



ERWAT: Third Quarter Departmental Performance Reporting Template

2023/24 QUARTERLY REPORTING TEMPLATE AGAINST THE APPROVED BUSINESS PLANS

1. Executive Summary by the Department

ERWAT's key performance areas are aimed at ensuring sustainable delivery of sanitation services with current resources and seeking to address backlogs in the provision of sanitation to the wider City of Ekurhuleni (CoE) area. Aligned to the priorities of CoE, ERWAT must ensure that it has sufficient wastewater treatment capacity to meet current and future demands. The entity has dedicated its Capex programme for this year, to renew/replace infrastructure and ensuring continuity in wastewater treatment during daily loadshedding events, through the installation of generators where necessary. The departmental performance areas of ERWAT are focused on investment into the entity's infrastructure, which is central to CoEs and the country's development goals. The performance areas further focus on the protection of the environment through improved quality of effluent discharges and adherence to best practices, clean public administration, sustainable financial management and increasing external revenue streams towards becoming self-sustainable.

ERWATs performance in Quarter 3 of 2023/2024 was above average and improved slightly compared to Quarter 2. The entity achieved six (6) out of the ten (10) reportable indicators, three quarters through the financial year, as shown in Table A, below. There is in total fourteen (14) performance indicators following the mid-year adjustment process, comprising of one (1) city wide indicator and thirteen (13) departmental indicators. Of the fourteen (14) performance indicators, one (1) city-wide indicator and nine (9) departmental indicators are reportable in Quarter 3. In addition, the outcome of the mid-year adjustment process was the discontinuation of two indicators, which includes the number of Green Drop certified works measured by the Department of Water and Sanitation (DWS) and the Percentage expenditure on repairs and maintenance. For the current year, the Green Drop Status is measured by ERWATs internal assessment and the expenditure on repairs and maintenance is replaced with the Circular 88 indicator for repairs and maintenance as a percentage of Property, Plant, Equipment and Investment Property. Both these indicators which have replaced the discontinued indicators, are measurable in Quarter 4.

Service Delivery Monitoring					
	Total number of targets	Total number of targets set for the quarter	Achieved	Not achieved	Variance
City Wide SDBIP	1	1	0	1	1
Department SDBIP	13	9	6	3	3

Table A: Summary of Service Delivery Performance

ERWAT is committed to the strategic direction of CoE, but due to extraneous circumstances has missed the city-wide target indicator for wastewater treatment capacity unused. The expected performance was not met, due some of the works receiving higher than normal flows, resulting mainly from stormwater ingress and higher rainfall. However, the entity has continued to ensure that the environment is not polluted, and that procurement of goods and services were not hampered, also focusing on prioritising the SMMEs allocations and prioritisation of procurement in the municipal area. This was further reinforced by good margins for external revenue generation.

However, the variance in the performance is due to ERWAT not achieving four (4) of the fourteen (14) reportable indicators in Quarter 3. As mentioned earlier, the city-wide indicator target for wastewater treatment capacity unused was not met. Similarly, there were three departmental targets that were not achieved, and these included, expenditure on capital projects, the total operating expenditure as a percentage of the budget and the target for Irregular, fruitless and wasteful, unauthorised expenditure were not met. The mitigation measures for these unmet targets revolve around exploring different options for funding infrastructure upgrading requirements and accelerating project timelines and maintenance of critical infrastructure, combined with streamlining the procurement process through the optimisation of internal controls, delegations and authorisations. A dedicated joint task team was established with a specific focus to monitor progress on these initiatives regularly. In addition, there are also action plans to accelerate the recruitment of staff by the end of the financial year. These interventions have yielded some positive results so far, which should become more evident in the near future.

ERWAT with the support of City of Ekurhuleni is making good progress towards the feasibility assessment phases of the Mega Catalytic projects, which also forms part of the entity's 50-year Regionalisation plan to accommodate new developments within the City of Ekurhuleni. Dependent on obtaining the necessary funding, the implementation phases are next to commence. The planned capacity upgrade needs of the Water Care Works are critical for the current backlog in capacity and to make provision for future housing and industrial developments. ERWAT is working hard to close the short-term gaps and to ensure that the capex budget allocation is fully utilised before the end of the current financial year. However, there remains a significant shortfall in the in the Capex funding requirements for ERWAT to implement the 5-year capex programme, to upgrade of the Water Care Works.

2. Service Delivery Monitoring

2.2 CITY-WIDE SDBIP

KPI 1 – City-Wide

Percentage of wastewater treatment capacity unused

Method of Measure

The percentage of wastewater treatment capacity unused. Sewer treatment capacity refers to the maximum amount of sewage that a facility is allowed to treat or to direct to a particular reuse or effluent disposal system. This refers to the collective available design capacity of all facilities servicing the municipal area. 'Available design capacity' refers to the overall design capacity that is available on a daily basis. If part of the treatment facility requires refurbishment or is not in operation this should be excluded from 'available design capacity'.

Evidence

Dated and signed report indicating actual flow received and treated per WCW and totalised for ERWAT system (19 WCW) drawn from LIMS (Laboratory Information Management System), in conjunction with the original or re-graded design hydraulic capacity (available capacity) per WCW for the ERWAT system (total of 19 WCW).

Q3 Target

-50%

Q3 Actual

-55%

Comment

The target has not been met. The net difference between the target and actual is a negative variance of 5%.

Reasons for Variance

Water Care Works received increased flows due to significant storm water ingress into the sewer lines (heavy rainfall).

Remedial Actions

The implementation of the capacity upgrade or extension is subject to the availability of funds. The currently allocated MTREF does not have provision for any Capacity Upgrade or Extension projects, ERWAT require additional funding on the current allocations.

KPI 2 – Departmental SDBIP

Total revenue generated from external business.

Method of Measure

Increased Commercial Business revenue generated from commercial sources (Absolute Rand Value per quarter). The indicator target is measured across the Quarters Revenue generated from: External Income (none NDA).

Evidence

Invoices - (The invoices to be coupled with general ledger with a balance that agree to the amount reported for SDBIP purposes)

Q3 Target

R 7 500 000

Q3 Actual

R7 992 680.92

Comment:

The target for the third quarter of R7 500 000.00 in external revenue was achieved with a positive variance of R492 680.92

Reason for Variance

The target was achieved because existing projects were maintained.

Remedial Action

Target was achieved and the focus is to maintain current projects and prevent attrition.

KPI 3 – Departmental SDBIP

Audit Opinion

Method of Measure

The Audit Opinion is defined by the Auditor General. It is given across a qualitative, ordinal scale including Unqualified with no findings; Unqualified with findings; Qualified with findings; Adverse with findings; and disclaimed with findings. For those who have not completed the process 'Outstanding audits' are recorded.

Evidence

Dated and signed Audit report from Auditor General South Africa (AGSA).

Q3 Target

N/A

Q3 Actual

N/A

Comment:

N/A

Reason for Variance

N/A

Remedial Action

N/A

KPI 4 – Departmental SDBIP

Percentage compliance with wastewater treatment works license conditions and/or exemptions standards

Method of Measure

The indicator measures the compliance of wastewater works effluent to the requirements of biological and chemical indicators as per the water use license granted by the Regulator. It is calculated by dividing the number of determinants complying to the Water Use Authorization with the total number of determinants.

Evidence

Water quality analyses of each Wastewater Treatment Works (from the LIMS) is downloaded. Spreadsheet used to calculate average compliance of each of the 3 compliance categories and then the average of the 3 categories gives the overall compliance per WCW and then ERWAT system (19 WCW). Applicable Water use authorization limits of each Wastewater Treatment Works.

Q3 Target

75%

Q3 Actual

85%

Comment

KPI Achieved

Reason for Variance

The entity achieved the 75% quarterly target by a positive variance of 10%. This was due to the following reasons:

1. Slight increase in availability of critical equipment directly impacting final effluent water quality.
2. Decrease in detectable Industrial pollution incidents.
3. Stormwater ingress during heavy rainfall dilutes the strength of the incoming flows. (Refer hydraulic and organic loading of the WCW)

It is important to take note that although the target was achieved, serious ongoing challenges remain. These challenges are discussed below as well as under Section 3.

The following operational challenges are experienced on an ongoing basis at the WCW operated by ERWAT:

1. Industrial pollution
2. Critical equipment failures
3. Loadshedding/power outages
4. Chemical shortages

1. Industrial pollution incidents:

The WCWs (water care works) listed in the Table below received industrial pollution during Quarter 3. The pollution impacts negatively on the biochemical treatment processes, the operation of the Works and subsequently impact the ability of the Works to meet the final effluent compliance levels. The total number of industrial pollution incidents decreased in Q3 as compared to Q2, due to heavy rainfall with increased stormwater ingress into the sewer lines as detailed in the Table below.

(Refer Section 3.4 for further details of organic loading per WCW)

Hartebeestfontein, Olifantsfontein, Esther Park, Ancor, Jan Smuts, Dekema, Rondebult and Heidelberg WCW were heavily impacted by industrial pollution. Even though ERWAT monitor, sample, analyse and report daily to CoE the industrial pollution received at the various WCW it is often too late to track the source once the pollution enters the WCW due to the vast sewer networks. It should also be noted that even though some of the WCW listed in the Table met the final effluent compliance target, they are still negatively impacted by industrial pollution on specific days.

WCW	Number Of Industrial Pollution Incidents during Q3	Number Of Industrial Pollution Incidents during Q2
Olifantsfontein	20	38
Hartebeestfontein	37	79
Benoni	2	0
Rynfield	1	0
Esther Park	15	38
Ancor	18	41
Daveyton	3	8
JP Marais	3	2
Jan Smuts	8	10
Welgedacht	0	1
Heidelberg	28	49
Carl Grundling	0	1
Tsakane	4	13
Herbert Bickley	6	36
Dekema	0	15
Rondebult	12	26
Vlakplaats	2	10
Total incidents	159	320

2. Critical equipment failures

The following WCWs experienced critical equipment failures impacting directly on the effluent compliance. The critical equipment failures are expressed as a % of the number of duty critical equipment failures over the reporting period divided by the total number of duty critical equipment that directly impacts final effluent water quality.

WCW	% of critical equipment not available Q3 2023/2024	% of critical equipment not available Q2 2023/2024
Ancor	4%	4%
Benoni	26%	36%
Carl Grundlingh	12%	0%
Daveyton	7%	2%
Dekema	11%	19%
Esther Park	17%	39%
Hartebeestfontein	18%	19%
Heidelberg	4%	7%
Herbert Bickley	9%	7%
Jan Smuts	7%	0%
JP Marais	0%	9%
Olifantsfontein	1%	3%
Ratanda	11%	9%
Rondebult	13%	10%
Rynfield	51%	41%
Tsakane	21%	10%
Vlakplaats	4%	6%
Waterval	1%	3%
Welgedacht	10%	13%
Average of 19 WCW	11.95% 8 deteriorated, 9 improved and 1 remained the same.	12.47% 7 improvements, 3 remained the same and 9 deteriorated.

It should be noted that several critical equipment failures were not resolved in previous quarters and the impact on compliance are thereof carried over from quarter to quarter. The progress on restoration of critical equipment is directly proportional to the percentage maintenance expenditure for the quarter, and the progress made on addressing this aspect is fairly represented by the KPI on percentage maintenance expenditure.

3. Power outages and Loadshedding

The WCWs tabulated below experienced frequent loadshedding and/or power failures during Quarter 3 impacting the compliance of the WCWs directly. It must be noted that the impact of loadshedding during ESKOM stages 4-6 have an increasing detrimental impact on the WCW as the processes don't have sufficient time to recover before the next loadshedding event. It can be noted that in total 3313 hours of loadshedding and power failures were experienced on the WCW

for Q3, compared to 2893 hours in Q2. Some of the WCW do not have installed generators at all critical plant processes whilst others are not operational, awaiting repairs.

Plant	Quarter 3 2024					Total hours without power
		Scheduled Loadshedding	Total hours Loadshedding	Power failures	Total hours Power Failures	
Benoni	DD3	31	61	0	0	61
Esther Park	DD3	32	69	24	20	89
Hartebeestfontein	DD3	104	204	0	0	204
Olifantsfontein	DD3	0	0	1	1	1
Rynfield	DD3	132	211	3	34	245
Ancor	DD4	25	51	3	29	80
Daveyton	DD4	97	198	3	8	206
Jan Smuts	DD4	114	230	4	27	257
JP Marais	DD4	117	232	15	51	283
Welgedacht	DD4	0	0	50	249	249
Herbert Bickley	DD5	24	48	0	0	48
Heidelberg	DD5	108	220	15	54	274
Tsakane	DD5	125	244	0	0	244
Ratanda	DD5	119	243	12	67	310
Carl Grundlingh	DD5	0	0	2	6	6
Dekema	DD6	128	269	0	0	269
Rondebult	DD6	28	56	6	119	175
Vlakplaats	DD6	95	193	5	119	312
Waterval	DD6	0	0	0	0	0
Total		Loadshedding hours	2529	Power failure hours	784	
Total number of hours without electricity on all Water Care Works for Q3						3313

Critical Chemical shortages

Ferric chloride is used in the treatment process to remove ortho-phosphate from the final effluent as well as improving the settleability of solids in the settling tanks. Due to challenges at the manufacturing plants of the sole producer of the product in Africa and with the suitably qualified

transportation, shortages of ferric chloride are experienced from time to time despite placing orders with suppliers timely. These shortages impact directly on the quality of the final effluent at the affected the WCW. The table below provides the days without availability of essential treatment chemicals in the reporting quarter.

WCW	Q3 Ferric chloride shortages (Number of days)	Q2 Ferric chloride shortages (Number of days)
Ancor	26 of 91	4 of 92
Dekema	29 of 91	22 of 92
Rondebult	7 of 91	7 of 92
Vlakplaats	9 of 91	19 of 92
Herbert Bickley	0 of 91	15 of 92
Hartebeestfontein	38 of 91	21 of 92
Rynfield	22 of 91	8 of 92
Jan Smuts	9 of 91	0 of 92
Avg. number of days without Ferric chloride	20	13.7

Action plans:

1. Industrial pollution incidents

ERWAT works closely with the CoE and report all incidents as soon as detected to assist in tracing the source of the pollution. However, the pollution source is not often identified as it is difficult to trace in the vast sewer networks. Illegal tanker discharges were however identified to be one of the primary sources of pollution. Subsequently, some of the authorised open manholes used by tanker services were closed by the COE to tighten supervision, but more interventions are required. Fingerprinting of the pollution by the ERWAT Laboratory is a valuable tool to assist CoE in identifying the industrial pollution sources and to apply the By-Laws. ERWAT has also introduced an organic tariff formula, included in the Service Delivery Agreement whereby the CoE will be invoiced for increased organic content (strength) beyond the capabilities of the relevant WCW.

2. Critical equipment failures

Asset Care plans for critical equipment were developed but only partially implemented. Breakdowns still occur frequently, and the number of outstanding jobs for critical equipment is significant, impacting the final effluent quality directly. OPEX funds are urgently required to implement the full asset care plans and reduce the failure rate and improve reliability. A joint task team (comprising of Operations, Maintenance, Finance, Strategy, Monitoring & Evaluation, Infrastructure Planning and Projects Departments and Office of the Managing Director) has been established (effective from Q2) to closely monitor progress implementation of outstanding critical

maintenance work and improve the internal business processes. Some progress has been made during Q3 to restore critical equipment on various WCW, including the standby diesel generators, however, a significant backlog remains.

3. Power outages and Loadshedding

Short to medium term: Standby diesel generators are available at some of the most critical process units of the various WCW. Several new generators to cover more critical process units were installed in Q3 and are now functional. The remainder will be installed in Q4. Long term: ERWAT has applied for funding to DBSA and IDC to install renewable energy at some of the identified WCW. Awaiting outcome of the application in Q4.

4. Chemical shortages (Ferric chloride)

ERWAT is in daily contact with the supplier to secure product and prioritise deliveries according to the stock levels of the various WCW. ERWAT is currently busy with the procurement process for alternative chemicals to mitigate any future shortages.

KPI 5 – Departmental SDBIP

Total capital expenditure as a percentage of total capital budget

Method of Measure:

This indicator measures the extent to which budgeted capital expenditure has been spent during the financial year. Capital expenditure is all costs incurred by the municipality to acquire, upgrade, and renew physical assets such as property, plants, buildings, technology, or equipment.

Formula: $1) \text{ Actual Capital Expenditure} / (2) \text{ Budgeted Capital Expenditure}$

Evidence

Dated and signed Finance year to date expenditure report

Q3 Target

80%

Q3 Actual

56.13%

Reasons for Variance

The planned SDBIP target for the quarter has not been achieved with a 23.87% negative variance. Amongst others, below are the reasons for the poor performance in expenditure.

