processes that are economical, transparent, and equitable. The sub-programme, in achieving its primary mandate, is expected to take full cognisance of the promotion of 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, 2013 (Act 46 of 2013) as amended. Equity achieved through economic transformation is pivotal in the operations of the sub-programme as evidenced by its strong presence in the business of the Agency. When all of the above is fully met the Agency will achieve value for money on acquisition of goods and services and seamless operations of the organisational value chain.

### ***Sub-programme 3.2: Financial Management***

Financial Management as a sub-programme ensures sound financial accounting in accordance with applicable standards and legislation. Its scope encompasses budget management, payroll administration, and safeguarding of financial and non-financial assets of the Agency through compliant processing of all related transactions. These measures are ultimately reflected by effective working capital management and unqualified opinion expressed since the inception of the Agency.

### ***Sub-programme 3.3: Revenue***

Revenue management is a strategic component as its functions are key to the financial sustainability of the Agency. This is firstly achieved by performing a pivotal role in the CMA tariff determination that are further submitted for ministerial approval. Once tariffs are approved, the sub-programme ensures correct application of approved tariffs by timeously and accurately billing and collecting Catchment Management Agency (CMA) charges from lawful water users. The sub-programme further ensures implementation of the Agency's approved Debt Management Strategy that has been developed within the ambits of applicable policies and legislation, namely the Public Finance Management Act (PFMA), Treasury Regulations and the Agency's Revenue Management Policy. The strategy, especially recognises the importance of stakeholder engagement with all customers at both strategic and operational levels. To this effect, heightened engagements remain key and critical to the ultimate achievement of all set objectives.

## **3.4 Programme 4: Water Resources Management**

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 comprises management of resources in water quality monitoring, resource planning and operations, compliance monitoring and enforcement, water use authorisations, including, data information and management.

The programme has the sub-programmes detailed below.

### ***Sub-programme 4.1: Resource Quality Monitoring, Planning and Operations***

This sub-programme implements effective river operations within the WMA to manage droughts, surface and groundwater management, water allocation plan and data management systems to effect the mandate of the IUCMA. The sub-programme also implements water quality routine monitoring plans.

### ***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. The authorisations include water use licences (WULs) and General Authorisations (GAs).

***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. Comprehensive education and awareness campaigns are conducted to ensure that water users and law enforcement agencies are aware of their role in supporting the work of the IUCMA.

***Sub-programme 4.4: Data and Information Management***

This sub-programme is dedicated towards effective data management and information systems within the operational core of the IUCMA. The sub-programme functions in a shared services format and provide services to the support core areas of the IUCMA.

***Sub-programme 4.5: Stakeholder Engagement and Institutional Participation***

This sub-programme bears responsibility for stakeholder engagement, institutional participation and international liaison. This is to ensure that stakeholders' legitimate interests and material issues of engagement, locally and internationally, are addressed to mitigate against the potential reputational risk. Further, pathways to address the extent and level of engagement with stakeholders through the Stakeholder Engagement Plan are developed and implemented.

#### 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	Audited 2021/22	Planned 2022/23	2023/24	2024/25	2025/26
<b>Outcome 1:</b> Increased stakeholder satisfaction	<b>Programme 1:</b> Administration and Governance	Stakeholder satisfaction	Percentage implementation of a stakeholder engagement plan	100% (164/164)	85%	100%	100%	100%
	<b>Programme 2:</b> Human Resources and Business Support		Percentage implementation of a communication plan	-	-	80%	85%	90%
<b>Outcome 2:</b> Enhanced human resources and business capabilities	<b>Programme 2:</b> Human Resources and Business Support	Optimal employee retention	Percentage implementation of human Resource implementation plan	-	-	80%	80%	80%
		Optimal business support	Percentage implementation of the ICT strategy	-	-	30%	50%	10%
			Percentage of identified COBIT gaps addressed	-	-	100%	100%	100%
<b>Outcome 3:</b> Maintain financial sustainability	<b>Programme 3:</b> Finance	Cost control	Working ratio (cash based)	106%	≤80%	≤80%	≤80%	≤80%
		Revenue enhancement	Debt collection ratio: Healthy book	32.9%	60%	65%	70%	75%
			Debt collection ratio: Toxic book		4%	6%	10%	0%
			Debtors' payment period in days (Healthy book)	-	-	D&I: ≤ 100 days Irrigation: ≤540 days Forestry: ≤540 days	D&I: ≤ 50 days Irrigation: ≤270 days Forestry: ≤270 days	D&I: ≤ 30 days Irrigation: ≤180 days Forestry: ≤180 days
		Solvency	Current Ratio	-	≥1:1	≥1:1	≥1:1	≥1:1
<b>Outcome 4:</b> Protection and use of water resources	<b>Programme 4:</b> Water Resource Management	Effective resource management	Resource Quality (quality, quantity and biota) status report	-	Annual resource quality status report	Annual resource quality status report	Annual resource quality status report	Annual resource quality status report
			Percentage monitoring of compliance to Resource Quality Objectives	100% (23/23)	≥90%	≥90%	≥90%	≥95%
			Percentage monitoring of	100% (10/10)	≥90%	≥90%	≥90%	≥95%

Outcome	Programme	Output	Output indicators	Audited 2021/22	Planned 2022/23	2023/24	2024/25	2025/26
			compliance to international obligations					
		Regulative compliance	Percentage of planned inspections for quality related uses	265% (212/80)	-	≥90%	≥90%	≥95%
			Percentage of planned inspections for quantity related uses		-	≥90%	≥90%	≥95%
			Percentage of enforcement action taken against non-compliant users		-	≥90%	≥90%	≥95%
		Water use database management	Percentage of approved water use authorisations registered on WARMS	≥90%	90%	≥90%	≥90%	≥90%
		Water Use Authorisations	Percentage of water use authorisations processed within the regulated timeframe	95.2% (120/126)	80%	≥90%	≥90%	≥90%

The quarterly targets are presented below.

**Table 3: Output indicators, annual and quarterly targets**

OUTPUT INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS			
	2023/24	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Percentage implementation of a stakeholder engagement plan	100%	-	100%	100%	100%
Percentage implementation of a communication plan	80%	20%	20%	20%	20%
Percentage implementation of Human Resource implementation plan	80%	20%	20%	20%	20%
Percentage implementation of the ICT strategy	30%	-	10%	20%	30%
Percentage of identified COBIT gaps addressed	100%	25%	25%	25%	25%
Working ratio (cash based)	≤80%	≤80%	≤80%	≤80%	≤80%
Debt collection ratio: Healthy book	65%	15%	30%	45%	65%
Debt collection ratio: Toxic book	6%	1.5%	3%	4.5%	6%
Debtors' payment period in days (Healthy book)	D&I: ≤ 100 days Irrigation: ≤540 days Forestry: ≤540 days	D&I: ≤ 100 days Irrigation: ≤540 days Forestry: ≤540 days	D&I: ≤ 100 days Irrigation: ≤540 days Forestry: ≤540 days	D&I: ≤ 100 days Irrigation: ≤540 days Forestry: ≤540 days	D&I: ≤ 100 days Irrigation: ≤540 days Forestry: ≤540 days
Current Ratio	≥1:1	≥1:1	≥1:1	≥1:1	≥1:1
Resource Quality (quality, quantity and biota) status report	Annual resource quality status report	1X Quarterly resource quality status report 1X Annual Resource quality (quality, quantity and biota) status report	Quarterly resource quality status report	Quarterly resource quality status report	Quarterly resource quality status report
Percentage monitoring of compliance to Resource Quality Objectives	≥90%	≥90%	≥90%	≥90%	≥90%
Percentage monitoring of compliance to international obligations	≥90%	≥90%	≥90%	≥90%	≥90%
Percentage of planned inspections for quality related uses	≥90%	≥90%	≥90%	≥90%	≥90%
Percentage of planned inspections for quantity related uses	≥90%	≥90%	≥90%	≥90%	≥90%

OUTPUT INDICATORS	ANNUAL TARGET	QUARTERLY TARGETS			
	2023/24	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Percentage of enforcement action taken against non-compliant users	≥90%	≥90%	≥90%	≥90%	≥90%
Percentage of approved water use authorisations registered on WARMS	≥90%	≥90%	≥90%	≥90%	≥90%
Percentage of water use authorisations processed within the regulated timeframe	≥90%	≥90%	≥90%	≥90%	≥90%

## 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: 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 and control on the IUCMA operations. Material issues of engagement with such stakeholders will also be identified in order to address the stakeholders' legitimate interests in the IUCMA. The IUCMA has adopted a policy position on how to effectively address stakeholders' legitimate interests. The overall over-arching position of the IUCMA is to organise stakeholder engagement for socio-economic impact, however, it will be balanced with other impacts from the perspective of stakeholder engagements such as academic impact, conceptual impact and instrumental impact.

Further, the stakeholder value propositions, namely value-added inputs, value-added activities, value-added outputs, including value-added impacts and outcomes will be developed. This will enable the IUCMA to develop pathways of engagement with stakeholders including the frequency of such engagements to manage reputational risks and also enable stakeholder engagement to be placed at the centre of governance as per the requirements of the King IV Report on Corporate Governance for South Africa.



## Programme 2 – (Outcome 2: Enhanced human resources and business capabilities)

### Integrated strategic workforce planning

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 the core operational mandate area of water resources management, including support core areas. The IUCMA will therefore implement the integrated workforce plans which are aligned with other people related systems such as technology as illustrated below:

- **Talent management:** Organisational excellence should be created and sustained through proactive talent management practices. Employees should not only be attracted and recruited but trained and developed in all critical skills so that they possess the proficiencies that match those required for their positions. Such employees should also be retained to ensure that they play a role in the attainment of the IUCMA strategic outcomes and impacts, the reason being, employees are a fundamental input in the strategic management process of the IUCMA;
- **Performance management:** when the workforce with required proficiency levels, skills and knowledge are retained, it will improve the performance management system of the organisation. This improvement will lead to the attainment of the strategic outcomes and impacts of the IUCMA. A robust performance management system will therefore need to be implemented;
- **Rewards and retention management:** through a robust performance management system, the workforce with suitable skills and proficiency levels achieving the desired outputs and outcomes, are appropriately rewarded. When the performing workforce is appropriately rewarded, an extension will thus be made towards retention of those competencies that align with the outcomes and impacts of the IUCMA;
- **Career and succession management:** an implemented workforce plan will, among others, identify critical positions and imminent retirement across the organisation. A clear understanding of available skills and where the workforce can be utilised within the organisation will be obtained. This will lead to effective succession strategies which will be implemented in the medium term; and
- **Recruitment:** an integrated workforce plan will not only inform the resourcing strategy in the short and long term but will ensure effective recruitment and retention of staff with expertise, experience and skills within a framework that ensures diversity. The available talent that the organisation should urgently fill would be noticeable and recruitment processes will be informed by numbers that should be filled and by the long-term outcomes and impacts that must be achieved.

In order to ensure that the right culture permeates throughout the IUCMA, within the context of integrated workforce planning, the observable behavioural competencies which are knowledge, skills, competencies and other characteristics that contribute towards individual success within the IUCMA,

should be observable. Generally, the behavioural competencies are linked to the values of the organisation and should be embedded within the organisational culture so that there is efficient and effective delivery of the mandate. In this instance, an employee culture survey will be performed in the medium term in order to derive the baseline culture levels to be used for organisational culture enhancements. An employee survey will also be conducted in the medium term to understand the current proficiency levels of employees to the required proficiency levels.

Workforce analysis

The workforce profile of the IUCMA is as follows:

Top management	3%
Senior Management	13%
Professionally qualified	18%
Skilled technical	54%
Semi-skilled	9%
Unskilled	3%

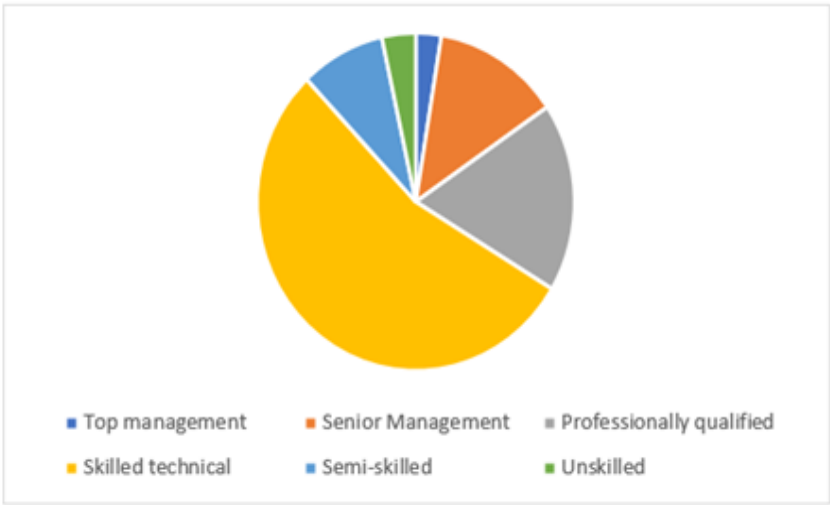


Figure 4: Percentage of workforce across management levels

A depiction of workforce across various levels within reflects that employees within the organisation are skilled. Unskilled employees constitute approximately 9% of the entire workforce. Within the context of the integrated strategic workforce planning, an analysis should extend beyond the numbers and a determination be made whether the employees possess the required proficiency levels for the position. Determination of required proficiency levels will lead to development of a workplace skills development plan which will focus on bespoke skills development initiatives per employee that will be performed over the medium term. Wellness of employees in the organisation is a serious imperative and the IUCMA intends to implement an employee wellness programme in the medium term.

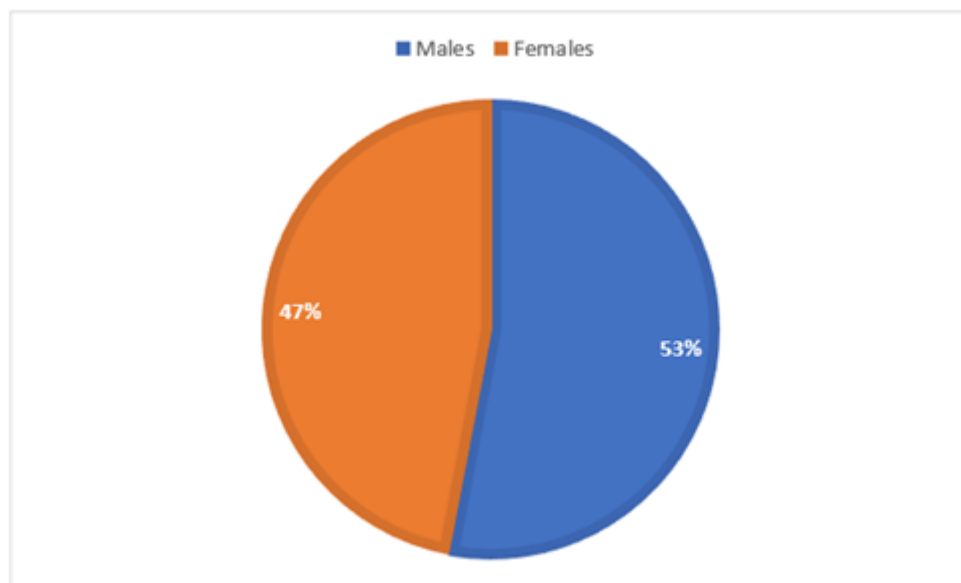


Figure 6: Profile of workforce by gender

Gender profile within the organisation indicates a proportion of male and female employees at 49% and 51%, respectively which is almost an equitable balance on the basis of gender. An employment equity plan has been concluded and monitoring thereof will be performed over the medium term.