- Long lead time on delivery of the equipment, such as supply and installation of Generators for an emergency backup power for the Water Care Works.

Remedial Action:

- Accelerate project timelines.
- Schedule compression

KPI – 6 Department SDBIP

Percentage of procurement spend allocated to SMME's

Method of Measure

The indicator measures the percentage of procurement spend allocated to SMME's through ensuring appropriate application of the preferential procurement practices. This support will be calculated as a percentage of the total value paid to Small, Medium and Micro Enterprises either directly or via the principal contractor in terms of a Preferential Procurement Regulation 4 or 9 contractual condition.

Indicator Formula: (1) rand value of procurement spend allocated to SMME's / (2) rand value of total procurement spend *100.

Evidence

Award and payment listing (Report) of SMME expenditure amount (including invoices).

Q3 Target

60%

Q3 Actual

95%

Comments

Target achieved.

Reason for Variance

Target exceeded by 35%, because of measures put in place at specification stage to prioritise SMME's.

Remedial Action

Not applicable, target was achieved.

KPI 7 – Departmental SDBIP
Number of Repeat Audit Findings

Method of Measure:

The indicator tracks the number of findings made on the same matter as of the last audit cycle. The “Repeat” findings refer to those findings that have persisted from one year of reporting to the next. These are identified as repeat findings by the Auditor-General on the following administrative areas including but not limited to: i) Annual financial statements and annual report.

The formula for the indicator is the (1) Simple count of the number of "repeat" findings itemized in the Auditor-General's report of each municipality.

Evidence

Dated and signed Audit report from Auditor General South Africa (AGSA).

Q3 Target

N/A

Q3 Actual

N/A

Comment:

N/A

Reason for Variance

N/A

Remedial Action

N/A

KPI 8 – Departmental SDBIP

Number of Green Drop (90%) wastewater treatment works (Bi-quarterly)

Method of Measure:

The indicator measures the number of wastewater treatment works that achieved the Green Drop standard bi quarterly. (90%) Internal assessment is conducted by ERWAT Compliance Office (internal assessment.)

A further determination will be made on the impact or deviation of the treatment capacity caused by loadshedding incidences in the following manner:

Calculate and totalise the energy consumption and impacted treatment capacity for the process units at each of the water care works under ERWAT. The deviation is determined by expressing the impacted treatment capacity as a percentage of the total capacity.

Extrapolate the deviation (i.e. impacted treatment capacity) to the standard Green Drop Score of 90% by multiplying the deviation with the 90% standard score requirement for Green Drop Status

Evidence

The Green Drop scorecard as released by the internal ERWAT Compliance office (in-house. Assessment

Q3 Target

6(90%)

Q3 Actual

N/A

Comment:

N/A

Reasons for Variance

N/A

Remedial Actions:

N/A

KPI 9 – Departmental SDBIP

Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area

Method of Measure:

This indicator measures the value of municipal operating expenditure that has been spent on payments to contracted organisations with a physical address within the municipal area as a percentage of the total operating expenditure on payments to all contracted organisations. Contracted services are inclusive of consultancy services and refer to services rendered by any entity outside of the municipality secured through a public procurement process.

Indicator Formula: (1) R-value of operating expenditure on contracted services within the municipal area / (2) Total municipal operating expenditure on contracted services. The indicator is reported quarterly.

Evidence

Signed Expenditure report on municipal operating expenditure spent on contracted services.

Q3 Target

6%

Q3 Actual

66%

Comment:

Target Achieved

Reasons for Variance

A total operating expenditure value of R35 840 242.18 was paid on contracted services (all active contracts that were awarded through the public procurement process) whereof R23 811 292.75 were paid to contracted services within the municipal area (COE).

Remedial Actions

Not applicable, target was achieved.

KPI 10 – Departmental SDBIP

Total Operating Expenditure as a percentage of Total Operating Expenditure Budget

Method of Measure:

The indicator measures the extent to which operating expenditure has been spent during the financial year. Operating Expenditure (non-capital spending) is costs which the municipality incurs through its

normal operations. Indicator Formula: (1) Actual Operating Expenditure / (2) Budgeted Operating Expenditure This indicator results will be reported quarterly.

Evidence

Signed Excel spreadsheet as extracted from Budget statements for the period.

Q3 Target

70%

Q3 Actual

55.92%

Comment:

Target not achieved with a negative 14.08% variance.

Reasons for Variance

Under expenditure on employee costs, repairs and maintenance, bulk purchases and general expenditure

Remedial Actions:

Employee costs:

Acceleration of the filling of vacant positions as per the recruitment plan in the fourth quarter.

Repairs and maintenance

Acceleration of the supply chain management processes to resolve delays experienced in the procurement process.

Bulk purchases:

Acceleration of the supply chain management processes to put relevant contracts in place for alternative chemicals (e.g. Aluminium Sulphate) to reduce delays in the procurement of essential chemicals. While Loadshedding also has a significant impact on the ability to spend the electricity budget allocation, fuel costs to power the generators has increased but not to the same extent of electricity budget.

General expenditure:

Acceleration of the procurement of protective clothing and the appointment of a service provider for the transport of bio-solids.

KPI 11 – Departmental SDBIP

Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure

Method of Measure:

The indicator measures the extent to which the municipality has incurred irregular, fruitless and wasteful and unauthorised expenditure. Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Irregular expenditure is incurred by the municipality in contravention of a requirement of the law. Unauthorised expenditure includes overspending of the total amount appropriated in the approved budget.

Indicator Formula: $((1) \text{ Irregular} + (2) \text{ Fruitless and Wasteful} + (3) \text{ Unauthorised Expenditure}) / (4) \text{ Total Operating Expenditure}$.

The Audited Annual Financial Statements for the previous financial year are finalised in January of the following financial period for the previous financial period, therefore this indicator will be reported annually in the Q3 of the following financial year for the previous financial year-end.

Evidence

The Audited Annual Financial Statements for the previous financial year as finalised in January of the following financial period for the previous financial period.

Q3 Target

0%

Q3 Actual

67%

Comment:

Target not achieved.

Reasons for Variance

AG identified transactions that were deemed as splitting of the procurement processes and not evaluated in line with the PPPFA Regulations of 2022. Other expenditure incurred is as a result of prior year findings raised by the AG on non-compliance matters.

Remedial Actions:

Implemented a UIFW reduction plan to reduce irregular expenditure through enhancement of internal controls, delegations and authorisations. Finalising the GAP analysis process that takes into account the findings raised during internal and external audit processes.

KPI 12 – Departmental SDBIP

Repairs and Maintenance as a percentage of property, plant, equipment and investment property

Method of Measure:

This indicator measures the extent at which the municipality spent on repairs and maintenance of infrastructure assets relative to its asset base. Repairs and maintenance are a group of accounts consisting of labour costs, material costs, secondary costs, etc.

Evidence

The Audited Annual Financial Statements for the previous financial year as finalised in January of the following financial period for the previous financial period

Q3 Target

N/A

Q3 Actual

N/A

Comment:

N/A

Reasons for Variance

N/A

Remedial Actions

N/A

KPI 13 – Departmental SDBIP
Percentage of tender cancellations

Method of Measure:

This indicator measures the percentage of tender cancellations in relation to the total number of tender business cases that was recorded, advertised and closed.

Indicator Formula: (1) Number of tenders cancelled / (2) Total number of tenders advertised and closed. The indicator is reported quarterly.

Evidence

Signed and dated SCM report containing tender cancellations in relation to the total number of tender business cases that was recorded, advertised and closed.

Q3 Target

10%

Q3 Actual

0%

Comment:

Target achieved.

Reasons for Variance

Actual achievement of 0% is the ideal and well within the stipulated target.

Remedial Actions:

Not applicable, target was achieved

KPI 14 – Departmental SDBIP
Net Surplus /Deficit Margin for Wastewater

Method of Measure:

Wastewater is measured separately to track the extent to which the municipality generates surplus or deficit. Total expenditure, in this context, refers to direct costs, overhead costs and capital financing costs incurred in providing wastewater and sanitation services. Direct costs include employee related costs, bulk purchases, repairs and maintenance, contracted services, debt impairment, depreciation and other costs not grouped under the above-mentioned categories. Overheard costs, also referred to as indirect costs, are costs that are not directly attributable to a service but are incurred in running a municipality, for example office space or computer software and all charges or recoveries. Capital financing costs are costs associated with financing infrastructure expansion or rehabilitation of existing assets, for example interest and redemption charges.

The Audited Annual Financial Statements for the previous financial year are finalised in January of the following financial period for the previous financial period, therefore this indicator will be reported annually in the Q3 of the following financial year for the previous financial year-end.

Evidence

The Audited Annual Financial Statements for the previous financial year as finalised in January of the following financial period for the previous financial period.

Q3 Target

5%

Q3 Actual

12.05%

Comment:

Target achieved with a positive variance of 7.05%

Reasons for Variance

The achievement of the total revenue generated from external business indicator, as well as the increase of the budget in the third quarter (which resulted in under-expenditure of the budget) both contributed to the positive variance.

Remedial Actions:

Not applicable, target was achieved.

3. Institutional SDBIP 2023/24

3.1 City-Wide/Institutional SDBIP 2023/24

Table1: City-Wide Indicators

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
IDP Strategic Objective 1: To deliver reliable, affordable and sustainable services and ensure improved infrastructure maintenance															
Ekurhuleni Water Care Company (ERWAT)	Improved quality of water (incl. wastewater)	WS4.31	Percentage of wastewater treatment capacity unused	Dated and signed report indicating actual flow received and treated per WCW and totalised for ERWAT system(19 WCW) drawn from LIMS (Laboratory Information Management System), in conjunction with the original or re-graded design hydraulic capacity (available capacity) per WCW for the ERWAT system (total of 19 WCW) .	-42%	-50%	-50%	-55%	-5%	Performance expectations were not met	The target has not been achieved	Water Care Works received increased flows due to significant storm water ingress into the sewer lines (heavy rainfall).	The implementation of the capacity upgrade or extension is subject to the availability of funds. The currently allocated MTREF does not have provision for any Upgrade or Extension projects, ERWAT require additional funding on the current budget allocation. ERWAT cannot commit to a specific date due to	CAPEX	

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
													unavailability of budget		

3.2 Entity's SDBIP Score card with Key Performance Areas and Indicators 2023/24

Table 2: Departmental Entity's SDBIP

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
IDP Strategic Objective 2: To build a clean, capable and modernized local state															
Ekurhuleni Water Care Company (ERWAT)	Improved Quality of Water including Wastewater	ERW 1.1	Total revenue generated from external business	invoices coupled with general ledger with a balance that agree to the amount reported	R 39 837 478,83	R 31 200 000,00	R 7 500 000	R7 992 680.92	R492 680.92	Performance expectations were exceeded	The target was achieved	The department managed to keep the current projects.	Maintain current projects and prevent attrition.	OPEX	OPEX
	To build a clean, Capable and Modernised Local State	ERW 1.2	Audit Opinion	Dated and signed report from AGSA	Unqualified	Unqualified Audit Opinion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	OPEX	N/A
	Improved Quality of water (including wastewater)	ERW 1.3	Percentage compliance with wastewater treatment works license conditions and/or exemptions standards	Water quality analyses results of each Wastewater Treatment Works (from the LIMS) is downloaded. Spreadsheet is used to calculate average compliance of each	81%	75%	75%	85%	10%	Performance expectations were exceeded	The target was achieved	1. Slight increase in availability of critical equipment directly impacting final effluent water quality. 2. Significant decrease in detectable Industrial pollution incidents		R181 582 642.25	R139 756 133.73

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
				of the 3 compliance categories and then the average of the 3 categories gives the over all compliance per WCW and then per ERWAT system(19 WCW). Applicable Water use authorization limits of each Waste Water Treatment works								3. Stormwater ingress during heavy rainfall dilutes the strength of the incoming flows.			
	Improved quality of water including wastewater	1.M	Total Capital expenditure as a percentage of total capital budget	Dated and signed Finance year to date expenditure report	99,56% (2021/2022)	95%	80%	56.13 %	-23.87%	Performance expectations were not met	Target not achieved	Long lead items on current projects	Acceleration plans in place	R 108 516 875,20	R 76 131 672,14
	Improved Quality of Water including Wastewater	3.M	Percentage of procurement spend allocated to SMME's	Dated and signed Letter of appointment or subcontract with support (contract) amount Award AND Listing (Register) of SMME supported	91,4%	60%	60%	95%	35%	Performance expectations were met	Target Achieved	Measures put in place at specification stage to prioritize SMME's.	None	OPEX	R115 196 597,97

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
				with support amount											
	Improved Quality of Water including Wastewater	4.M	Number of Repeat Audit Findings	AGSA signed management letter	8 repeat audit findings noted in the AGSA signed management letter for the 2021/2022 regularity audit	0 repeat audit findings noted in the AGSA signed management letter for the 2022/2023 regularity audit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	OPEX	N/A
	Improved quality of water including wastewater	6.M	Number of Green Drop (90%) wastewater treatment works (Bi-quarterly)	The Green Drop scorecard as released by the internal ERWAT Compliance office (in-house assessment)	New KPI	6 (90%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	OPEX	N/A
	Financial Management	LED 1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	Signed Expenditure report on municipal operating expenditure spent on contracted services	New KPI	8%	6%	66%	60%	Performance expectations were exceeded	Target Achieved	A total operating expenditure value of R35 840 242.18 was paid on contracted services (all active contracts that were awarded through the public procurement process) whereof R23 811 29	None	OPEX	R23 811 292.75

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
												2.75 were paid to contracted services within the municipal area (COE)			
	Financial Management	FM 1.12	Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	Signed Excel spreadsheet as extracted from Budget statements for the period	New KPI	95%	70%	55.92%	14.08%	Performance expectations were not met.	Target not achieved	<p>Under expenditure on employee costs, repairs and maintenance, bulk purchases and general expenditure</p>	<p>Employee costs: Acceleration of the filling of vacant positions as per the recruitment plan in the fourth quarter.</p> <p>Repairs and maintenance Acceleration of the supply chain management processes to resolve delays experienced in the procurement process.</p> <p>Bulk purchases: Acceleration of the supply chain</p>	OPEX	N/A

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
													<p>management processes to put relevant contracts in place for alternative chemicals (e.g. Aluminium Sulphate) to reduce delays in the procurement of essential chemicals. While Loadshedding also has a significant impact on the ability to spend the electricity budget allocation, fuel costs to power the generators has increased but not to the same extent of electricity budget.</p> <p>General expenditure: Acceleration of the</p>		

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
													procurement of protective clothing and the appointment of a service provider for the transport of bio-solids.		
	Financial Management	FM 4.11	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	The Audited Annual Financial Statements for the previous financial year as finalised in January of the following financial period for the previous financial period,	New KPI	0%	0%	67%	67%	Performance expectations were not met.	Target not achieved	AG identified transactions that were deemed as splitting of the procurement processes and not evaluated in line with the PPPFA Regulations of 2022. Other expenditure incurred is as a result of prior year findings raised by the AG on non-compliance matters.	Implemented a UIFW reduction plan to reduce irregular expenditure through enhancement of internal controls, delegations and authorisations. Finalising the GAP analysis process that takes into account the findings raised during internal and external audit processes.	OPEX	R1 211 984 775.00
	Financial Management	FM 5.31	Repairs and Maintenance	The Audited Annual	New KPI	4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	OPEX	N/A

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
			as a percentage of property, plant, equipment and investment property	Financial Statements for the previous financial year as finalised in January of the following financial period for the previous financial period,											
	Financial Management	FM 6.13	percentage of tender cancellations	Signed and dated SCM report containing tender cancellations in relation to the total number of tender business cases that was recorded, advertised and closed.	New KPI	10%	10%	0%	10%	Performance expectations were exceeded	Target achieved	N/A	None	OPEX	N/A
	Improved revenue and debtors management	FM 7.33	Net Surplus /Deficit Margin for Wastewater	The Audited Annual Financial Statements for the previous financial year as finalised in January of the following financial period for the previous financial period,	New KPI	5%	5%	12.05%	7.05%	Performance expectations were exceeded	The target was achieved	The achievement of the total revenue generated from external business indicator, as well as the increase of the budget in the third quarter (which resulted in	Not applicable, target was achieved.	OPEX	N/A

Entity	Outcome	Ref No.	Performance Indicator	Portfolio of Evidence	Baseline (2022/23)	Annual Target (2023/24)	Planned Target Quarter 3	Actual Output Quarter 3	Variation	Actual Output Rating	Progress on Targets	Reason(s) for Variation	Remedial Action	Planned Budget Quarter 3	Actual Expenditure Quarter 3
												under-expenditure of the budget) both contributed to the positive variance.			

3.3. Reflection on operations/ day-to-day activities (Analytical Narrative Account)

Flows

	Design Hydraulic Capacity (Ml/d)	Average Flow Q3 Ml/d	Actual Rainfall Q3(mm)
Ancor	15.00	21.92	193.00

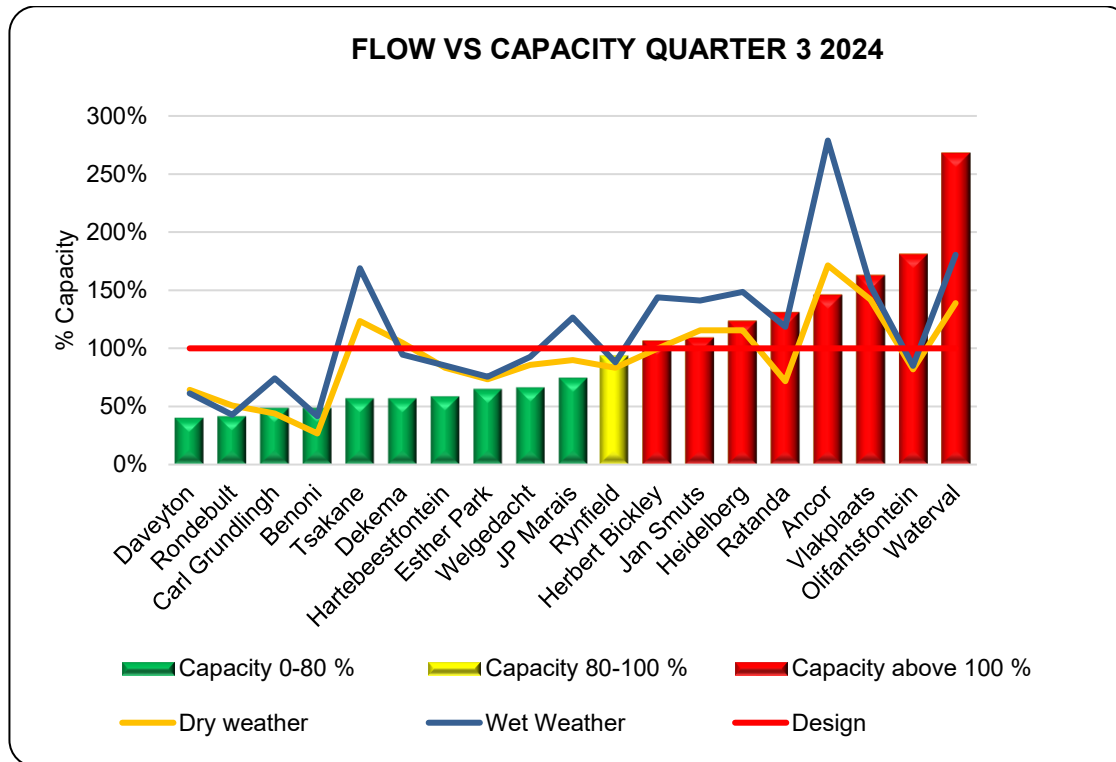


Figure 1 Flow and Rainfall

	Design Hydraulic Capacity (MI/d)	Average Actual Flow Q3 MI/d)	Rainfall Q3(mm)
Benoni	7.50	3.64	190.50
Carl Grundlingh	5.20	2.52	241.00
Daveyton	19.00	7.59	214.70
Dekema	31.00	17.67	240.50
Esther Park	1.40	0.91	247.00
Hartebeestfontein	63.00	36.84	344.00
Heidelberg	5.40	6.66	181.70
Herbert Bickley	15.10	16.06	229.50
Jan Smuts	6.00	6.56	328.00
JP Marais	15.00	11.16	314.00
Olifantsfontein	65.00	117.68	239.90
Ratanda	4.70	6.16	269.80
Rondebult	20.00	8.29	175.00
Rynfield	9.80	9.20	260.00
Tsakane	20.00	11.35	256.00
Vlakplaats	55.00	89.54	294.00
Waterval	170.00	455.84	150.00
Welgedacht	95.00	62.82	159.00
Total	623.10	892.41	4527.60

A total of 81 219.38 MI was treated in Quarter 3, at an average of 892.41 MI/day, utilising 143.19.% of the available capacity, as compared with Q2 where 79 853.81 MI was treated at an average of 857.43 MI/day, utilising 137.54% of the available capacity. The slightly increased overcapacity is due to more rainfall received in Q3 as compared with Q2. (stormwater ingress)

As can be noted in the above graph, during Q3 eight (8) out of nineteen (19) WCW were operating above their hydraulic design capacity, one (1) operating between 80% and 100% and ten (10) below their hydraulic design capacity. In Q3 Waterval operating at 268%, Olifantsfontein operated at 181%, Vlakplaats operated at 163%, Ancor operated at 146%, Ratanda operated at 131%, and Heidelberg operated at 123% of their design capacity.

Until the overloaded WCW are upgraded/extended, serious challenges remain to support the CoE in meeting the Growth Development Strategy (GDS2055) and the development of the Aerotropolis.

Organic Load

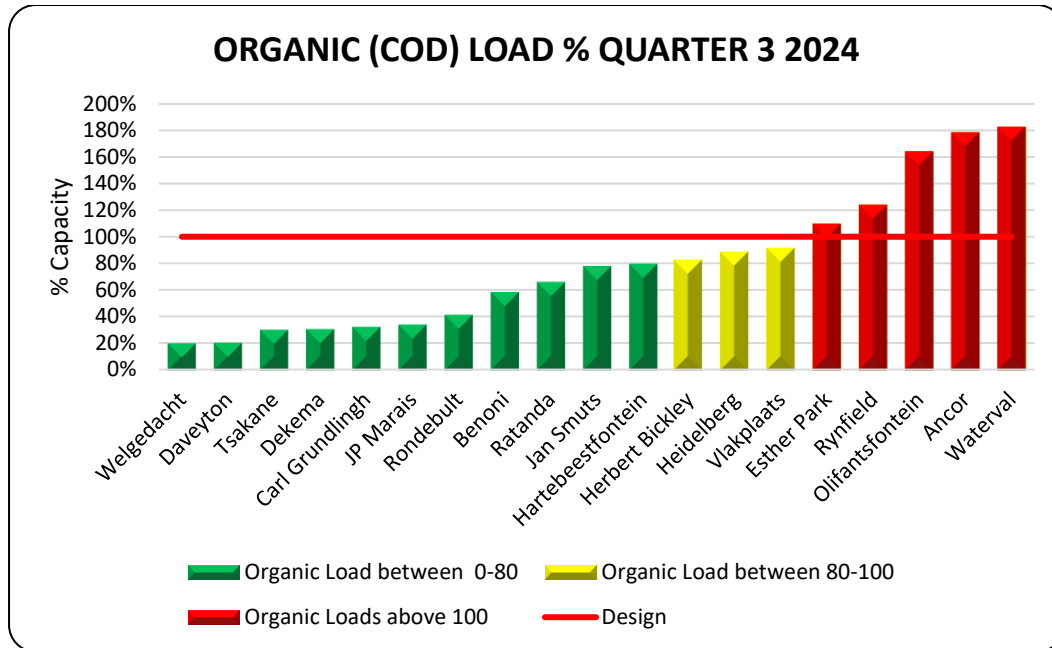


Figure 2 Organic Load

As can be noted, 5 (five) WCW operated above 100% organic load, 3 (three) WCWs operated between 80-100% of the organic design capacity and 8 (eight) below their design capacity during Q3(wet season), as compared to 11 (eleven) WCW operated above 100% organic load, 2 (two) WCW's operated between 80-100% of the organic design capacity and 8 (eight) below their design capacity during Q2

3.4. Service Delivery Highlights and Challenges

3.4 Plant Specific Challenges

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
Benoni	Benoni complied with overall WUL effluent standards with compliance of Physical=98% Chemical=98% Micro=97% The average compliance target of 90% was	Plant operated at 49% of re-graded hydraulic capacity in Q3	Plant operated at 58% of re-graded organic capacity in Q3.	There were abnormal flow fluctuations in Q3 due to load shedding, all 3 pumpstations does not have back up power/genset.	There was 2 high strengths of COD from industrial pollution in Q3	7 Level 3 Equipment failures occurred in Q3	There were 31 power outages in Q3, and duration was 61 hours.	Open digesters walls are cracking,	None	None	Dried sludge is stockpiled at the plant.	Unlined sludge paddies and maturation ponds could cause possible ground water pollution in Q3	None	None	Sludge classification in B2b. Sludge Samples were taken to the Laboratory on 18/02/2024 for analysis of the new sludge classification. Screenings and grits that are generated at the plant and are collected by CoE.	Road is accessible	Portable water is available

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	achieved with the overall compliance of 97%																
Esther Park	Esther Park complied with overall WUL effluent standards with compliance of Physical=97% Chemical=95% Micro=86%	Plant operated at 65% of regraded hydraulic capacity in Q3. (Based on regraded capacity of 1.4 MI/d)	Plant operated at 110% of regraded organic capacity in Q3	0x abnormal flows recorded for Q3 2023/ 2024 above regraded design capacity of 1.4 MI/d	16x Industrial effluent incidents in Q3 2023/ 2024.	1x critical equipment failure occurred in Q3 2023/ 2024	32x power failure incidents recorded in Q3 2023/ 2024 lasting for total downtime of 69 hours. - Load shedding 2x unplanned power failure events lasted for a total	Reactor walls are leaking	Not applicable	None	Not applicable	Not applicable	Not applicable	Not applicable	Screenings and grits collected by MCC Security and Projects.	Access road repaired.	Drop in water pressure occasionally that affects chlorine dosing

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	The average compliance target of 84% was achieved with the overall compliance of 93%						downtime of 20 hours										
Hartebeestfontein	Hartebeestfontein complied with overall WUL standards with compliance of Physical=75%	Plant operated at 62% of re-graded hydraulic capacity in Q3	Plant operated at 135% of re-graded organic capacity in Q3.	The plant experienced fluctuations in inflows in January-March 2024 (Q3) due to continuous load shedding with an average flow of	Plant received high strength effluent 37 times out of 91 days during January-March 2024 (Q3).	21 Level 3 Equipment failures occurred in Q3.	There were 109 power outages in January-March 2024 (Q3) for duration of 204 hours.	Aging infrastructure: Ferric chloride, clarifier 1-4 bridge and siphons.	Digester 1, 4, 6 and 9 sludge recirculation nozzles blocked. Digester 1-9 feeding lined was blocked.	There were 10 veld fires experienced in January-March 2024 (Q3)	801 000 kg of dry sludge was irrigated to the 200 hectares farm.	Borehole two has high concentration of Nitrates.	Sinkhole next to the fence towards FST 5 & 6 and around the Farm.	License amendment with relaxation on Electrical conductivity, Ammonia, E. coli and COD.	Sludge classification is B2c, not suitable for the intended purpose; this requires further engagement with the farmer.	The grading needs to be done around the fence by June 2024. Sampling point access road need to be graded.	There was 2 portable water leakage next to module 2 & 3 FSTs and behind containers.

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Chemical=39% Micro=53% The average compliance target of 50% was achieved with the overall compliance of 56%			39.13 MI/d.													
Olifantsfontein	Olifantsfontein complied with overall WUL effluent standards with compliance of	Plant operated at a hydraulic capacity of 181% in Q3 23-24	Plant operated at 181% of organic capacity for Q3 2023/2024.	There were abnormal fluctuations of inflows in Q3 23-24 With ranges of 106.78 - 143.41 MI/d in Jan	Plant received high strength effluent (very high Electrical Conductivity above	29 Level 3 Equipment failures occurred in Q3.	There was 1 power failure in Q3 23-24 with a duration of an 1 hour in Jan 2024, All 4 Genset	Module 3 Anaerobic digesters.	Digester 2 of 6 digesters are blocked due to sand accumulation	There was no veld fires in Q3 2023	Total sludge of 424 884 kg was produced in Q3 23-24. With 132 057 kg in Jan 2024, 165	Unlined emergency dams contaminating borehole no.2&3. Borehole 1 runs dry	2x Sinkholes behind and in front of the old laboratory which occurred in Dec 2019 and 1x	Olifantsfontein WUL is stringent on Ammonia of < 2mg/l and EC of	Sludge is classified into three streams: (1). Dewatering unit(B3a), the sludge not suitable for	Road to upstream sampling point need to be graded and high erosion on the banks.	YES, there is a water leak that is reoccurring and resulting in water loss

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Physical=88% Chemical=62% Micro=82% The average compliance target of 60% was achieved with the overall compliance of 78%			2024, 103.58 – 129.41 MI/d in Feb 2024, and 99.16 - 129.66 MI/d in March 2024.	100 mS/m) with 35 days in Q3 23-24 (4 days in Jan 10 days in February and 21 days in March 2024) Plant also experience fine sand ingress, and fats pollution that solidifies in sedimentation tanks as scum.		were not in operation with 0 L diesel consumption,				967 kg in Feb 2024, and 126 860 kg in March 2024. Sludge production is affected by frequent FBPs. Sludge is disposed on different farms around Bapsfontein area and is used for agricultural purposes	during dry seasons	behind return pump station which occurred in March 2024. All sinkholes still not rehabilitated	< 80 mS/m.	cultivating crops such as fruits trees (2). Drying beds (A3a), No restrictions and requirements apply 3) Grit and screenings is waste that should be dumped at specialised land fill under strict conditions to ensure ENV compliance, waste management by the	To be reported to the CoE..	

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
															city has been affected by lack of collection from site, leading to stockpiling and odour complaints.		
Rynfield	Rynfield complied with overall WUL standards with compliance of Physical=100%	Plant operated at 94% of re-graded hydraulic capacity in Q3, which was below the design capacity.	Plant operated at 135% of re-graded organic capacity for Q3	There were high flows received during the Q3 from 10 January 2024 to 19 January 2024 due to high rainfall experience.	None	0 Level 3 Equipment failures occurred in Q3.	There were 132 power outages in Q3 with a duration of 231 hrs.	Pavement, Digesters, Reactor tank and Bio- feeder structures are cracked	3 of 4 digesters are blocked due to defective desludging valves.	None	Dried sludge is stockpiled at the plant.	Unlined sludge paddies, contact tank and maturation ponds could cause possible ground	None	None	CoE collects screenings and grits from the inlet works. Dried sludge is stockpiled at the plant	None	None

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Chemical=71% Micro=92% The average compliance target of 65% was achieved with the overall compliance of 88%											water pollution					
Ancor	Ancor complied with overall WUL effluent standards with compliance of	Plant operated at 146% of re-graded hydraulic capacity in Q3	Plant operated at 178% of re-graded organic capacity in Q3.	Ancor experienced storm water ingress during heavy rainfall, worsening the	Plant received high COD industrial effluent on 18 of 91 days. In Q3.	0 Level 3 Equipment failures occurred in Q3. (1 rolled over from previous quarter.	3 power outages occurred in Q3 (8 hrs) 25 load shedding incidents occurred (51 hours) No backup	Bio filter flow division boxes partially collapsed, humus tanks/ PST's- and digesters	One digester is blocked with sand, and it is not in operation. This causes the plant to run	No veld fires occurred during Q3 at sludge paddies.	Stockpile area not lined. Stockpiles on plant is a risk due to veld fires and environme	Unlined sludge paddies pollute underground water	Area around humus tanks and final effluent channel are dolomitic according	N/A	CoE removes solid waste (screenings and grit) and ERWAT appointed a service provider to	Access road in bad condition with lots of potholes	N/A

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Physical=77% Chemical=54% Micro=79% The average compliance target of 50% was achieved with the overall compliance of 70%			overloaded hydraulic capacity.			generator available for the whole plant. 2 generators awaiting maintenance and 1 generator just installed and await commission.	structures are crumbling/cracked	out of sludge handling capacity, which prevent proper de-sludging and resulting in non-compliance s.		ntal pollution		to Geotech study performed.		collect the grit and screenings when CoE is unable to do so.		
Daveyton	Daveyton complied with overall WUL effluent standards	Plant operated at 40% of re-graded hydraulic	Plant operated at 21% of re-graded organic	Numerous sewer blockages in the CoE network, Power	N/A. Domestic only.	13 Level 3 Equipment failures occurred in Q3. WAS pump and	100 power failures totalling 206 hours in Q3.	CCT sometimes leaking. Do not have direct	N/A	No veld fires in Q3.	Sludge lagoons are unlined Space for solar drying	Unlined sludge lagoons pollute the	N/A	N/A	Screenings are collected by COE for	N/A	N/A

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	with compliance of Physical=100% Chemical=98% Micro=93% The average compliance target of 90% was achieved with the overall compliance of 97%	capacity in Q3	capacity in Q3.	supply interruption at Etwatwa ext.10 pump station, pump failures at Etwatwa ext.18 pumpstation and potable water supply interruption to Etwatwa lead to inconsistent and irregular flow to the plant.		the non-return valve, WAS pipeline, Chlorine pipe, WAS level sensor, Chlorine rotor meter, Ferric pipes, Blower, MCC panels.		impact on the operation of the plant at the moment			is insufficient	groundwater.			proper disposal.		