### ***Information Communication and Technology***

The advent of global forces such as industrial revolutions, in this particular instance, the Fourth Industrial Revolution, the Internet of Things and digital transformations, compels the IUCMA to 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 needs to have some strategic responses to have Information Communication Technology (ICT) strategies that enable 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 align with business priorities so that resources are appropriately deployed for continuous improvements in the ICT realm.

The ICT strategy of the IUCMA will be reviewed for implementation of the recommended roadmap in the medium term and beyond. Technology architecture (appropriate data, applications and IT infrastructure) that aligns with the service delivery mandate of the organisation will be implemented. The ICT strategy will bolster efforts to align deployed technologies to the overall organisational strategy of the IUCMA.

### ***Records Management System***

Since records are considered a digital asset of the IUCMA, a records management strategy for implementation post the medium term will be considered. The emphasis of this implementation will be to ensure that there are accurate and reliable water resources management information to inform policy and planning, regionally and nationally.

### **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 over the past financial years. The parliamentary allocation has also been decreased and this coupled with the sluggish local economic growth pose a financial sustainability risk to the IUCMA.

Financial resources are amongst the Agency's inputs that remain key to ensure preservation of the water resource. This critical input has unfortunately signaled worryingly downward trends over the years resulting in the going concern of the Agency quickly becoming extremely doubtful. Management has embarked on identifying areas worthy of exploration thus allowing the augmentation of the financial position of the Agency. Identified areas include improving already defined revenue streams, conservative utilisation of resources and identification of alternative revenue streams. These positions that have been previously loosely articulated in strategy have now become the cornerstone on which the Agency's going concern shall be firmly secured.

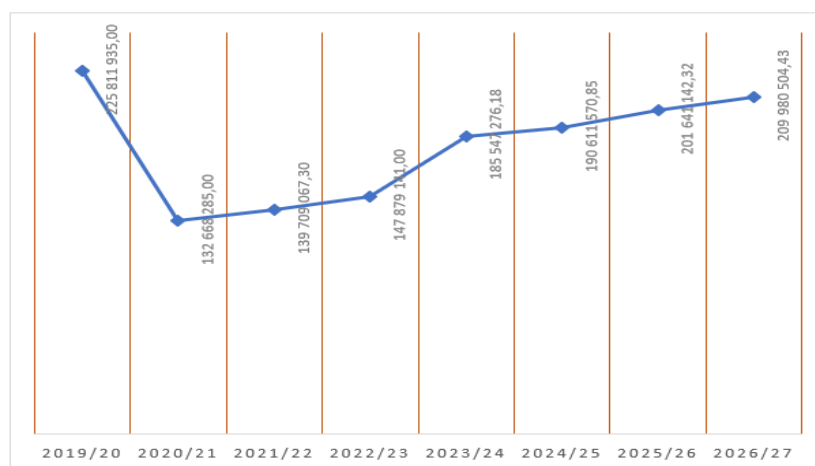
### ***Sources of Funding***

The Agency has recorded unprecedented reduction of its approved budgets owing mainly to a reduction in the allocation appropriated by Parliament. This adverse performance of the grant subsidy has been further exasperated by economic contractions that have had an impact on overall recoverability of outstanding debt. Albeit economic hardships, what remains fundamental lies in the ability of the Agency to improve its customer data quality, especially for its infamously inherited DWS-transferred balance of approximately R63mil (2017: R199million).

The Agency continues to rely heavily on the grant appropriated by Parliament exemplified by a 69% constitution rate of total revenue. Management appreciates that identifying alternative permissible revenue streams are becoming paramount to augment the extremely strained defined sources of revenue.

**Table 4: Revenue Trends**

SOURCE OF FUNDING	AUDITED			INITIAL PROPOSED BUDGET 2022/23	ADJUSTED BUDGET 2022/23	PROPOSED BUDGET 2023/24		PROPOSED BUDGET		
	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22					BUDGET 2024/25	BUDGET 2025/26	BUDGET 2026/27
GRANT APPROPRIATED BY PARLIAMENT	175 725 917	84 375 000	88 861 371	116 432 781	89 394 000	128 234 765	69%	129 857 935	137 231 169	141 684 900
WATER RESOURCE CHARGES	50 086 018	47 193 285	49 702 637	55 485 141	55 485 141	54 042 511	29%	57 189 336	60 524 887	64 060 859
INTEREST RECEIVED	-	1 100 000	1 145 060	3 000 000	3 000 000	3 270 000	2%	3 564 300	3 885 087	4 234 745
<b>TOTAL FUNDING SOURCES</b>	<b>225 811 935</b>	<b>132 668 285</b>	<b>139 709 068</b>	<b>174 917 922</b>	<b>147 879 141</b>	<b>185 547 276</b>	<b>100%</b>	<b>190 611 571</b>	<b>201 641 142</b>	<b>209 980 504</b>



### **Water Use Charges by The Water Trading Entity**

Challenges around the financial constraints of the Agency have been further exasperated by the 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 approved tariffs (as indicated above) and true costs attributable to the delivery of service. The glaring misalignment induced by sector capping has resulted in the Agency's inability to recover full costs attributable to the delivery of water resource-related services. To the detriment of the Agency, full cost recovery which is the preferred tariff is not supported by legislation. Sectorial sustainability for the Agency, therefore, lies therein a shift in a policy position that allows for the intrinsic balance between enabling economic activities for water users as well as the preservation of the Agency's ability to recover full costs of water resource management. This position has now been well defined in the revised Pricing Strategy that advocates for full cost recovery over a 5-to-10-year period from the date of its adoption.

The approved and applied tariff for 2022/23 are indicated below. Increases across all sectors average 6.8%. Notwithstanding increments noted, applied tariffs for 2022/23 continue to compromise the financial sustainability of the Agency.



### Applied Tariffs 2021/22

Sectors	Domestic/ industrial c/m3	Irrigation c/m3	Forestry c/m3
2021/22 Tariffs	0.0387c	0.0196c	0.0155c
Approved % increments	6.7%	6.7%	7%
2022/23 Tariffs	0.0416c	0.0209c	0.0166c
Capping Policy Applications	D&I - no capping applicable	Irrigation – Base year x PPI of 6.7% as per Water Pricing Strategy	SFRA – R10 per hectare [10,000c/m3] + Base year x PPI of 6.7% as per Water Pricing Strategy

### Proposed Tariffs 2023/24

In 2022/23 the Agency conducted consultations with stakeholders from the 28th of July 2022 to the 2nd of August 2022 on the proposed Water Resource Management Charges as mandated by section 57 of the National Water Act 1998 (Act 36 of 1998) as well as the Pricing Strategy for the financial year 2023/24. In formulating proposed tariffs for 2023/24, the Agency has fully aligned the process to the Pricing Strategy. The table below indicates that when registered volumes are applied to proposed tariffs, the Agency will report a financial loss of R57,7mil. The reported loss is due mainly because of a policy position that inhibits full cost recovery.

Sector	Registered volumes c/m3	Average tariffs at full cost recovery 2023/24 (unlegislated)	Revenue collectable when tariffs are at full cost recovery	Proposed tariffs with Pricing Strategy Capping (legislated)	Projected Revenue on proposed tariffs FY 2023-24	Under recovery of water charges
Agriculture	1,069,877,740	0.033c	R 71,039,882	0.0236c	R25,249,115	R 45,790,767
Forestry	428,320,284		R 10,879,335	0.0183c	R 7,838,261	R 3 041 074
D & I	448,718,101		R 29,794,882	0.0467c	R 20,955,135	R 8 839 747
<b>TOTAL</b>			<b>R 111,714,099</b>	<b>0.029c</b>	<b>R 54,042,511</b>	<b>R 57 671 588</b>

### Grant Subsidy Appropriated by Parliament

Albeit some moderate levels of economic restoration, national budgets continue to be under enormous pressure. It would be prudent to highlight that the application for funding for a parliamentary grant is continuously met with challenges emanating from the overall reduction of the national fiscus. Inadvertently, the Shareholder (the Minister of Water and Sanitation) approved and applied a lower than

anticipated percentage increase on augmentation. The downward adjustment of approximately R25million and R27million in 2020/21 and 2022/23, respectively constituted over 23% of expected revenue. The Agency realises that the current funding model does not fully support operations. Alongside advocating for change of the funding model, management has redefined its business by developing more efficient methods of delivering set outcomes; developed a concept document that identifies alternative revenue strategies and identified areas for extensive cost containment measures without stifling the business of the Agency.

The table below indicates applied increments of grant appropriated by parliament over a 5-year analysis which constituted 69% of the total revenue received in 2023/24.

Year	Funding required & applied for (R'000)	Approved & transferred (R'000)	Difference (R'000)	Annual per cent increment or reduction (-)
2019/20	R175,726	R175,726	R0	n/a
2020/21	R109,560	R84,375	-R25,185	-22.98%
2021/22	R88,861	R88,861	R0	5.32%
2022/23	R116,433	R89,394	-R27,039	-23.22%
2023/24	R128,235	Not yet approved	n/a	10,1%

### ***Customer Data Integrity***

Whilst initiatives have been identified to improve debtor payments, the Agency faces huge challenges emanating from the compromised integrity of the data as handed over by the transferor (DWS). This persistent challenge of poor quality of data in the year has resulted in 42% of the issued invoices returning as failed delivery. It then became apparent that data integrity is becoming the crux of debt management. With challenges stemming from data integrity, an institutional-wide project has been established that especially applies the elements of Integrated Water Resource Management. One of the key areas delivered by the project is to address some weaknesses with the Agency's reliance on an ageing infrastructure (WARMS). Risk predominately emanates from potential loss of data as there is no established off-site capability to store data as the National System does not allow for decentralised data management. This challenge presents an area of opportunity for the Agency to develop its own local network system that has the capability of interfacing with other critical systems, including WARMS.

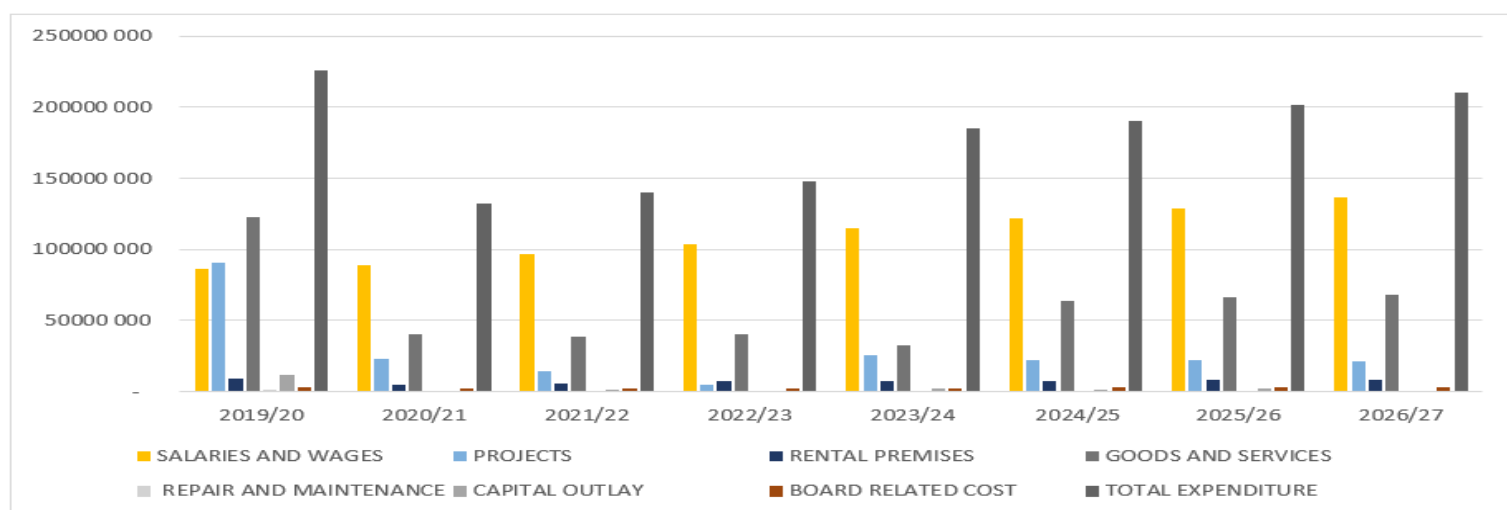
### ***Expenditure***

The overall budget of the Agency has been well aligned to all the outcomes as noted in the submitted document. The budget has been formulated on key principles, namely zero-based budgeting, enhanced reliance on internal capacity, cost containment measures as well as extrapolations - were warranted - that are market related. The budget presents 62% allocation of resources to staff costs and the remainder allocated to operational costs (36%), Board-related costs (1%) as well as capital outlay (1%). Management views the budget as a control tool that sets out parameters of operations; however, it is an imperative

management position to ensure that only expenditure that is fully cash backed up is approved. Where practicable, management will implement cost containment to ensure that budget parameters are cautiously observed. The detailed budget is presented as Annexure A.

**Table 5: Summary of the budget over the medium term**

DESCRIPTION	AUDITED			INITIAL PROPOSED BUDGET 2022/23	ADJUSTED BUDGET 2022/23	PROPOSED BUDGET 2023/24		PROPOSED BUDGET		
	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22					BUDGET 2024/25	BUDGET 2025/26	BUDGET 2026/27
SALARIES AND WAGES	86 125 956	89 197 705	96 939 142	116 224 320	104 090 322	114 864 901	62%	121 757 783	129 063 250	136 807 045
PROJECTS	90 957 384	23 437 643	14 063 396	29 077 106	5 035 000	25 463 250	14%	21 965 778	22 177 582	21 329 313
RENTAL PREMISES	9 455 028	4 860 000	5 552 964	6 720 000	7 051 328	7 088 000	4%	7 593 160	8 134 681	8 714 109
GOODS AND SERVICES	122 938 857	40 387 580	38 567 426	53 107 602	40 714 655	32 788 680	17%	63 472 372	66 833 777	68 266 299
REPAIR AND MAINTENANCE	1 714 056	453 000	518 850	288 000	375 182	667 445	1%	714 166	764 157	817 649
CAPITAL OUTLAY	11 983 031	630 000	1 573 650	2 000 000	198 982	2 000 000	1%	1 805 000	1 917 350	812 522
BOARD RELATED COST	3 050 034	2 000 000	2 110 000	3 298 000	2 500 000	2 675 000	1%	2 862 250	3 062 608	3 276 990
<b>TOTAL EXPENDITURE</b>	<b>225 811 935</b>	<b>132 668 285</b>	<b>139 709 068</b>	<b>174 917 922</b>	<b>147 879 141</b>	<b>185 547 276</b>	<b>100%</b>	<b>190 611 571</b>	<b>201 641 142</b>	<b>209 980 504</b>



To ensure the going concern of the Agency it becomes paramount that the Agency conservatively manages its costs and allocates available resources to activities that promote the delivery of identified outcomes. In achieving this, the Agency has ensured 53% allocation of its resources to the management and preservation of the resource. The Agency also appreciates that systems and human capital are fundamental to the delivery of all its outcomes. This is evidenced by an allocation of 26% percentage of the proposed budget to Human Resources and Business Support. Other key support functions, namely Administrative and Governance as well as Finance have been allocated 8% and 13%, respectively.