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
JP Marais	JP Marais complied with overall WUL effluent standards with compliance of Physical=100% Chemical=98% Micro=96% The average compliance target of 90% was achieved with the	Plant operated at 74% of re-graded hydraulic capacity in Q3	Plant operated at 34% of re-graded organic capacity in Q3.	Blockage of Daveyton outfall sewer line in November was cleared in January, leading to decreased flows received at the plant.	3 x high NH3 received in Q3.	13 Level 3 Equipment failures occurred in Q3, namely: WAS pump 2 x 4, Clarifier bridge 2 x1, PST Fine screen x3, PST pump 1&2 x 1, PST voltage conditioner x 1, Chlorine pump x1, Cables at the screens x1, Screen compactor, with 12% ratio impact	117 load shedding (232 hours) and power failure occurred 15 times (51 hours in Q3).	None	N/A	No veld fire incident experienced in Q3.	Sludge pumped to Welgedacht, where it is treated.	Some boreholes polluted. Ongoing monitoring of boreholes.	No dolomitic soil	N/A	CoE removes solid waste (screenings and grit) except for PST screenings, due to no screen compactor.	N/A	N/A

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	overall compliance of 98%					on compliance											
Welgedacht	Welgedacht complied with overall WUL effluent standards with	Plant operated at 20% of re-graded hydraulic capacity in Q3	Plant operated at 30% of re-graded organic capacity in Q3.	Sewage blockages at old McComb plant line	N/A	36 Level 3 Equipment failures occurred in Q3	9 x power outages which lasted for 208 hours due unplanned outage at	N/A	N/A	none	None	Unlined De-chlorination channels and Emergency dam	N/A	N/A	Contractor removes solid waste (screenings and grit).and dispose at licensed	Gravel access roads are in very bad conditions and very	No potable water supply to the plant. Borehole water is used for hygiene. D

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	<p>compliance of</p> <p>Physical=99%</p> <p>Chemical=89%</p> <p>Micro=100%</p> <p>The average compliance target of 81% was achieved with the overall compliance of 96%</p>						Eskom substation and 41 due to planned power due to maintenance at ERWAT main MV supply								solid waste site.	slippery when wet.	inking water is being transported in from other plants.

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
Jan Smuts	<p>Jan Smuts Complied With Overall Wul Effluent Standards With Compliance Of</p> <p>Physical=95%</p> <p>Chemical=71%</p> <p>Micro=88%</p> <p>The average compliance target of 70% was achieved with the</p>	Plant operated at 109% of re-graded hydraulic capacity in Q3	Plant operated at 72% of re-graded organic capacity in Q3.	50 days of High incoming flows and 18 days of lower than 80% incoming flow in Q3 due to Ou Lokasie pump station that is not operational due to vandalism, Brakpan North pump station that was under maintenance and Sallies pump station that	Plants received industrial high strength effluent on 8 of the 91 days in Q3.	4 critical equipment failures during Q3.	114 Power outages (223,5 hours total) due to load shedding, Generator backup was operational, 4 (27 hours) unplanned power outage due to one of termination that blew, at Van Eck Park in January 2024, due to cables that burnt at Van Eck power station in	Humus Tanks scum boards for humus tank 1 and 2, The capacity of our digesters has decreased due to cracked digester 2 that cannot be used at full capacity, drying beds' walls	Blocked lines from digesters to drying bed block A.	None	Dried sludge is stockpiled on site.	Borehole 2 has high nitrates. An unlined sludge stockpile area can cause groundwater pollution. Borehole 3 has elevated nitrates, situated next to an open manhole.	No	No	Contractor removes solid waste dispose at licensed solid waste site.	Access road to the plant is tarred. Access road to upstream sampling point gets flooded, an alternative road is being used (on foot) which is narrow and slippery when wet.	Rand Water

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	overall compliance of 85%			has no working pump.			February 2024 and due to transformer, that blew at Vulcania South in March 2024.										
Heidelberg	Heidelberg complied with overall WUL effluent standards with compliance of Physical=99% Chemical=75%	Plant operated at 123% of re-graded hydraulic capacity in Q3	Plant operated at 72% of re-graded organic capacity in Q3.	High incoming flows above the design of the 5.4 MI/d	The plant received 4 high CODs and 24 high NH3s levels that are above the design in the current quarter.	4 Level 3 Equipment failures occurred in Q3. 1. The terminal of the mini-sub at the plant was faulty, and there was no power in the plant. 2. The sludge to land pump was not running, so	Heidelberg had 123 power outages with a duration of 274 hours. Diesel used was 6040 L	The joint sealants of Carousel reactor concrete wall are damaged	None	No veldfires occurred during Q3.	Sludge at the plant stockpiled after dewatering, and is also applied/irrigated to the lands and could potentially contaminate groundwater resources	Unlined sludge paddies/lack of groundwater monitoring in the sludge paddies	None	None	Contractor removes solid waste (screenings and grit).and dispose at licensed solid waste site.	The access road to Heidelberg works requires a new-tarred road is required urgently	Leakage on the pipeline to the inlet works due to a rusted pipeline.

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Micro=96% The average compliance target of 80% was achieved with the overall compliance of 90%					a callout was done to check the pump, and 3. Another callout was done to install the standby motor since the motor was burned. 4. Aerator No. 6 at Module 1 was tripping, and now 3 aerators are not available at Module 1.											

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
Herbert Bickley	H. Bickley complied with overall WUL effluent standards with compliance of Physical=98% Chemical=96% Micro=92% The average compliance target of 80% was achieved with the	Plant operated at 106% of re-graded hydraulic capacity in Q3	Plant operated at 78% of re-graded organic capacity in Q3.	X3 High COD incoming were experienced in Q3.	Plant received industrial high strength effluent on 6 of 91 days	16 Alert Level 3 Equipment failures occurred in Q3.2x Genset failures, 1x RAS pumps failures, 2x Main pumps failures, 2x , 3x Corse screen failure, Aerator failures 4xsludge to land pumps, 3x chlorine dosing systems.	Herbert Bickley had 28 power outages which lasted 94 hours Diesel used was 2917L	Anaerobic digesters cracked concrete structures, Biofilter 1 and 2 have cracked concrete structures,	4 out of 8 digesters not in use due to blockages and leaking digester pipes	0 veldfires occurred during Q3	Sludge used for irrigation at instant lawn	Irrigation of sludge for instant lawn is a source of pollution Activities are carried out as per Guidelines	None	None	Collected by CoE to a dedicated landfill site	Access road to the plant damaged and requires an upgrade	None

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	overall compliance of 95%																
Tsakane	Tsakane complied with overall WUL effluent standards with compliance of Physical=98% Chemical=96% Micro=97% The average compliance	Plant operated at 57% of re-graded hydraulic capacity in Q3	Plant operated at 53% of re-graded organic capacity in Q3.	Minimal incoming flow was experienced at the plant due to equipment breakdowns and spillages at Reticulation pump stations (Rockville, Extension 11 and 22)	Plant received industrial high strength effluent on 4 of 91 days	1 Level 3 Equipment failures occurred in Q3.namely, Tripped Generator.	Tsakane had 125 load shedding events which lasted 244 hours. Diesel used was 8 230 . 1 x Backup generator available.	Digesters and channel for raw sewage feeding HYBACS concrete structures cracked and leaking	N/A	No veldfires occurred during Q3	Sludge pumped to unlined lagoons/paddies for solar drying. Drying beds have been decommissioned	Unlined sludge lagoons and paddies/lack of groundwater monitoring at the sludge lagoons and paddies. Unfenced drying paddies	None (There's a dolomitic report that shows none at Tsakane)	None	Screenings and grit collected by MCC Security to a dedicated landfill site	None	Potable water leaks next to Tsakane hostel. It also creates a wetland next to the fence.

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	target of 70% was achieved with the overall compliance of 97%																
Carl Grundlingh	C. Grundlingh complied with overall WUL effluent standards with compliance of Physical=100% Chemical=91% Micro=90%	Plant operated at 49% of re-graded hydraulic capacity in Q3	Plant operated at 67% of re-graded organic capacity in Q3.	None	No Pollution	None	There was a total of 2 unplanned power failures with a total duration of 6 hours of unplanned power failures.	None	N/A	No veldfires occurred during Q3	Land application of sludge is being used	Unlined sludge to land posing ground water pollution	None	None	Collected by a contractor to a dedicated landfill site	Access road to the plant is damaged and requires an upgrade.	There is a water leak that is next to the transformer

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	The average compliance target of 88% was achieved with the overall compliance of 94%																
Ratanda	Ratanda complied with overall WUL effluent standards with compliance of Physical=98%	Plant operated at 131% of re-graded hydraulic capacity in Q3	Plant operated at 50% of re-graded organic capacity in Q3.	None	None	Aerator no 2, Generator software. A- Recycle pump 3	WCW experience d 119 load shedding events and 12 unplanned power outages with the total duration of 310 hours in Q3	Drying beds drainage system and chlorine contact tanks are badly leaking structures	N/A	No veldfires occurred during Q3	Dried sludge is stockpiled on-site, potential groundwater pollution	Unlined sludge ponds and leaking drying beds, potential groundwater pollution	None	None	Screenings and grit generated at the plant are collected by MCC security and projects and disposed at licenced landfill site, sludge	The access road to Ratanda Works is severely damaged and a new-tarred road is required urgently	No link to the Municipal Potable Water Supply, water transported from Heidelberg Works and borehole water is used for other

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Chemical=88% Micro=95% The average compliance target of 85% was achieved with the overall compliance of 93%														stockpile area is unlined, potential groundwater pollution		domestic purposes
Dekema	Dekema complied with overall WUL effluent standards with compliance of	Plant operated at 57% of re-graded hydraulic capacity in Q3	Plant operated at 54% of re-graded organic capacity in Q3.	Plant received high flows on 11 out of 91 days	Plant received industrial high strength effluent on 10 of 91 days	5 Level 3 Equipment failures occurred in Q3. Namely: 1 x sludge pump, 1 X PST 11, 1 x Mechanical	110 Outages occur (267 hrs total) Load shedding is a big concern.	Channels feeding sections partially collapsed. Biofilters and digesters wall are cracked.	1 out of 12 Anaerobic digesters is blocked	No veld fires occurred during Q3	Sludge pumped to unlined paddies for solar drying and dried sludge spread to land area to be	Screenings and grit are disposed to suitable landfill that is lawful according to the NEMA.	None	N/A	Screenings and grit generated at the plant are disposed to suitable landfill that is lawful according	The access road to Dekema WCW needs to be tarred as it gets muddy and slippery during	N/A

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Physical=83% Chemical=70% Micro=77% The average compliance target of 75% was achieved with the overall compliance of 77%					screen, 1X Compactor, 1 x biofilter pump 1.					ploughed into land.				to the NEMA. A Service Provider screenings and grit transport to authorised landfill site courtesy of CoE	rainy season.	
Rondebult	Rondebult complied with overall WUL effluent standards	Plant operated at 41% of re-graded hydraulic	Plant operated at 100% of re-graded organic	The plant received an average of 8.32 ML/d for Q3 and highest	Plant received high COD industrial effluent on 9 of	8 Level 3 Equipment failures occurred in Q3.	53 Outages with the total hours of	Channels feeding sections partially collapsed. Biofilters	None	1 veld fires occurred during Q3	Sludge pumped to unlined paddies for solar drying and dried	Unlined sludge lagoons, Collection and transportation of	The entire area of the plant are dolomitic	N/A	Collection and transportation of waste (screening and grit) to	The access road in and around the plant are deteriorating and will	Potable water pipeline rusted and needs to

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	with compliance of Physical=94% Chemical=82% Micro=88% The average compliance target of 90% was not achieved with the overall compliance of 88%	capacity in Q3	capacity in Q3.	flow recorded was 22.42 MI/d. Total rainfall measured for the Q3 at the plant was 175 mm.	91 days and NH3 on 0 of 91 days	3 critical equipment reported during the month of January 2024. Namely; 2x Raw sludge pump #12 (failed twice) 1x Primary biofilter feed pump #7	125 occurred during Q3, 48 power outages were due to loadshedding with the total of 96 hours. 5 power outages due to CoE power interruptions (cable theft, cable faults and electrical substation) with a total of 29 hours	and digesters wall are cracked. Biofilter walls cracked. Brick work of open channels are unstable, collapsing and cracked. The feed pipe from the primary biofilters to the secondary biofilters has collapsed. Anaerobic digester #4 and #5			sludge spread to land area and ploughed into land. WUL noncompliant and an audit finding.	screenings, grit disposed of at a registered hazardous waste landfill sites			a waste disposal site done by MCC security and Projects ERW202107/TNDR-003 .	need attention	be replaced

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water	
						<p>during the month of February 2024. Namely;</p> <p>1x Primary biofilter feed pump #7</p> <p>4 critical equipment reported during the month of March 2024.</p> <p>Namely:</p> <p>1x Secondary biofilter</p>	(Load shedding is a big concern.	walls have cracks. Digester #6 dome has open/visible cracks on the surface. Office building cracked and leaking.										

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
						feed pump #20 3x Ferric chloride dosing pumps											
Vlakplaats	Vlakplaats complied with overall WUL effluent standards with compliance of Physical=79% Chemical=37% Micro=6%	Plant operated at 163% of re-graded hydraulic capacity in Q3	Plant operated at 78% of re-graded organic capacity in Q3.	The plant received an average of 89.54 ML/d for Q3 and highest flow recorded was 118 ML/d .Rainfall measured at the plant was 294 mm. Fluctuation of inflow is due to inconsistent	Plant received industrial high strength effluent on 2 of 90 days	16 Level 3 Equipment failures occurred in Q3. - Namely: 2 x theft electrical cable at main supply ,5 x power supply failure of Pumpstations, 2 x failure of Module 4 Level 3	120 Outages occur (270 hours in total) due to Load shedding and cable theft.	Office building have some cracks.	None	No veld fires occurred during Q3.	Dried sludge is stockpiled on the drying beds. Demand for instant lawn application is seasonal	Unlined Maturation pond.	Area around bio filters at Mod A are dolomitic	N/A	Screenings and grit tender is awarded generated solid waste at the plant is disposed to landfill site starting from the 1 Feb 2023	Access road to DBF dosing station is slippery during rainy season	None

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	The average compliance target of 47% was not achieved with the overall compliance of 40%			t Pump stations.		Equipment failures occurred in Q3. 5 x failure of rawsludge pumps 1x failure of inlet works screen. 1x failure of Mobile pump.											
Waterval	Waterval complied with overall WUL effluent standards with compliance of	Plant operated at 268% of re-graded hydraulic capacity in Q3	Plant operated at 68% of re-graded organic capacity in Q3.	Average flow of up to 458 MI/day received due to developments and bypasses for	Plant received industrial high strength effluent on 10 of 91 days. Plant is receiving and	12 alert level 3 Critical equipment failures occurred in Q3 2023/2024	0 Hours planned blower outage	None	None	0 veld fires at sludge land occurred during Q3	Dried sludge is stockpiled on the plant and paddies. Demand for agricultural application	Unlined Emergency dams.	None	N/A	Screenings and grit generated at the plant are now disposed at landfill site, this to prevent	N/A	

Plant	Non-compliance of final effluent	Hydraulic Capacity	Organic Capacity	Abnormal fluctuations in inflow	Industrial effluent	Level 3 Equipment Failure	Power outages	Ageing infrastructure	Blocked digesters	Veld fires	Sludge stockpiling	Groundwater pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Physical=97% Chemical=91% Micro=80% The average compliance target of 80% was achieved with the overall compliance of 90%			upstream plants.	treating 30 m3 of leachate daily from EnviroServ	Mainly from 2 x Wash water pumps, 1 x pond return pump failure, 2 x aerator failures, 2 x DAF recirculation failure, 1 x power dip cut, 1 x Blower failure, 1 x Inlet screen, 1 x cornel pump failure, 1 x chlorine leak					is seasonal.				underground seepage		

3.5. Project/Infrastructure Report

This section includes all major projects that will contribute to the Mega Catalytic projects. ERWAT receives new township applications timeously from CoE and provide responses about the capacity availability at various Water Care Works as and when applications are received. This section focuses on feasibilities studies and major projects at ERWAT Water Care Works (WCW), for projects that contribute either directly or indirectly to the flagship projects. Below is the summary of these planned and running projects that have been identified to address planned Mega Catalytic Projects within City of Ekurhuleni (CoE).