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

FUNCTION	AUDITED OUTCOME 2020/21	APPROVED BUDGET 2021/22	APPLIED BUDGET 2022/23	ADJUSTED BUDGET 2022/23	PROPOSED BUDGET 2023/24	% Allocation	PROPOSED BUDGET 2024/25	PROPOSED BUDGET 2025/26	PROPOSED BUDGET 2026/27
Administration & Governance	*	R12 006	R8 998	R12 120	R15 240	8%	R16 855	R17 723	R18 638
Board	R2 000	**	**	**	**	**	**	**	**
Office of the Chief Executive Officer	R7 264	****	****	****	****	****	****	****	****
Water Resource Management	R76 453	*****	*****	*****	*****	*****	*****	*****	*****
Protection and Use of Water Resources	*****	R73 303	R69 013	R73 878	R98 556	53%	R99 897	R102 691	R103 784
Governance & Support	R46 951	***	***	***	***	***	***	***	***
Human Resource an Business Support	****	R35 467	R46 492	R44 558	R48 463	26%	R50 060	R57 227	R62 835
Finance	****	R18 933	R23 376	R17 323	R23 288	13%	R23 800	R24 000	R24 724
<b>Total</b>	<b>R132 668</b>	<b>R139 709</b>	<b>R147 879</b>	<b>R147 879</b>	<b>R185 547</b>	<b>100%</b>	<b>R190 612</b>	<b>R201 641</b>	<b>R209 981</b>

\* 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

#### Programme 4 – (Outcome 4: Protection and use of water resources)

Availability of water 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. This will be ensured through implementation of the Integrated Water Quality Management Strategy. The inseparable interaction of water quantity and water quality clearly exists in any water resource system. Unfortunately, the management and regulation of water quantity and quality is not currently treated in an integrated fashion. Integrating water quantity and quality issues in water resources management will alleviate many of the problems that exist between water users and water managers/administrators.

The public is demanding improvements in the conservation of water quantity and quality and this will position the IUCMA towards the socio-economic impact. These impacts must be studied at the regional or river basin scale, and not be limited to localised impacts. In addition, evaluation of water rights and transboundary agreements must also be a critical consideration.



A comprehensive river basin network flow and water rights simulation model is needed that can be incorporated into a decision support system for simultaneously assessing water quantity and quality impacts on both surface water and groundwater, while analysing the effects of implementing improved irrigation practices on total flows in the river, water quality from wastewater treatment plants and water rights.

The strategy would be able to demonstrate the intricate relationships between water quality and water quantity in a river basin. This relationship plays an important role in determining the most appropriate way of managing a river system, such that both the quality criteria and the quantity criteria are considered in an unbiased fashion. Water regime is a driving force to sustain health and integrity of an ecosystem but in recent decades, with rapid economic development, water shortage and water quality deterioration have seriously influenced aquatic ecosystems and this has led to the science of environmental flow assessment that has been established since the 1990s. Assessment of environmental flow is the basis from which to solve ecological problems caused by water shortage and pollution. This can provide a scientific guide for water management, regulation, and configuration within the WMA.

Principles of integrated water quality management strategy within the IUCMA are thus:

- Improving source management controls and measures in order to limit and control point sources that significantly impact on the quality of the water resource;
- Improving the management of the water resources by conducting effective monitoring, assessment and reporting
- Maintaining or improving the water quality of the resources to ensure fitness for use for all water users through compliance to the RQOs, IWQG, TWQGs; and
- Identifying hotspots and implementing targeted measures to progressively improve the quality of the water resource.

## **6. 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 Agency provides value to its stakeholders to be able to effectively deal with uncertainty, associated risks, and opportunities. The risks identified will enable the Agency to effectively mitigate against any events that may impede achievement of its strategy.

The Agency has developed a risk appetite and tolerance framework aimed at defining the allocation of resources for management and monitoring of mitigation strategies. A combined assurance framework was developed to align assurance processes between internal audit and other assurance providers to deliver deeper insights on governance, risk, and control management to senior management and the Governing Board Committees.



**Table 5: Strategic risks and mitigation actions**

RISK NUMBER	STRATEGIC OUTCOME	RISK DESCRIPTION	RISK DESCRIPTION EXPLAINED
STR1	Outcome 1: Increased stakeholder satisfaction	stakeholder dissatisfaction	Linked to the APP targets, the IUCMA seeks to eliminate any risk exposure to stakeholder relations, and increased stakeholder satisfaction.
STR2	Outcome 2: Enhanced human resources and business capabilities	Unsatisfied human resources.	Human resource is regarded as one of the most important elements to keep the business going within the IUCMA. With the approved HR policies and employee's wellness programmes in the institution, the risk of unsatisfied human resources is controlled. Continuous improvement plans are put in place to improve and minimise the risk exposure.
STR 3	Outcome 2: Enhanced human resources and business capabilities	Unsustainable ICT systems.	ICT is regarded as key IUCMA business enabler. The ICT strategy and MSP are approved and implemented, to ensure efficient business software applications systems are applied.
STR4	Outcome 3: Maintain financial sustainability	Unsustainable IUCMA financial resources.	The current revenue trajectory of the IUCMA is not sustainable therefore, a plan to optimise the revenue and resource allocation cycles is developed to have a financial trajectory that would create a sustainable future capital base.
STR5	Outcome 4: Protected water resources	Decline in water security.	Availability of water within the WMA is a serious challenge and is a powerful force that requires attention.

## PART D: TECHNICAL INDICATOR DESCRIPTIONS

### Programme 1: Administration and Governance

INDICATOR TITLE	PERCENTAGE IMPLEMENTATION OF A STAKEHOLDER ENGAGEMENT PLAN
Definition	To depict that the organisation implemented the 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</p> $y = a/b \times 100$ <p>Where:</p> <p>y is the percentage compliance with the Stakeholder Engagement Plan</p> <p>a is total number of engagement milestones achieved</p> <p>b is total number of milestones planned</p>
Means of verification	Reports showing that engagement took place with stakeholders
Assumptions	Reliable records of engagement with stakeholders
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	Executive Manager: Water Resources Management

INDICATOR TITLE	PERCENTAGE IMPLEMENTATION OF A COMMUNICATION PLAN
Definition	To depict that the organisation complied with the planned deliverables set out in the Communication Plan of the IUCMA
Source of data	Records showing achievement of Communication Plan deliverables
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 80 \text{ (Annual)}$ $y = a/b \times 20 \text{ (Quarterly)}$ <p>Where:</p> <p>y is the percentage compliance with the Communication Plan</p> <p>a is total number of planned activities achieved</p> <p>b is total number of planned activities</p>
Means of verification	Reports showing that communication activities took place
Assumptions	Reliable records of communication activities
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	Executive Manager: Corporate Services