3.5.1 Running Projects

3.5.2.1 The appointment of service provider/s for the supply, delivery and installation of Generators at ERWAT wastewater care works on 'as and when required' basis for a period of THIRTY-SIX (36 NO.) MONTHS

The project involves the procurement, supply, and delivery of diesel generators to meet the power requirements during load shedding at ERWAT Water Care Works. The purpose of the project is to ensure a reliable and uninterrupted power supply, particularly in areas where grid electricity is unreliable or unavailable. The diesel generators serve as backup power sources during power outages or as primary power supply in off-grid locations.

The project is on implementation phase.

3.5.2.2 The appointment of service provider/s for the supply, delivery and installation of Pumps at ERWAT wastewater care works on 'as and when required' basis for a period of THIRTY-SIX (36 NO.) MONTHS

The project involves the procurement, supply, and delivery of Pumps for the efficient and effective operation of ERWAT Water Care Works, maintaining flow rates, pressures and mixing for effective treatment and disposal of sludge.

The project is on implementation phase

3.5.2 Planned Projects

This section includes all major projects that will contribute to the Mega Catalytic projects such as the John Dube Development and Obed Mthombeni Nkosi. This section focuses on feasibilities studies and major projects at ERWAT Water Care Works (WCW), for projects that contribute either directly or indirectly to the flagship projects.

COE and ERWAT undertook a comprehensive "Wastewater Conveyance and Treatment Systems Regionalisation and 50-year Master Plan" that will give strategic direction for future wastewater system extensions/consolidation planning, investment and implementation for the

next fifty (50) year planning horizon. The plan cover all the Water Care Works operated by ERWAT and conveyance systems within the CoE operational area with the intention to optimize existing WCW systems and wastewater conveyance systems.

The urgent required WCW capacity upgrades to accommodate the short to medium term capacity requirements in line with the Regionalization and 50-year Master Plan is summarized in table below. In an effort to alleviate the immediate pressures faced by the institution, the City of Ekurhuleni, through their Human settlement department and EPMO have made funding available to kick start the process of appointing Professional Service Providers to undertake the designs of the identified WCW.

The appointments follow the ECSA guidelines that are detailed below.

- STAGE 1 – Inception
- STAGE 2 – Concept & Viability (Preliminary Design)
- STAGE 3 – Design Development (Detail Design)
- STAGE 4 – Documentation & Procurement (Including Tender Doc)
- STAGE 5 – Contract Administration and Inspection
- STAGE 6 – Close Out

The following WCW were identified to be in urgent need for expansion, discussed in section below. Table below outlines the key milestones progress to date.

Table 3.5.2.1 Key Milestone Progress to Date

PROJECT NAME	PROJECT STAGES	IMPLEMENTATION STATUS
Waternal WCW Upgrade	Inception	Completed
	Preliminary Desing	Ongoing
Olifantsfontein WCW Upgrade	Inception	Completed
	Preliminary Desing	Ongoing
Anchor WCW Upgrade	Inception	Completed
	Preliminary Desing	Ongoing
Welgedacht WCW Upgrade	Inception	Completed
	Preliminary Desing	Completed
	Detail Design	Ongoing
Vlakplaats WCW Upgrade	Inception	Completed
Ratanda WCW Upgrade	Detail Design	Ongoing

3.5.2.1 Anchor Water Care Works

- a) The Anchor WCW is situated in Springs and falls within the DD4 drainage district. Built in 1936 and upgraded on several occasions over a period of time, the works is designed to treat 15 megalitres of wastewater per day from the Springs and Kwa

Thema areas. The plant is currently operating above its design capacity, which leads to poor quality of the final effluent. The new Daggafontein Megacity that is currently under construction will require a connection to the Ancor outfall .

- b) The scope of work entails the additional 15ML/d treatment Module and restoration of the current regraded 15 ML/d back to 35ML/d design capacity

	PLANNED PROJECTS	STATUS /COMMENTS	COMMISSIONING DATE
1	Upgrade to 35 Ml/d. Additional 15 Ml/d.	The capacity treatment plant upgrade is planned in relation to the 50-year master plan.	Preliminary Designs to be completed in March 2024.

3.5.2.2 Vlakplaats Water Care Works

- a) Vlakplaats water care works is situated in Vosloorus and falls within the DD6 drainage district. The original design capacity of the plant was 83 Ml/d. The plant capacity has been downgraded to 55 Ml/d. The plant is currently operating above its design capacity, which leads to poor quality of the final effluent. Vlakplaats flow distribution project is currently under construction phase to augment and add a peak flow balancing capacity into the plant by converting the old existing ponds into a balancing tank.
- b) Plans are currently underway to upgrade and restore its original capacity of 83 Ml/d in order to enhance the treatment capacity. These upgrades will ensure that the plant meet the required standards as stipulated by the department of water and sanitation (DWS).

	PLANNED PROJECTS	STATUS /COMMENTS	COMMISSIONING DATE
1	Additional 28 Ml/d Plant Upgrade	The capacity treatment plant upgrade is planned in relation to the 50-year master plan.	Inception stage- Completed

3.5.2.3 Welgedacht WCW

- a) The Welgedacht water care works is situated in Springs and falls within the DD5 drainage district. The original design capacity of the plant was 85 Ml/d. Module 2 have been commissioned and is currently undergoing defects liability period. The plant capacity has been upgraded to 95 Ml/d.
- b) Plans are currently underway to upgrade the plant to 155 Ml/d in order to enhance the treatment capacity. These upgrades will ensure that future developments flows

are accommodated thereby meeting the required standards as stipulated by the department of water and sanitation (DWS).

	PLANNED PROJECTS	STATUS /COMMENTS	COMMISSIONING DATE
1	Additional 60 Ml/d Plant Upgrade	The capacity treatment plant upgrade is planned in relation to the 50-year master plan.	The project is currently on Stage 3 (Detail Design)

3.5.2.4 Ratanda Water Care Works

- a) The Ratanda WCW is situated south-west of Ratanda town and falls within the DD5 district. Built in 1998, it is designed to treat 4.7 Ml/d of raw sewage from Ratanda. Conventional activated sludge is employed as the main treatment process.
- b) The scope of work entails the refurbishment of the existing works and upgrade by extension of the works with an additional capacity of 5 ML/d, by provision of a new module.

	PLANNED PROJECTS	STATUS /COMMENTS	COMMISSIONING DATE
1	Additional 5 Ml/d Plant Upgrade	The capacity treatment plant upgrade is planned in relation to the 50-year master plan.	The designs are currently being developed to be finalised.

3.5.2.5 Waterval Water Care Works

- a) The Waterval water care works is the largest works operated by ERWAT and is situated in the DD6 area at the Kliprivier. The original design capacity of the Waterval wastewater care works was 155 Ml/d. The plant capacity has been upgraded to 170 Ml/d.
- b) Plans are currently underway to upgrade the plant to 420 Ml/d in order to enhance the treatment capacity. These upgrades will ensure that future developments flows are accommodated thereby meeting the required standards as stipulated by the department of water and sanitation (DWS).

	PLANNED PROJECTS	STATUS /COMMENTS	COMMISSIONING DATE
1	Additional 250 Mℓ/d Plant Upgrade	The capacity treatment plant upgrade is planned in relation to the 50-year master plan	The project is currently on Stage 2 (Preliminary Design)

3.5.2.6 Olifantsfontein Water Care Works

- a) The Olifantsfontein works, situated in the northern Drainage District (DD3), serves the majority of the communities and industries in Tembisa, Olifantsfontein and Ivory Park, as well as sections of Kempton Park and Midrand. The works is designed to treat 15 105 Mℓ/d.
- b) Plans are currently underway to upgrade the plant with an additional 50 Mℓ/d in order to enhance the treatment capacity. These upgrades will ensure that future developments flows are accommodated thereby meeting the required standards as stipulated by the department of water and sanitation (DWS).

	PLANNED PROJECTS	STATUS /COMMENTS	COMMISSIONING DATE
1	Additional 50 Mℓ/d Plant Upgrade	The capacity treatment plant upgrade is planned in relation to the 50-year master plan	The project is currently on Stage 2 (Preliminary Design)

Conclusion:

ERWAT is striving and working hard towards addressing all Mega Catalytic projects to accommodate all new developments within the City of Ekurhuleni. As discussed above, the mentioned Water Care Works need to be upgraded urgently to cater for the current backlog in capacity and to make provision for future housing and industrial developments.

4. Financial Report

The operational and capital expenditure are provided in Table 5 and 6, respectively.

Table 5: Operational expenditure

Line item	Total Original Budget	Total Revised Budget <small>(Applicable only after Adjustment)</small>	Budget for Quarter	Actual for Quarter	Variance	Actual for FY (Yr. to date)	Variance for year (Yr. to date)
Employee Related Costs - Salaries & Wages	R484 802 331,00	R485 568 491	R121 775 203	R105 972 221	(R15 802 982)	R317 269 323	(R46 907 045)
Remuneration of Directors	R3 991 959,00	R3 991 959	R997 990	R226 561	(R771 429)	R874 711	(R2 119 258)
Bad Debts (Provision for Bad Debts)	R1 856 135,00	R1 856 135	R464 034	R272 018	(R192 016)	R454 190	(R937 911)
Depreciation	R103 878 876,00	R129 018 367	R44 824 337	R28 480 858	(R16 343 479)	R86 511 204	(R10 252 571)
Repairs and Maintenance	R155 813 866,00	R157 079 013	R39 902 327	R57 841 270	R17 938 943	R97 066 500	(R20 742 760)
Interest Expense	R27 929 554,00	R36 530 626	R13 433 193	R7 464 568	(R5 968 625)	R 23 717 389	(R3 680 581)
Bulk purchases	R400 254 021,00	R378 937 666	R84 076 239	R71 942 300	(R12 133 939)	R211 062 538	(R73 140 712)
General Expenses - Other	R223 102 982,00	R 282 384 502	R100 236 886	R28 564 120	(R71 672 766)	R 88 108 595	(R123 679 782)
TOTAL OPERATING EXPENDITURE	R1 401 629 724,00	R1 475 366 759	R405 710 207	R300 763 916	(R104 946 291)	R825 064 450	(R281 460 619)

ERWAT has spent 55.92% YTD (R 825 064 450/R 1 475 366 759) of the total approved budget. The total overall YTD underspending in the 3rd Quarter of R 104 946 291 is due to the following reasons:

1. Employee costs under-expenditure due to vacant positions still in the process of being filled, recruitment of those vacancies is planned occur up until year end.
2. There was an under expenditure on Director's remuneration as the budget provided for 8 Directors however only 5 Directors were employed during the year and by the end of the third quarter only 3 Directors remained due to resignations.
3. Repairs and Maintenance, due to delays experienced in the procurement process.
4. Bulk purchases, load shedding significantly impacts the electricity charges, which are included in Bulk purchases. Fuel costs to power the generators has increased but not to the extent of electricity budget. Delays in the procurement of essential chemicals due to challenges faced by the manufacturer in the chemical manufacturing process.
5. General expenses, under expenditure of the protective clothing budget due to challenges experienced with procuring on the awarded irregular expenditure contract. Under expenditure of transport and freight budget in the first two quarters which should be realised in the third and fourth quarter of the financial year.

Table 6: Capital expenditure

Project Detail	Total Original Budget	Total Revised Budget (applicable only after Adjustment)	Budget for Quarter	Actual for Quarter	Variance	Total Budget for the year	Actual for FY (Yr. to date)	Variance for year (Yr. to date)	% Completion
CAPITAL PROJECTS	R127,646,091	R 135 646 094,00	R108 516 875,20	R 76 131 672,14	R-32 385 203,06		R 76 131 672,14	R-32 385 203,06	56,13%

The target for Quarter 3 is R108 million, which is 80% of the total adjusted Capex budget. The actual capital expenditure for Quarter 3 of 2023/24 FY is R 76 million, which represents a 56,13% spending of the R135 million budget; thus, the target for the quarter is not achieved with a 23,87% negative variance.

5. Human Resources

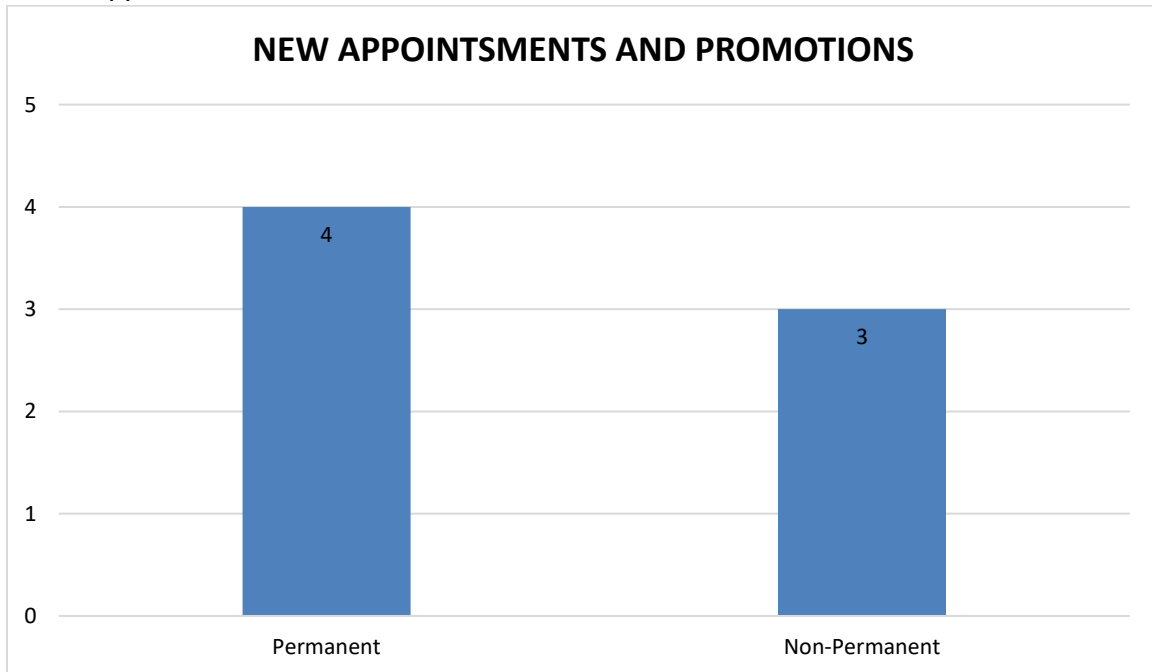
4.1. Staff Movement

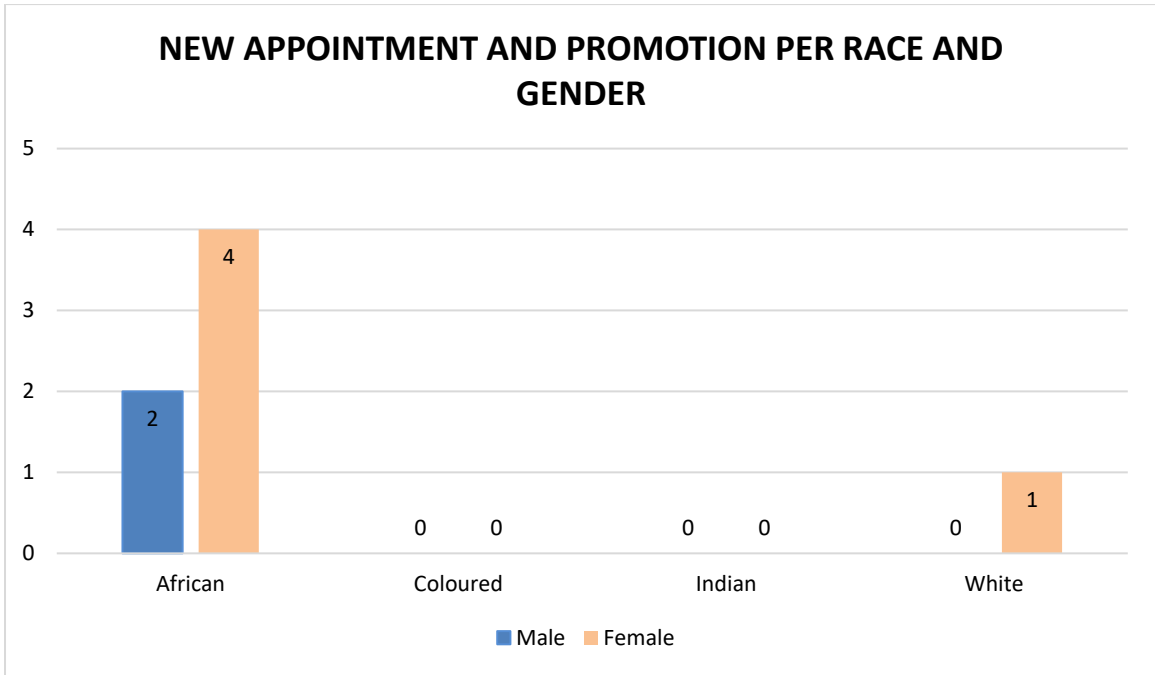
4.1.1. Summary of Staff Movement

Staff Movements	African		Coloured		Indian		Whites		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Recruitments	1	4	-	-	-	-	-	1	6
Promotion	1	-	-	-	-	-	-	-	1
Resignations	2	1	-	-	-	-	-	1	4
Retirements	-	1	-	-	-	-	-	1	2
Contract Expired	2	5	-	-	-	1	-	-	8
Dismissal	1	-	-	-	-	-	-	-	1