INDICATOR TITLE	PERCENTAGE IMPLEMENTATION OF A HUMAN RESOURCE IMPLEMENTATION PLAN
Definition	To depict that the organisation implemented planned deliverables set out in the Human Resource Plan of the IUCMA
Source of data	Records showing achievement of Human Resource Plan deliverables
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where:</p> <p>y is the percentage actual implementation of the plan</p> <p>a is total number of planned activities achieved</p> <p>b is total number of planned activities</p>
Means of verification	Reports showing that communication activities took place
Assumptions	Reliable records of communication activities
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	Executive Manager: Corporate Services

## Programme 2: Human resources and Business Support

INDICATOR TITLE	PERCENTAGE IMPLEMENTATION OF THE ICT STRATEGY
Definition	Measures implementation of the ICT strategy
Source of data	Documents showing evidence that the ICT strategy was developed and approved, and those showing implementation of the ICT strategy
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where:</p> <p>y is the percentage implementation of the ICT strategy</p> <p>a is actual number of activities achieved</p> <p>b is total number of planned activities</p>
Means of verification	Inspection of records showing that the ICT strategy elements are being implemented.
Assumptions	None
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Indicator measured qualitatively
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive – Corporate Services



INDICATOR TITLE	PERCENTAGE OF IDENTIFIED COBIT GAPS ADRESSED
Definition	Measures progress in addressing the ICT governance gaps that were identified
Source of data	Documents showing evidence that the ICT governance gaps that were identified are being addressed
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where:</p> <p>y is the percentage of identified COBIT gaps addressed</p> <p>a is actual number of COBIT activities achieved</p> <p>b is total number of planned activities</p>
Means of verification	Inspection of records showing that the ICT governance gaps are being addressed.
Assumptions	None
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Indicator measured qualitatively
Reporting cycle	Quarterly
Desired performance	Performance higher than expectations is desirable
Indicator responsibility	Executive – Corporate Services

### Programme 3: Finance

INDICATOR TITLE	WORKING RATIO (cash based)
Definition	The indicator measures the efficiency of cost management of the IUCMA and the extent to which costs are covered by the revenue of the organisation
Source of data	Financial records
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where:</p> <p>y = working ratio</p> <p>a = total operating expenditure</p> <p>b = total revenue</p>
Means of verification	Operating activities from cashflow statement
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 (Healthy Book)
Definition	The indicator measures the amount of debt recovered from healthy debt. This portion of debt represents billables raised post November 2017 by the Agency.
Source of data	Financial records
Method of calculation or assessment	<p>The indicator will be calculated in a quantitative manner</p> $y = a/b * 100$ <p>Where:</p> <p>y = debt collection ratio for healthy book</p> <p>a = total debt recovered from healthy book</p> <p>b = total healthy debt outstanding</p>
Means of verification	Payment reports and general ledger
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 indicator measures the amount of debt recovered from the toxic debt. This part of the debt was transferred to the Agency in November 2017 by the DWS and represents debt that has very low recoverability rate.
Source of data	Financial records
Method of calculation or assessment	<p>The indicator will be calculated in a quantitative manner</p> $y = a/b * 100$ <p>Where:</p> <p>y = debt collection ratio for toxic book</p> <p>a = total debt recovered from toxic book</p> <p>b = total toxic debt outstanding</p>
Means of verification	Payment reports and general ledger
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	DEBTORS PAYMENT PERIOD IN DAYS (HEALTHY BOOK)
Definition	The indicator measures the amount of days it takes for the debtors to pay their outstanding debt.
Source of data	Financial records
Method of calculation or assessment	<p>The indicator will be calculated in a quantitative manner</p> $y = a/b \times \text{corresponding period}$ <p><math>y</math> = debtors payment period in days</p> <p><math>a</math> = total debt</p> <p><math>b</math> = total sales for the period</p>
Means of verification	Billing reports and general ledger
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 ability of the organisation to pay its short-term debts as they fall due.
Source of data	Financial records
Method of calculation or assessment	<p>The indicator will be calculated in a quantitative manner</p> $y = a:b$ <p>Where :</p> <p>y = current ratio</p> <p>a = current assets</p> <p>b = current liabilities</p>
Means of verification	General ledger
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

#### Programme 4: Water Resource Management

INDICATOR TITLE	RESOURCE QUALITY STATUS REPORT
Definition	The indicator measures the capacity of the organisation to report on the resource quality status (quality, quantity, biota) in the water management area
Source of data	Quarterly and annual reports on resource quality status
Method of calculation or assessment	Performance of this indicator will be calculated in a qualitative manner: 4x quarterly reports 1x annual report
Means of verification	-Quarterly reports (Q1-Q4) will include quality and quantity status excluding the biota report. Biota will only be in the annual report.  -Annual report
Assumptions	Reliable resource quality status reports produced
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 TITLE	PERCENTAGE MONITORING OF COMPLIANCE WITH RESOURCE QUALITY OBJECTIVES
Definition	The indicator measures the capacity of the organisation to monitor the compliance to the Resource Quality Objectives that were set by the Department of Water and Sanitation
Source of data	Quarterly report on the compliance to the resource quality objectives  Resource quality monitoring data (quality and quantity)
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner  $y = a/b \times 100$  Where:  y is a percentage of EWR sites monitored  a is the actual number of EWR sites monitored  b is the total number of EWR sites planned for monitoring
Means of verification	Reports showing compliance with Resource Quality Objectives  Inspection reports
Assumptions	Reliable records showing compliance with the set Resource Quality Objectives
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	Executive: Water Resources Management

INDICATOR TITLE	PERCENTAGE COMPLIANCE TO INTERNATIONAL OBLIGATIONS
Definition	The indicator measures capacity of the organisation to monitor compliance to international obligations in terms of the treaties that were entered into with regional countries that South Africa share the river basins with
Source of data	Reports on monitoring compliance to international obligations
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where:</p> <p>y is a percentage of International Obligation sites monitored</p> <p>a is the actual number of International Obligation sites monitored</p> <p>b is the total number of International Obligation sites planned for monitoring</p>
Means of verification	Reports showing monitoring of compliance to international obligations
Assumptions	Reliable records showing compliance to international obligations
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	Executive: Water Resources Management

INDICATOR TITLE	PERCENTAGE OF PLANNED INSPECTIONS FOR QUALITY-RELATED USES
Definition	The indicator measures the capacity of the organisation to conduct planned inspections on quality related uses
Source of data	Reports (feedback letters, file notes, inspection/audit reports) showing inspections on quality related uses
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where:</p> <p>y is a percentage of inspections for quality related uses</p> <p>a is the actual number of inspections conducted for quality related uses</p> <p>b is the total number of planned inspections for quality related uses</p>
Means of verification	Evidence/reports showing total inspections for quality related uses
Assumptions	Reliable records of uses inspected
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	Executive: Water Resource Management



INDICATOR TITLE	PERCENTAGE OF PLANNED INSPECTIONS FOR QUANTITY RELATED USES
Definition	The indicator measures the capacity of the organisation to conduct planned inspections on quantity related uses
Source of data	Reports(feedback letters, file notes, inspection/audit reports) showing inspections on quantity related uses
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where</p> <p>Y is a percent of inspections for quantity related uses</p> <p>a is the actual number of inspections conducted for quantity related uses</p> <p>b is the total number of planned inspections for quantity related uses</p>
Means of verification	Evidence/reports showing total inspections for quantity related uses
Assumptions	Reliable records of uses inspected
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	Executive: Water Resource Management