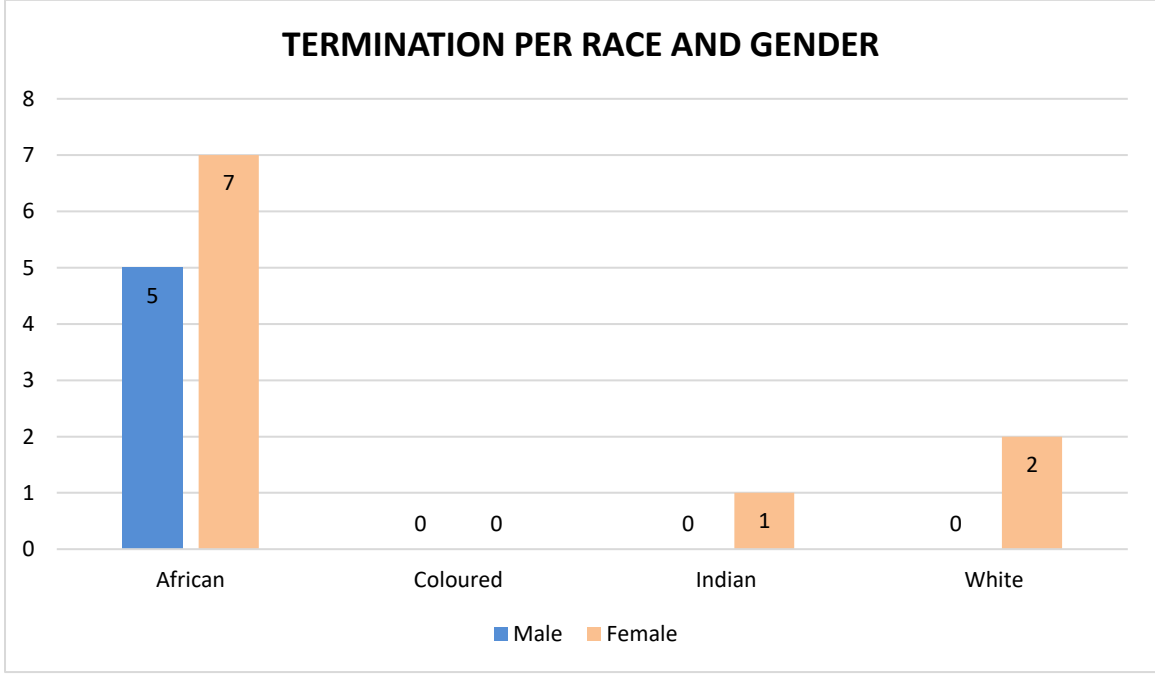
Table 7: Staff Movements

4.1.2. Appointments





4.1.3. Terminations



Status Analysis:

- During the period under review, 6 employees were recruited, and 1 employee was promoted.
- During the period under review, 15 employees exited the organisation for the following reasons:
 - 4 employees resigned;
 - 2 employees retired;
 - 8 contracts expired; and
 - 1 employee was dismissed.
 -

4.2. Overtime Trends

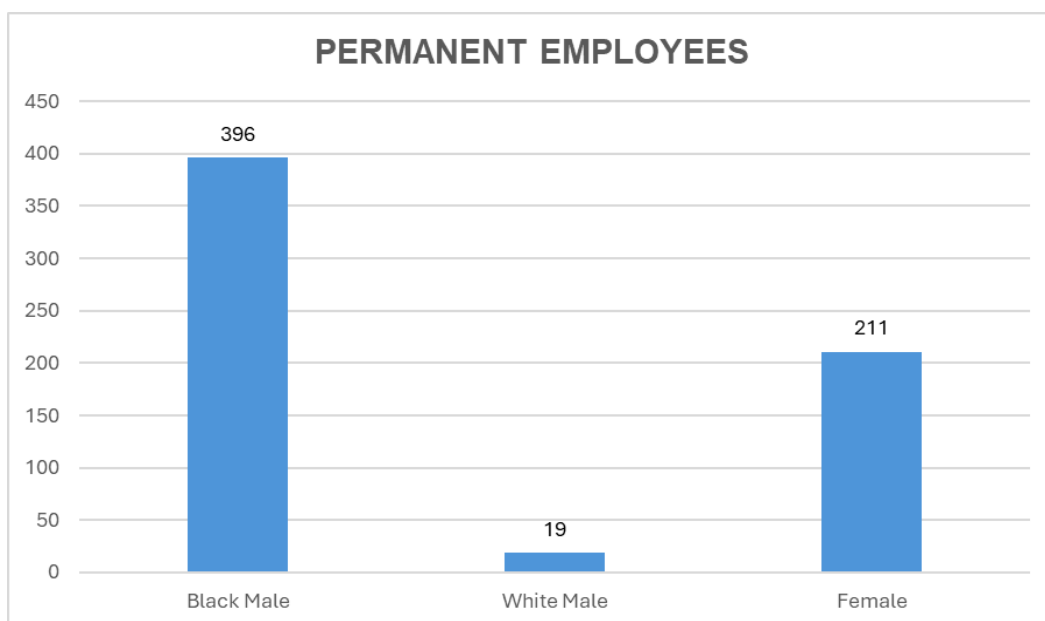
	Quarter 1	Quarter 2	Quarter 3	YTD
Total Hours	54 671.80	52 522.75	58 145.25	165 339.80
Total Cost	7 337 932.06	7 311 228.37	8 331 151.25	22 980 311.68
Budget	8 167 624.25	8 167 624.25	8 167 624.25	24 502 872.75

Table 8: Overtime Trends

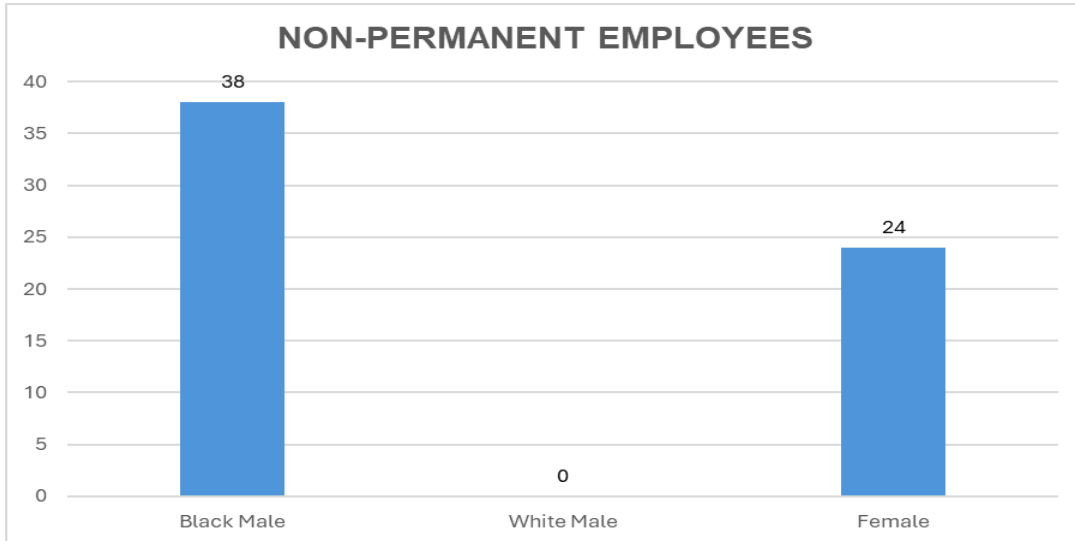
Overtime is monitored and approved by Management, as per the needs of the various business units.

4.3. Employment Equity

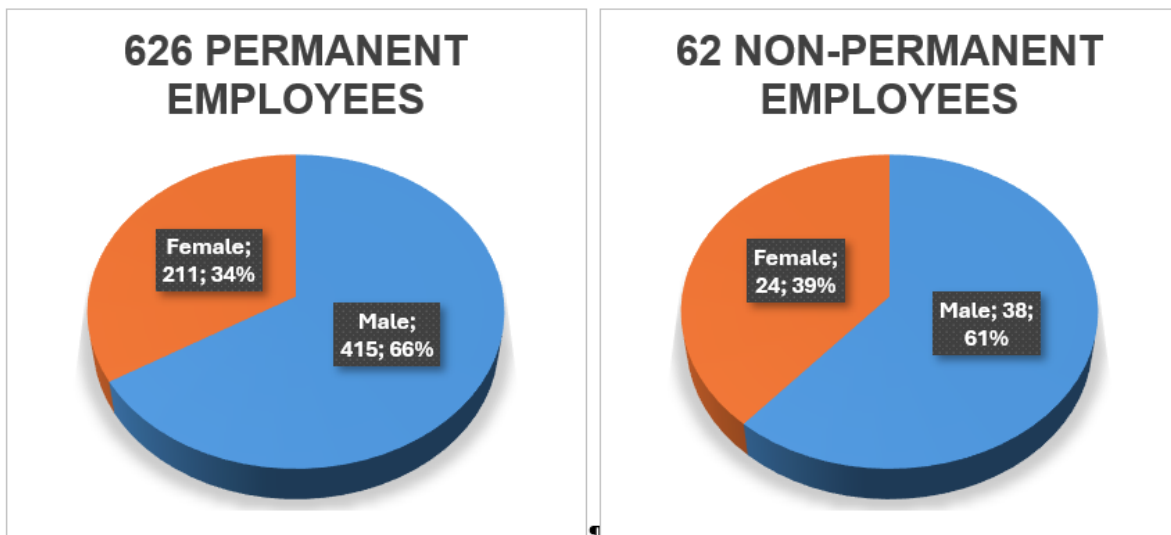
4.3.1. Employment Equity Demographics



ERWAT has **626** permanent employees.



ERWAT has **62** non-permanent employees.

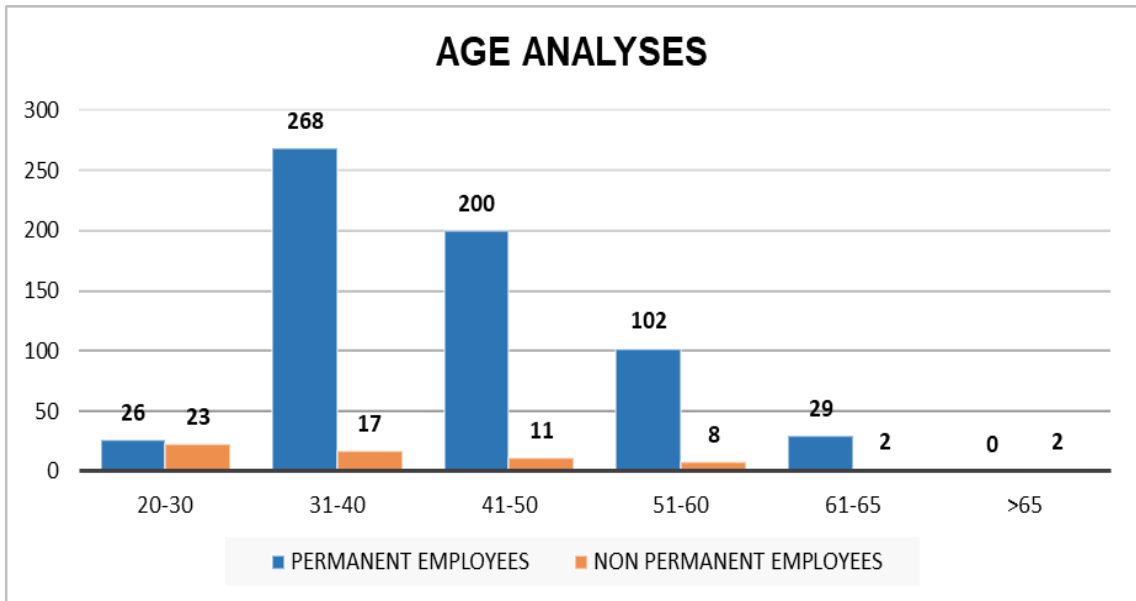


Status Analysis:

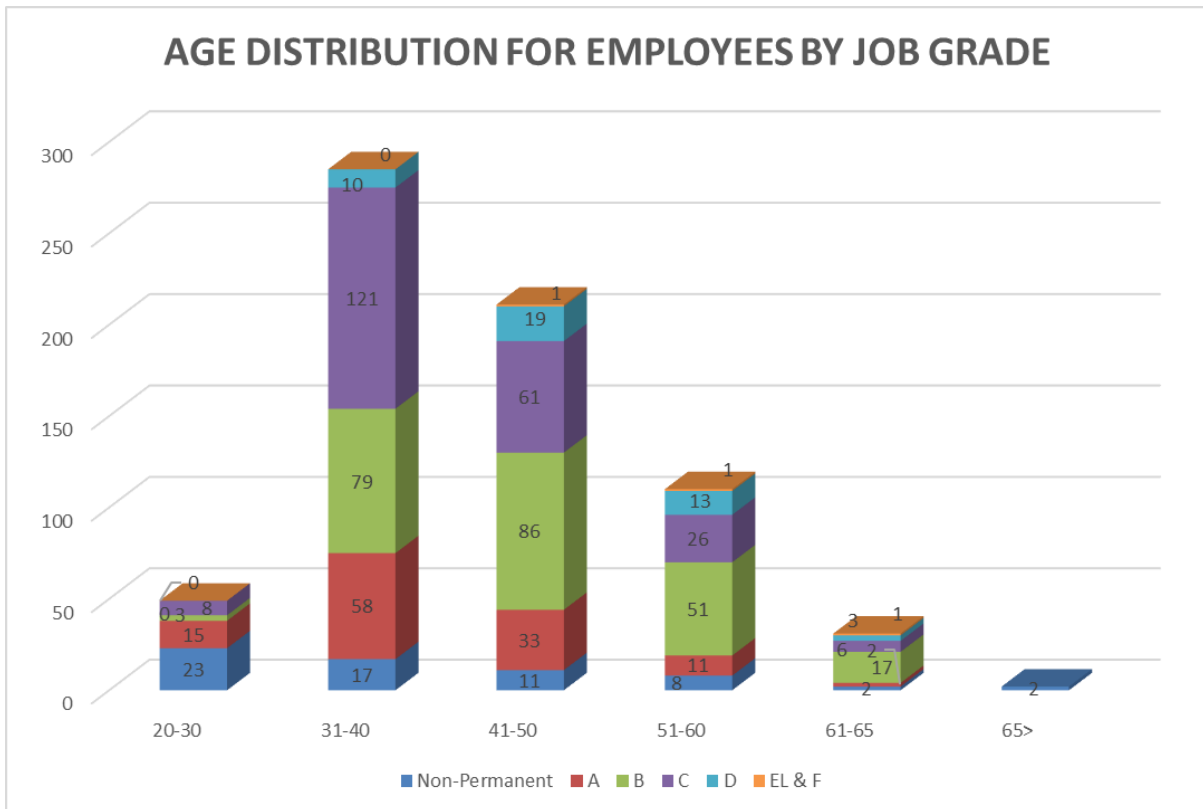
- The employment demographics of ERWAT as at 30 March 2024 reflects:
 - Females in both permanent and non-permanent positions within ERWAT account for 235 or 34% of the total positions filled.
 - Males in both permanent and non-permanent positions within ERWAT account for 453 or 66% of the total positions filled.

4.3.2. Employment Equity Update

The Employment Equity Plan is taken into consideration during recruitment in support of ERWAT's strategy by identifying the need in certain Occupational Categories.



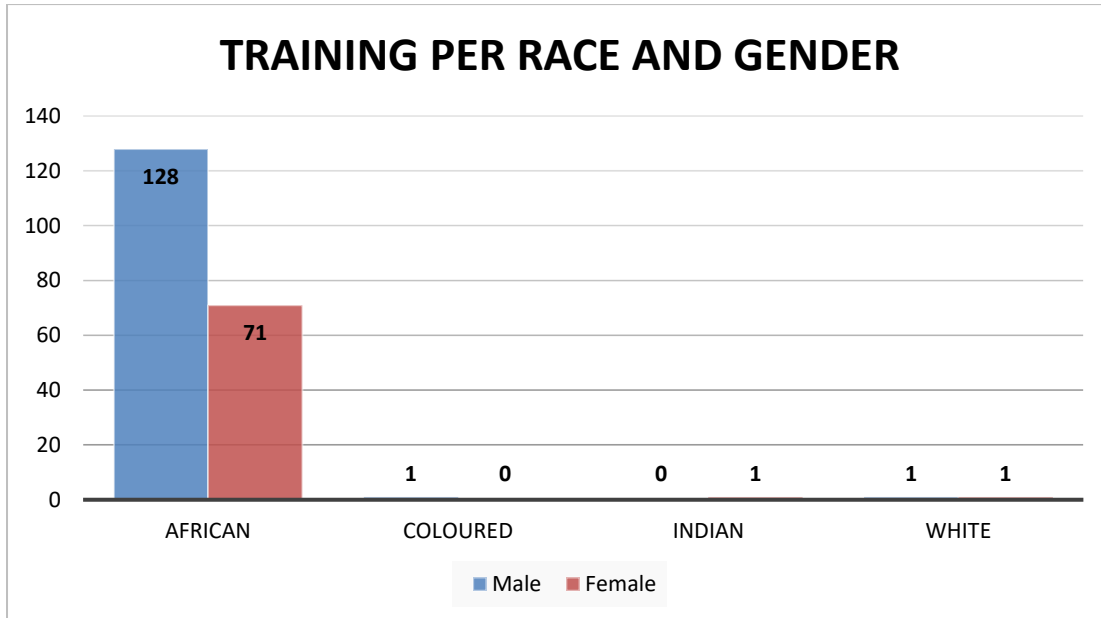
Average age as at 03/2024 = 36



The current age distribution of ERWAT depicts that most employees range between the ages of 31-40.

4.4. Training and Development

During the period under review, a total of 203 employees attended various training interventions.



- 126 ERWAT Employees have been trained on Chlorine Handling Training
- 5 Have been Trained on Emotional Intelligence
- 48 Employees have been enrolled for NQF Level 3 in Water and Wastewater Treatment Process Operation
- 24 Employees have been enrolled for NQF Level 4 in Water and Wastewater Treatment Process Supervision Operation

4.5. Staff Cost versus Total OPEX Cost

	Quarter 1	Quarter 2	Quarter 3	YTD – Actual
Total Salary Cost	104 583 197.00	107 362 055.00	106 198 782.00	318 144 034.00
Total Opex	234 879 393.49	289 421 140.66	299 238 329.85	823 538 864.00
% of Salary to Opex	45%	37%	35%	39%

Table 8: Percentage of Salary to total Opex

4.6. Employee Wellness Programmes

ERWAT has 47 Wellness Champions (WC) that are placed on all 19 Plants including the Scientific Services and Head Office. The core function of the WC is to assist the Occupational

Health Nurse, in identifying any health and wellness concerns amongst employees, monitor absenteeism; they also provide health education in a form of frequently scheduled meetings with employees on site.

ERWAT is in a process of sourcing service providers for Employee Wellbeing and Psycho-Social support services. Presently counselling is done in-house by the Occupational Health Nurse Practitioner (OHNP). During the period under review, 7 employees received Psychotherapy counselling sessions offered by ERWAT Occupational Health Services.

The department is expected to report with respect to the Labour Legislation:

1. Report on current structure and staff movements e.g., recruitments, resignations, retirements etc. Please provide a narrative below table 7.
2. Reflect on overtime trends
3. Report on performance in respect of the Employment equity and affirmative action plans and programmes (narrative).
4. Report on performance in respect of the Skills development plans (narrative).
5. Report on staff versus cost of staff to total opex.
6. Report on wellness programme (narrative – HR Central).
7. Report on issues related to the management of HIV/AIDS in the workplace (Narrative – HR Central).

6. Procurement Practices, Job Creation and Mainstreaming

1. BEE spend in respect of supplier and contractor (PDIs) – Three (3) new tenders/contracts were concluded during Quarter 3, however no spend was incurred to date in relation to the tenders/contracts.
2. Job creation is encouraged by including a provision for locally situated bidders within the set criteria in the functionality section where it could be broken down further where bidders could be scored for indicating in the supporting documents and tables their intention to employ new staff from the areas, they will be operating from in the event that they are awarded a tender. This is however included on a case-by-case basis where it is practically implementable. No new tenders/contracts were concluded during Quarter 3.
3. ERWAT is not in a position to utilise the EPWP program due to being an Entity and cannot apply directly to National Treasury for this grant through the Division of Revenue Act. Going forward, ERWAT will during its budget cycle identify potential projects where the EPWP can be included and utilised. ERWAT will require access and training on the respective EPWP portal for registration of projects and reporting.
4. GEYODI: No new tenders/contracts were concluded during Quarter 3.

7. Risk Management

Risk assessment provides an assessment of the relevant and critical risks through a classification and rating system, and mitigating actions and KPIs and targets that can be incorporated in the Balanced Scorecard. The reporting on the risk management into the quarterly reporting process is to ensure that the key risks that may prevent the achievement of the department's strategy are systematically identified and mitigating strategies and actions developed.

#: This report is against the risks identified in the Business Plans

Table 11: Risk Assessment

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
ERW1	Inadequate Infrastructure to treat wastewater	CF1.1	Inadequate integrated planning between CoE and ERWAT	CF1.1	Service Delivery Agreement between the CoE and ERWAT	High	RAP 1.1	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF1.2	Lack of participation in key decision-making forums established by the City such as Capital Investment Forum	CF1.2	City Committees (MMC Senior Management meetings, Technical Cluster)		RAP1.2	Request the H.O.D of the City Planning to invite ERWAT to the Capital Investment Forum meeting	Action plan completed.	Action plan completed.
		CF1.3	'a) Outdated, aging and inadequate infrastructure to treat high strength industrial effluent due to lack of budget to implement capacity related projects. Current Capacity (14 WCWs operating above 100% capacity, 3WCWs	CC1.3.1	Grant Funding (Urban settlement development grant)		RAP1.3.1	Investigate other potential sources of funding for the upgrading of infrastructure to increase capacity- Go out into the market to source/borrow additional funding for expansion	In progress - Both DFIs have expressed interest in supporting ERWAT's sustainable initiatives projects and acknowledged the alignment of ERWAT's initiative with their funding priorities. The requested amount is R750 million, which will be utilized for the implementation of Solar Panels and Capacity expansion project. The requested funds will be allocated as follows:	In progress - Both DFIs have expressed interest in supporting ERWAT's sustainable initiatives projects and acknowledged the alignment of ERWAT's initiative with their funding priorities. The requested amount is R750 million, which will be utilized for the implementation of Solar Panels and Capacity expansion project. The requested funds will be allocated as follows: • R350 Million for the Solar

REF	Risk Title	Contributing Factors	Current Mitigating Controls	RR	Risk Action Plans	Detailed Progress Quarter 2	Detailed Progress Quarter 3
		operating at 80+ to 100% and only 2 WCWs operating below 80%)				<ul style="list-style-type: none"> R350 Million for the Solar Panel project R400 Million for the Capacity upgrade project. " 	Panel project • R400 Million for the Capacity upgrade project. "
			CC1. 3.2 'MTERF Capex Budget Allocation 2023/2024		RAP1. 3.2.1 Implementation the 2023/2024 Capex plan	2023/2024FY Approved Budget is R127,6 million Quarter 2 Spending 40,08% = (R51.15 million) Q2 target 60%= R 76,5 million Q2 Variance of -19.92% (Negative Variance)	2023/2024FY Approved Budget is R127,6 million Quarter 2 Spending 40,08% = (R51.15 million) Q2 target 60%= R 76,5 million Q2 Variance of -19.92% (Negative Variance) 2023/2024FY Adjusted Budget is R135,6 million Spending to date: R66 172 009.16 (48.8%) of R135,6 million (22 Mar 2024)
					RAP1. 3.2.2 Plant Optimisation Modelling	In progress - Facility Development Plan draft report for Hartebeestfontein and Olifantsfontein WCW is completed, currently undergoing reviewing and sign-off.	In Progress - The Facility Development Plans for Olifantsfontein WCW, Hartebeestfontein WCW and Waterval WCW was presented to the Executive Committee meeting of the 12/03/2024. The Olifantsfontein WCW report was presented and the other two were deferred to a later date to be confirmed by the Office of the Managing Director.
			CC1. 3.3 Development & Engineering Contribution Policy		RAP1. 3.3 Review the Development & Engineering Contribution Policy to include a clause on upfront payment	In progress - CoE Development Contribution Policy was approved in March 2023. ERWAT is in process to align the ERWAT DC policy with COE. For Financial Year 2023-2024 the ERWAT DC engineering rate charge has increased to R18 009.20	In progress - CoE Development Contribution Policy was approved in March 2023. ERWAT is in process to align the ERWAT DC policy with COE. For Financial Year 2023-2024 the ERWAT DC engineering rate charge has increased to R18 009.20

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									(R/Kl/day) from R13 526.76 (R/Kl/day) due to the assessment & valuation conducted by COE.	(R/Kl/day) from R13 526.76 (R/Kl/day) due to the assessment & valuation conducted by COE. The amended Policy will be tabled to the board before the end of the current financial year.
				CC1. 3.4	Wastewater conveyance and treatment systems regionalisation and 50-year master plan		RAP1. 3.4	Five (5) Turnkey Capital Project – 50 Year Master Plan through the City (progress report) 1. Watervaal 2. Olifantsfontein 3. Vlaakplaats 4. Anchor 5. Welgedacht	1. Waterval - Refurbishment and Expansion for an additional 250 MLD: Stage 1 Completed & Stage 2 in progress. 2. Olifantsfontein - Refurbish and upgrade from the current regraded capacity of 65 MLD to 105 MLD and expansion for and additional 50 MLD: Stage 1 Completed & Stage 2 in progress. 3. Vlakplaats - Refurbish and upgrade from the current regraded capacity of 55 MLD to 183 MLD: Stage 1 Completed, awaiting approval to proceed to Stage 2. 4. Ancor - Refurbish and upgrade from the current regraded capacity of 15 MLD to 35 MLD and expansion for and additional 15 MLD: Stage 1 Completed & Stage 2 in progress. 5. Welgedacht - Refurbishment and Expansion for an additional 60 MLD: Stage 1 Completed & Stage 2 Completed, Stage 3 in progress.	1. Waterval - Refurbishment and Expansion for an additional 250 MLD: Stage 1 Completed & Stage 2 in progress. 2. Olifantsfontein - Refurbish and upgrade from the current regraded capacity of 65 MLD to 105 MLD and expansion for and additional 50 MLD: Stage 1 Completed & Stage 2 in progress. 3. Vlakplaats - Refurbish and upgrade from the current regraded capacity of 55 MLD to 183 MLD: Stage 1 Completed, awaiting approval to proceed to Stage 2. 4. Ancor - Refurbish and upgrade from the current regraded capacity of 15 MLD to 35 MLD and expansion for and additional 15 MLD: Stage 1 Completed & Stage 2 in progress. 5. Welgedacht - Refurbishment and Expansion for an additional 60 MLD: Stage 1 Completed & Stage 2 Completed, Stage 3 in progress. 2. Olifantsfontein - Refurbish and upgrade from the current regraded capacity of 65

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
										MLD to 105 MLD and expansion for and additional 50 MLD: Stage 1 Completed & Stage 2 in progress.
		'b) Outdated, aging and inadequate technology to treat high strength industrial effluent due to lack of budget to implement newer technologies (OPS).	CC1. 3.5	Wastewater Risk Abatement Plans		RAP1. 3.5	Review the Wastewater Risk Abatement Plans every 2nd year (2023)	Wastewater Risk Abatement Plans are still in the review in phase. The process will be completed at the end of quarter3 of the 23/24 financial year.	Risk assessments have been completed for all WCW. The draft site-specific Wastewater Risk Abatement Plans for each WCW are being finalised. Drfat WWRAP to be circulated for comment by end April 2024.	
	CC1. 3.6		Wastewater Research and Development Program		RAP1. 3.6	Organic testing of industrial effluent	In progress - Organic profiling has been completed on 583 industrial source scans (325 for North East Region and 258 for South West Region). Industries exceeding by laws limits are being screened monthly.	In progress - Organic profiling has been completed on 614 industrial source scans (341 for North East Region and 273 for South West Region). Industries exceeding by laws limits are being screened monthly.		
	CC1. 3.7		CoE Schedule A Bylaws Analysis of samples by ERWAT		RAP1. 3.7	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.		
	CC1. 3.8		Incident management protocol (IMP).		RAP1. 3.8	Tracking of incidents and on a quarterly to assist in planning to build operational resilience and improving compliance	Q2 290 Job Cards were loaded on the CMMS and total of 309 were closed. Translate to 106% closed	Q3 - 1220 Job Cards were loaded on the CMMS and a Total of 695 were Closed. Translated to 57%		
	CF1.4		'Asset Care Plans inadequately resourced to fully implementation maintenance plans	CC1. 4.1	Asset Management Policy & Asset Management Strategy		RAP1. 4.1	Review the Asset Management Policy and Strategy	Action plan completed	Action plan completed
		CC1. 4.2		Asset Care Plans, limited available budget		RAP1. 4.2		The expenditure target is as follows for maintenance	The expenditure target is as follows for maintenance	

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
			leading to unavailability of equipment	CC1. 4.3	Implementation of the 2022/2023 Maintenance Plan			Implementation of the Maintenance Plan for 2023/2024	Q2 Target – 50% R 38 953 466.50 (Quarterly budget) R 155 813 866.00 (Annual Budget) Actual - 25.17% R 23 651 046. 27	Q3 Target – 75% The expenditure year to date is R 97 066 499,71 in Quarter 3 against the total approved budget of R 157 079 013,00.
		CF1.5	Delays in bringing back equipment to services due to long lead time of spares of spares sourced overseas and inadequate service master contracts	CC1. 5.1	ERWAT Operational Procurement Plan		RAP1. 5.1	Create a Centralised Spares Store to reduce down-time and increase efficiency	Maintenance has conducted an assessment and 3D drawings designs for the Centralised Spares Stores has been completed.	The Maintenance Department is in weekly discussions with Finance, Scientific Services and Operations to establish 6 satellite stores to service all four regions.
				CC1. 5.2	'Equipment Operating Manuals		RAP1. 5.2	Develop/Review the Maintenance & Operations Standard Operating Procedures	The following Standard Operating Procedures were drafted and still to be signed off 1. Draft MS-SOP-SA-003 Incident Management Procedure (002) 2. Draft MS-SOP-SA-003.1 Incident CLASSIFICATION GUIDELINE 3. Incident Notification and Reporting Forms. 4. Process Flow Incident Reporting	The following Standard Operating Procedures were drafted and still to be signed off 1. Draft MS-SOP-SA-003 Incident Management Procedure (002) 2. Draft MS-SOP-SA-003.1 Incident CLASSIFICATION GUIDELINE 3. Incident Notification and Reporting Forms. 4. Process Flow Incident Reporting
		CF1.6	Storm water ingress contributing to the water levels in the plant	CC1. 6	No current control - Storm water is managed at City level		RAP1. 6	The entity has no control over storm water ingress it is within the boundary of the City	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF1.7	Rapid population and industrial growth within CoE	CC1. 7	Wastewater conveyance and treatment systems regionalisation and 50-year master plan		RAP1. 7	Request additional Capex funding to implement capacity related project	In progress - Both DFIs have expressed interest in supporting ERWAT's sustainable initiatives projects and acknowledged the alignment of ERWAT's initiative	In progress - Both DFIs have expressed interest in supporting ERWAT's sustainable initiatives projects and acknowledged the alignment of ERWAT's initiative