INDICATOR TITLE	PERCENTAGE OF ENFORCEMENT ACTION TAKEN AGAINST NON-COMPLIANT USERS
Definition	The indicator measures the monitoring and enforcement capacity of the organisation such that enforcement actions are taken against non-compliant users
Source of data	Reports (notices, directives and criminal cases, interdicts) showing enforcement action taken against non-compliant users
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner</p> $y = a/b \times 100$ <p>Where:</p> <p>y is a percentage of enforcement action taken against non-compliant users</p> <p>a is the number of enforcement action taken against non-compliant users</p> <p>b is the total number of non-compliant users</p>
Means of verification	Evidence/reports showing total number of enforcement actions
Assumptions	Reliable records of enforcement taken
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	Executive: Water Resource Management

INDICATOR TITLE	PERCENTAGE OF APPROVED WATER USE AUTHORISATIONS REGISTERED ON WARMS
Definition	The indicator measures the capacity of the organisation to capture the approved authorisations 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 authorisations or declared ELU on the WARMS database</p> <p>b is the total GAs confirmed/Authorisations issued by the DWS/ ELU declared</p>
Means of verification	Approved authorizations and confirmed GAs & ELU
Assumptions	Reliable records showing approved authorisations, 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

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
Method of calculation or assessment	<p>Performance of this indicator will be calculated in a quantitative manner as;</p> $y = a/b \times 100$ <p>Where:</p> <p>y is a percentage of water use authorisations processed within the regulated timeframe</p> <p>a is the actual number of processed water use authorisations within the regulated timeframes</p> <p>b is the total number of water use authorisations planned.</p>
Means of verification	Processed water use authorisations
Assumptions	Reliable records showing applications for authorisations
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	Executive: Water Resources Management

## ANNEXURE A – Detailed Budget

DESCRIPTION	AUDITED BUDGET			APPLIED BUDGET 2022/23	ADJUSTED BUDGET 2022/23	PROPOSED BUDGET 2023/24	PROPOSED BUDGET		
	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22				BUDGET 2024/25	BUDGET 2025/26	BUDGET 2026/27
<b>SALARIES AND WAGES</b>									
BASIC SALARIES	83 854 104	88 376 170	95 506 544	96 890 322	104 090 322	113 168 309	119 958 407	127 155 912	134 785 266
PERFORMANCE AWARD	2 271 852	821 535	1 432 598	-	-	1 696 592	1 799 376	1 907 339	2 021 779
<b>TOTAL SALARIES AND WAGES</b>	<b>86 125 956</b>	<b>89 197 705</b>	<b>96 939 142</b>	<b>96 890 322</b>	<b>104 090 322</b>	<b>114 864 901</b>	<b>121 757 783</b>	<b>129 063 250</b>	<b>136 807 045</b>
<b>GOODS AND SERVICES</b>									
EXTERNAL AUDIT FEES	255 312	300 000	316 500	500 000	500 000	500 000	400 000	350 000	300 000
INTERNAL AUDIT SERVICES	-	-	-	800 000	800 000	850 000	500 000	1 000 000	600 000
SECURITY SERVICES	-	-	-	480 000	480 000	480 000	456 000	480 000	500 000
GARDENING SERVICES	-	-	-	60 000	66 641	70 000	74 900	80 143	85 753
PROVISION FOR BAD DEBT	-	-	-	21 902 096	12 903 463	13 510 628	14 297 334	15 131 222	16 015 215
ADVERTISING AND MARKETING	1 189 728	290 000	410 350	100 000	100 000	555 000	253 500	257 245	161 252
TRAINING AND DEVELOPMENT	2 932 992	1 050 000	1 160 500	800 000	1 400 000	1 100 000	1 177 000	1 259 390	1 347 547
EXTERNAL BURSARIES	-	-	527 500	350 000	450 000	481 500	515 205	551 269	589 858
BANK CHARGES	130 416	70 000	127 720	144 000	28 487	30 481	32 615	34 898	37 341
CELLPHONE CHARGES	-	855 000	1 070 925	1 400 000	1 380 049	1 476 652	1 580 018	1 690 619	1 808 963
CELLPHONE CONTRACT	1 408 836	21 500	127 683	-	-	-	-	-	-
CLEANING	47 616	44 679	47 137	120 000	120 193	128 607	137 609	147 242	157 549
PROJECTS	90 957 384	23 437 643	14 063 396	5 035 000	5 035 000	25 463 250	21 965 778	22 177 582	21 329 313
COURIER CHARGES	55 704	61 274	64 644	20 000	36 053	38 577	41 277	44 166	47 258
CONSUMABLES	227 496	163 000	217 918	60 000	22 394	60 000	70 700	75 194	79 502
ELECTRICITY	1 123 200	625 510	960 000	1 334 000	1 298 093	1 388 960	1 486 187	1 590 220	1 701 535
WATER	52 044	16 161	17 050	36 000	11 768	12 592	13 473	14 416	15 425
REFUSE REMOVAL	-	8 149	8 597	30 000	-	-	-	-	-
FINANCE CHARGES	55 008	95 741	101 007	60 000	4 768	5 102	5 459	5 841	6 250
INSURANCE	174 072	191 483	202 014	800 000	900 000	963 000	1 030 410	1 102 539	1 179 716
LEGAL FEES	764 196	1 000 000	1 070 825	400 000	400 000	1 400 000	1 498 000	1 602 860	1 715 060
FUEL	99 996	140 000	154 700	200 000	166 974	178 662	191 169	204 550	218 869
TOLL GATES	24 492	26 935	46 417	30 400	13 000	13 910	14 884	15 926	17 040
VEHICLE HIRE	424 011	95 000	364 950	240 000	83 584	50 000	53 500	57 245	61 252
TRAVEL & SUBSISTANCE	3 840 030	1 385 000	2 929 475	400 000	1 832 588	1 888 588	1 983 544	2 111 492	2 258 562
PRINTING & STATIONERY	324 828	269 352	919 416	500 000	166 173	537 805	190 251	203 569	217 819
RENTAL PREMISES	9 455 028	4 860 000	5 552 964	6 500 000	7 051 328	7 088 000	7 593 160	8 134 681	8 714 109
RENTAL OFFICE EQUIPMENT	261 684	12 766	80 000	260 000	59 872	300 000	321 000	343 470	367 513
PROFESSIONAL REGISTRATION FEES	500 280	260 000	333 290	200 000	96 135	102 864	110 065	117 770	126 013
ACCOMMODATION	2 843 976	1 075 000	2 702 700	400 000	599 425	800 000	850 979	910 057	973 271
PROTECTIVE CLOTHING	727 500	80 000	411 450	600 000	805 000	1 000 000	1 070 000	1 144 900	1 225 043
CHEMICAL ANALYSIS	1 899 000	3 000 000	3 165 000	2 600 000	2 407 197	3 000 000	3 210 000	3 434 700	3 675 129
INTERNATIONAL TRAVEL	1 337 136	60 000	153 075	100 000	100 000	300 000	321 000	343 470	367 513
TELEPHONE & FAX	572 292	404 028	426 250	829 323	850 000	909 500	973 165	1 041 287	1 114 177
RELOCATION COSTS	158 256	150 000	158 250	70 000	63 800	100 000	535 000	572 450	612 522
CONFERENCE FACILITIES	1 015 104	250 000	521 450	400 000	329 156	525 493	400 678	476 555	504 244
WORKMENS COMPENSATION	81 240	89 359	94 273	130 000	103 514	110 760	118 513	126 809	135 686
RECRUITMENT S&T	-	-	60 000	50 000	50 000	-	-	-	-
<b>TOTAL GOODS AND SERVICES</b>	<b>122 938 857</b>	<b>40 387 580</b>	<b>38 567 426</b>	<b>47 940 819</b>	<b>40 714 655</b>	<b>65 339 931</b>	<b>63 472 372</b>	<b>66 833 777</b>	<b>68 266 299</b>
<b>REPAIR AND MAINTENANCE</b>									
COMPUTERS	1 145 412	400 000	239 150	40 000	108 234	115 810	123 917	132 591	141 873
MOTOR VEHICLES	300 000	-	190 000	228 000	200 000	480 000	513 600	549 552	588 021
OFFICE FURNITURE & EQUIPMENT	268 644	53 000	89 700	80 000	66 948	71 634	76 649	82 014	87 755
<b>TOTAL REPAIR AND MAINTENANCE</b>	<b>1 714 056</b>	<b>453 000</b>	<b>518 850</b>	<b>348 000</b>	<b>375 182</b>	<b>667 445</b>	<b>714 166</b>	<b>764 157</b>	<b>817 649</b>
<b>CAPITAL OUTLAY</b>									
COMPUTERS	3 817 500	300 000	346 500	100 000	100 000	500 000	535 000	572 450	612 522
OFFICE FURNITURE & EQUIPMENT	8 165 531	330 000	800 000	100 000	98 982	500 000	200 000	200 000	200 000
MOTOR VEHICLES	-	-	427 150	-	-	1 000 000	1 070 000	1 144 900	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>11 983 031</b>	<b>630 000</b>	<b>1 573 650</b>	<b>200 000</b>	<b>198 982</b>	<b>2 000 000</b>	<b>1 805 000</b>	<b>1 917 350</b>	<b>812 522</b>
<b>BOARD RELATED COST</b>									
BOARD OPERATIONAL COSTS	1 653 894	1 050 000	1 107 750	500 000	500 000	535 000	572 450	612 522	655 398
BOARD FEES	1 396 140	950 000	1 002 250	2 000 000	2 000 000	2 140 000	2 289 800	2 450 086	2 621 592
<b>TOTAL BOARD RELATED COST</b>	<b>3 050 034</b>	<b>2 000 000</b>	<b>2 110 000</b>	<b>2 500 000</b>	<b>2 500 000</b>	<b>2 675 000</b>	<b>2 862 250</b>	<b>3 062 608</b>	<b>3 276 990</b>
<b>GRAND TOTAL</b>	<b>225 811 935</b>	<b>132 668 285</b>	<b>139 709 068</b>	<b>147 879 141</b>	<b>147 879 141</b>	<b>185 547 276</b>	<b>190 611 571</b>	<b>201 641 142</b>	<b>209 980 504</b>



## **ANNEXURE B – Reviewed Strategic Plan**

The Public Finance Management Act, 1998 (Act 108 of 1998) (PFMA), section 52 requires submission of accountability documents, thus the Strategic Plan (SP), Annual Performance Plan (APP) and the Quarterly Reports to the Shareholder, which is a compliance imperative. The business imperative is that the IUCMA will be able to outline its value creation process to the Shareholder and the Stakeholder community at large.

The Department of Monitoring and Evaluation (DPME) framework for Strategic Plans and Annual Performance Plans outlines the timelines for submission of the accountability documents. The essence of the framework is articulation of the Theory of Change (ToC) of entities in preparation of Strategic Plans and Annual Performance Plans using the ToC as the basis. Review of the Strategic Plan was made in the following key areas:

- The constitutional and policy mandates were updated to include key principles of the National Water Resources Strategy 3, the key elements of the Presidential Committee on the Fourth Industrial Revolution, including the applicable elements of the Economic Reconstruction and Recovery Plan.
- The situational analysis was updated to include the impacts of climate change, industrial revolutions in the water sector, an analysis of the state of water resources, water quality of the Water Management Area, water quantity in the Water Management Area, state of the South African economy and developments in transboundary catchment management.

New outcome indicators and targets were drafted and selected related to Information and Communication Technology in response to developments due to the Fourth Industrial Revolution, Internet of Things and big data in the water sector. This new outcome indicator will position the IUCMA towards a response to position the organisation in digital transformation.

Empowered Workforce is the second new outcome indicator and target developed; this is owing to the human resource strategy developed to ensure employee satisfaction. Strategic Human Resource Management creates an enabling environment for the survival and performance of the institution to help it achieve its strategic goals and objectives. The institution is committed to its values and principles towards its human capital through the implementation of human resource functions such as staffing (recruitment and selection), onboarding, talent management and retention, remuneration, sound labour relations, training and skills development, leadership, and change management.

Owing to the current revenue trajectory of the IUCMA, and the initiatives carried out in Verifications and Validations, the level of Water Resource Levy to total revenue was revised to 40% as the initial 50% set target would not be achieved.

An outcome indicator initially set for Outcome 4, was also reviewed owing to the integrated water resource management approach that was adopted by the IUCMA. The integrated approach will enable effectiveness of IUCMA performance and position it towards the desired impact.

Below is the table: Outcomes, indicators and targets

	<i>Amended</i>
	<i>Retired</i>

#### FORMER

Outcome	Outcome indicator	Baseline	Five-year target
Outcome 1: Increased stakeholder satisfaction	Satisfaction levels perceived by stakeholders	Baseline stakeholder satisfaction index to be determined	Improved stakeholder satisfaction levels
Outcome 2: Enhanced human resources and business capabilities	A healthy, high performance and results-oriented culture	Baseline culture survey to be conducted	Improved organisational culture
	Inclusive, learning and enabling organisation	Strategic Workforce Plan to be developed	Implemented Strategic Workforce Plan
	ICT enabled and digitally transformed organisation	ICT strategy developed	Implemented ICT strategy
		COBIT assessment conducted	Gaps identified on the COBIT assessment addressed
		ICT Architecture assessment conducted	Gaps identified on the ICT Architecture assessment addressed
Outcome 3: Maintain financial sustainability	Percentage of revenue generated from resource management levies to total revenue	34%	40%
Outcome 4: Protection and use of water resources	Preventing deteriorating resource quality (quantity, quality and biota)	Resource Quality (quality, quantity and biota) status report	Improvement on the baseline water quality, quantity and eco status
	Resource Quality (quality, quantity and biota) status	Annual resource quality status report	5-year resource quality status report
	Existing lawful water use	Lower Komati – 79,7% Crocodile – 74,3% Sabie Sand – 50,6%	Lower Komati – 100% Crocodile – 100% Sabie Sand – 100%

## REVIEWED

Outcome	Outcome indicator	Baseline	Five-year target
Outcome 1: Increased stakeholder satisfaction	Satisfaction levels perceived by stakeholders	Employee satisfactory survey recommendations and report were produced	Improved stakeholder satisfaction levels
	Empowered workforce	Approved human resource strategy	Implemented human resource strategy
	ICT enabled and digitally transformed organisation	ICT strategy developed	Implemented ICT strategy
		COBIT assessment conducted	Gaps identified on the COBIT assessment addressed
Outcome 3: Maintain financial sustainability	Percentage of revenue generated from resource management levies to total revenue	34%	40%
	Resource Quality (quality, quantity and biota) status	Annual resource quality status report	5-year resource quality status report
	Existing lawful water use	Lower Komati – 79,7% Crocodile – 74,3% Sabie Sand – 50,6%	Lower Komati – 100% Crocodile – 100% Sabie Sand – 100%







# ANNUAL PERFORMANCE PLAN

*Financial year 2023/24*



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