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									with their funding priorities. The requested amount is R750 million, which will be utilized for the implementation of Solar Panels and Capacity expansion project. The requested funds will be allocated as follows: <ul style="list-style-type: none"> • R350 Million for the Solar Panel project • R400 Million for the Capacity upgrade project. " 	with their funding priorities. The requested amount is R750 million, which will be utilized for the implementation of Solar Panels and Capacity expansion project. The requested funds will be allocated as follows: <ul style="list-style-type: none"> • R350 Million for the Solar Panel project • R400 Million for the Capacity upgrade project. "
ERW2	Inadequate preparedness in the event of an emergency/natural disaster.	CF2.1	Some plants of the 19 Wastewater Care Works do not have wastewater bypassing systems and emergency dams	CC2.1	Water Bypass System for some Wastewater Care Works and emergency dams	High	RAP2.1	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF2.2	Some of the Infrastructure built on dolomitic areas	CC2.2	Geo tech studies conducted(annually upon availability of funds)		RAP2.2	Conduct Geotechnical studies	Action plan completed.	Action plan completed.
		CF2.3	Inadequate Business Continuity Management Program	CC2.3.1	Business Continuity Management Policy		RAP2.3.1	Develop an ERWAT Disaster Management Framework	In progress - ERWAT Disaster Management Framework is still under development.	In progress - ERWAT Disaster Management Framework is still under development.
				CC2.3.2(a)	Business Continuity Management Risk Assessments for Water Care Works and Support Services		RAP2.3.2	Review of Business Recovery Plans for the Core Business	In progress – BCM identified as a Key Performance Indicator for the Managing Director. The first phase to review of the Business Impact Analysis will start in quarter 3.	Action plan completed
				CC2.3.2(b)	BCM Business Impact Analysis					
				CC2.3.2(c)	Business Recovery Plans					

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
				CC2. 3.3	BCM Steering Committee	High	RAP2. 3.3(a)	Raise awareness on Business Continuity Management through quarterly news flash	In progress - BCM Flash titled 'Elements of a high-functioning Business Continuity Management (BCM) Plan' was communicated to the business on the 30th of October 2023	The next Flash will be out in April
				CC2. 3.4	BCM Infrastructure Condition Assessments		RAP2. 3.3(b)	Training of BCM Co-ordinators	Action plan has not yet started	The List of Co-ordinators being updated.
				CC2. 3.4	ICT Disaster Recovery Plan		RAP2. 3.4	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC2. 3.5	ICT Disaster Recovery Plan		RAP2. 3.5	Move ERWAT Disaster Recovery Site to a location far from Head Office in line with best practice	Action plan not yet started The upgrading of the operating system is dependent on the server infrastructure replacement with is currently at the Bid Evaluation Stage"	The Tender for Disaster Recovery site relocation was advertised on the 25th January 2024.
ERW3	Potential loss of the ISO 17025 accreditation	CF3.1	Aging instrumentation, scarcity of spares and discontinuation of instruments could result in loss of the approved testing methods impacting on service delivery both internally and externally	CC3. 1 (a)	Scheduled maintenance in accordance with ERWAT's Instrumentation maintenance Plan	RAP3. 1(a)	Scheduled Instrumentation Maintenance Plan	Instrumentation serviced /calibrated as per schedule	Action plan completed. Instrumentation serviced /calibrated as per schedule	
				CC3. 1 (b)	Use of obsolete scrapped equipment spares	RAP3. 1(b)	Capex 2 items: 2 x Flow injection analysers GC-MS equipment	In progress - FIA's discontinued was looking at new Nutrient analysers on market, tender will go to BSC in Jan 24. GC-MS purge and trap will be advertised 15 Jan 2024	Nutrient analysers specifications were delayed. Tender will go to BSC in March 24. GC-MS Purge and Trap instrument tender closed 1 March 2024. At BEC for evaluation.	
		CF3.2	Lack of budget for planned maintenance of the laboratory building	CC3. 2	Ad-hoc minor maintenance by the Maintenance Department on a daily,	RAP3. 2	Implementation of building maintenance plans including power supply loads, building/ roof leaks, etc.	Building Maintenance was moved to the Operations Department in quarter 2. The Specifications of the Building	Bid document submitted for consideration by the BSC in late March 2024. Bid advertisement envisaged in April 2024	

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
					weekly and monthly basis.				Maintenance will be finalised by the Operations Department.	
		CF3.3	Lack of control of the laboratory internal environmental temperature resulting in	CC3.3 (a)	UPS at the Laboratory on certain instruments and central generator at Head office		RAP3.3	Develop Head Office Maintenance Plan (replacement of UPS batteries and scheduled maintenance on the batteries)	Action plan not yet started - The UPS batteries were not replaced. Risk of losing instrument runs.	Action plan completed The UPS batteries were replaced in the month of February.
		CF3.4	Power and water supply disruption due to load shedding and unstable water supply	CF3.4	Storage tanks for de-ionised water.		RAP3.4	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
ERW4	Inadequate preparedness in the event of total grid collapse resulting in extended blackouts	CF4.1	Load shedding challenges facing the South African government	CC4.1	No current control	High	RAP4.1	No further action plan due to the network configuration	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF4.2	Thirty-Six (36) Gensets to power critical processes and UPS for the Laboratory	CC4.2	Gensets and UPS for a few		RAP4.2	Do a feasibility study on alternative energy such as Hydropower, Solar etc	In progress - Solar Polar has been identified as the alternative energy for ERWAT. An application for funding has been made and • R350 Million will be allocated for the Solar Panel project	In progress - Solar Polar has been identified as the alternative energy for ERWAT. An application for funding has been made and • R350 Million will be allocated for the Solar Panel project
		CF4.3	Gen-sets do not generate enough to power the entire wastewater care works by its design				RAP4.3(a)	Repair all non-operational Gensets	The tender to repair all non-operational generators Generator tender contract at Bid Adjudication Committee stage	The tender to repair all non-operational generators Generator tender contract at Bid Adjudication Committee stage
							RAP4.3(b)	Procurement and installation of additional Gensets to increase the fleet	•Project Description : 1.Installation of Generators at various WATER CARE WORKS. Physical Progress: 70% Financial progress: 68,5% 2.Installation of Pumps at various WATER CARE Physical	Out of 9 Generators *7 - were installed, commitioned and handed over *2 - FAT done and they are ready for installation. *All concrete foundation slaps have been completed

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									Progress: 80% Financial progress: 54,92%	*All cables has been procured and to be delivered to Site upon installation to avoid theft *1 - the control panel is being manufactured await FAT date
ERW5	Inability to spend in accordance with the allocated budget	CF5.1	High vacancy rate due to the backlog caused by the previous monotorium	CC5.1	ERWAT 2023/24 Recruitment Plan	Med	RAP5.1	Implementation of the 2023/24 recruitment plan	In progress. The following appointments have taken place: General Worker (1 individual), Executive Manager Operations (02 October 2023), Tea Lady (1 individual), and Works Manager (02 October 2023). The following positions are at offers stage: Tea Ladies, Drivers, General Worker (Lab and HR) and District Manager."	126 ERWAT Employees have been trained on Chlorine Handling Training 5 Have been Trained on Emotional Intelligence 48 Employees have been enrolled for NQF Level 3 in Water and Wastewater Treatment Process Operation 24 Employees have been enrolled for NQF Level 4 in Water and Wastewater Treatment Process Supervision Operation
		CF5.2	Decline in bulk purchases; Electricity costs due to load shedding	CC5.2	ERWAT Procurement Plan		RAP5.2	Enhance the process by having additional chemical suppliers (Ops)	In progress- Tender was a non-award, will review the tender specifications and submit to BSC in Jan. 2024.	In progress- Tender was a non-award, will review the tender specifications and submit to BSC in Jan. 2024. Tender under advertesement due in April 2024
		CF5.3	Unavailability of chemicals in the market (Unavailability of fuel)	CC5.3	Variance report (budget vs actual spent)		RAP5.3	Enhance the budget variance process by sending variance reports to user departments	Budget variance reports are sent to user departments monthly	Budget variance reports are sent to user departments monthly
		CF5.4	Non award of tenders	CC5.4	Bid Specification Committee in place		RAP5.4	User department to ensure that they conduct a proper market research analysis and provide proof thereof	Action plan completed - The requirement is on the SCM bid checklist. It is required with new works and not with recurring tenders.	Action plan completed

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
		CF5.5	Poor Contracts Management	CC5.5.1	Contracts Management Policy		RAP5.5.1	Implementation of the Contracts Management policy (reporting and reviewing of the contract register)	Action plan completed -The contracts register is reviewed and reports continuously tabled at EXCO	Action plan completed.
				CC5.5.2	Contractor performance assessments		RAP5.5.2	Report(monthly) on monitoring of contractor performance	Reporting on monitoring of contracts performance takes place during Executive Committee meetings. Last report was tabled on 12/09/2023	Reporting on monitoring of contracts performance takes place during the Executive Committee meetings. The last report was tabled on 13 March 2024.
				CC5.5.3	Contracts register					
		CF5.6	Delays in the processing of purchase orders	CC5.6.1	Adherence to SOP14 Turnaround time and control administrative measures		RAP5.6	SCM workshop on procurement of products and services(quarterly)	In progress - No training was conducted during quarter 2 due to the Annual Auditor General audit process. Workshops to be conducted during Q3 and Q4	In progress - No workshop was conducted during the Quarter 3 period due to legislation being promulgated and internal processes are currently being reviewed to address such. Workshops to be conducted during the Quarter 4 period.
				CC5.6.2	Confirmation of budget prior to processing of purchase orders					
				CC5.6.3	SCM checklist for approval/contracts purchase orders in place					
ERW6	Inadequate revenue generation to supplement the approved budget	CF6.1	Inability to secure new business due to overhead costs that are higher than that of competitors. (Such as Manpower, laboratory, etc.)	CC6.1.1	Pricing Model. (Scientific Services Price Schedule)	Med	RAP6.1.1	Review of the Pricing Model.	In progress - The review of the Pricing Model is depended on the finalisation of the Financial Model by Finance.	The review of the Pricing Model is depended on the finalisation of the Financial Model by Finance.
				CC6.1.2	Manually Costing Per Project.		RAP6.1.2	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC6.1.3	Quarterly Business reviews		RAP6.1.3	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
				CC6.1.4	Sourcing clients from the networks that ERCOM has built over the years		RAP6.1.4	Development of sales strategy and market penetration plan	In progress - The Tender is withdrawn. Dept will submit the strategy to Exco.	The Re-advertised is at BEC stage
		CF6.2	Loss of existing business through insourcing and companies closing down or reducing costs	CC6.2	Customer Satisfaction Survey		RAP6.2	Appointment of an independent service provider to conduct annual customer survey	In progress - The tender to be advertised in quarter 2.	The project is still at BSC stage
		CF6.3	Inability to retain clients because there is no flexibility in price increment	CC6.3	Revised Commercial Business Policy		RAP6.3	Review of the Commercial Business Policy to include continuous improvement of policy conditions	Action plan completed	Action plan completed
		CF6.4	Business requirements limiting of entry to new market (Level of BBB-EE Compliance)	CC6.4	BBB-EE Task team in place		RAP6.4	Planning of all activities related to the requirements of the BBB-EE score card Annual review of BBB EE Compliance.	In progress - Committee members already identified, request that the project be allocated to the SME department.	Service Provider has been appointed and issued with a Purchase Order .Kick-off meeting with service provider is scheduled for the week of 08 April'24.
		CF6.5	Expiry of existing customer contracts/non-renewal of expired contracts	CC6.5	Negotiations are scheduled prior to expiry date		RAP6.5	Develop a tracking sheet for early negotiation of contracts	Action plan completed.	Action plan completed.
		CF6.6	Long lead times from the city to initiate and implement PPP projects	CC6.6	No current control		RAP6.6	Tracking of the progress of the projects approvals	In progress - Committee members already identified, request that the project be allocated to the SME department	A tracking sheet with the expiration dates of each active contract was created showing progress on re-negotiations.
ERW7	Failure to meet capital expenditure set target	CF7.1	Delays in Supply Chain processes. (Including the effect of the Pandemic)- IPAP	CC7.1.1	Annual CAPEX Plan with projected cash flows for each project	Med	RAP7.1.1	Implementation of the 2023-2024 CAPEX Plan	2023/2024FY Approved Budget is R127,6 million Quarter 2 Spending 40,08% = (R51.15 million) Q2 target 60%= R 76,5 million	2023/2024FY Approved Budget is R127,6 million Quarter 2 Spending 40,08% = (R51.15 million) Q2 target 60%= R 76,5 million

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									Q2 Variance of -19.92% (Negative Variance)	Q2 Variance of -19.92% (Negative Variance) 2023/2024FY Adjusted Budget is R135,6 million Spending to date: R66 172 009.16 (48.8%) of R135,6 million (22 Mar 2024)
				CC7. 1.2	Standard Operating Procedure 14 Turn Around Time		RAP7. 1.2	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF7.2	Late payment of contractors due to USDG Invoices being paid late	CC7. 2.1	Usage of ERWAT funds to pay contractors		RAP7. 2.1	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC7. 2.2	Constant communication with CoE		RAP7. 2.2	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF7.3	Members of the community and the local business forums demanding to be sub-contracted in the project.	CC7. 3	Supply Chain Management Policy (Sub-contracting)		RAP7. 3	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF7.4	Potential disruptions such as Contractor employees going on strike and/or any other disruption caused by contractor	CC7. 4	Service Level Agreement		RAP7. 4	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
		CF7.5	Denial of contractor's access to ERWAT sites due to labour unrest	CC7.5	Disciplinary Procedure		RAP7.5	Disciplinary processes to be taken for illegal strikes as and when they arise	There were no illegal strikes in quarter 2 and therefor there was no disciplinary process that took place relating to strikes.	There was no illegal strikes in quarter 3 and therefor there was no disciplinary process that took place relating to strikes.
		CF7.6	Denial of contractor's access to ERWAT sites due to community unrest	CC7.6.1	Community Liaison Officer Appointed through ward councillors to assist with community engagement.		RAP7.6.1	Engage CSR office prior to commencement of construction project. (CSR plan to include Projects)	There were no new projects for the period under review	There were no new projects for the period under review
				CC7.6.2	Sub-contracting to local business on projects that requires less technical skills.		RAP7.6.2	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There were no new projects for the period under review
		CF7.7	Tender offer declined by the winning bidder	CC7.7	Supply Chain Management Policy		RAP7.7	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There were no new projects for the period under review
		CF7.8	Termination of contract due to poor performance of the contractor and unexpected withdrawal from projects by the contractor	CC7.8	Invoke penalties for poor performance in line with the Supply Chain Management Policy and related Service Level Agreements		RAP7.8	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There were no new projects for the period under review
ERW8	Potential loss of key skills	CF8.1	Unexpected loss of key employees due to the resignation, retirement, death etc.	CC8.1.1	Recruitment Policy		RAP8.1.1	Review the recruitment policy to include a section on the recruitment of foreign nationals and compulsory entry and exit medicals	In progress - All HR Policies including the Recruitment Policy are under review and will be submitted to Board for approval.	In progress - All HR Policies including the Employee Benefit Policy are under review and will be submitted to Board for approval.
				CC8.1.2	ERWAT Recruitment Plan		RAP8.1.2	Implementation of the 2023/24 Recruitment Plan	In progress - The following appointments have taken place: General Worker (1 individual),	Progress has been made with the filling of vacancies, the following appointments have

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									Executive Manager Operations (02 October 2023), Tea Lady (1 individual), and Works Manager (02 October 2023). The following positions are at offers stage: Tea Ladies, Drivers, General Worker (Lab and HR) and District Manager.	taken place during the Quarter under review. Technician Process (02 January 2024), Tea Lady (02 January), District Manager (DD6) (01 February 2024), General Worker -HR (02 January 2024), Driver (01 December 2024, General Worker- Lab (01 December 2024). The following positions are at offer stage, x20 Process Controllers.
				CC8. 1.3	ERWAT Progression Framework		RAP8. 1.3	Review of existing Progression Framework to include other departments	In progress - Operations and Scientific Services Framework was submitted for feedback by the Executive Managers. Maintenance Framework will be updated, once the structure changes have been finalised.	Scientific Services framework finalised. Operations framework to be reviewed in Q4, due to changes in green drop regulations. Awaiting approval of Maintenance Structure.
				CC8. 1.4	Skills Audit		RAP8. 1.4	Implementation of the skills Audit a plan for the gaps identified in the skills audit	In progress - Tender in Evaluation stage. Tender closed on 09 November 2023"	In progress - Tender is still at Tender Evaluation Stage.
				CC8. 1.5	Covid 19 Standard operating procedure		RAP8. 1.5	Develop an ERWAT Epidemic/Pandemic policy	In progress - All HR Policies are currently under review and will be submitted to Board.	Action plan completed
				CC8. 1.6	Covid 19 Risk Assessment		RAP8. 1.6	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC8. 1.7	6-year Training and Development Plan		RAP8. 1.7	Implementation of 2023/24 Annual Training Plan	In progress - "Second and third block of Advanced Management Development Programme has been completed.	126 Erwat Employees have been trained on Chlorine Handling Training 5 Have been Trained on Emotional Intelligence

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									2nd block (10 Learners) 09-13 October 2023 3rd Block (10 Learners) 13-17 November 2023 First Aid (50 Learners) 20 Nov-05 Dec 2023 SHE Rep (50 Learners) 06-08 November 2023 Fire Fighting (50 Learners) 13-16 November 2023 has been completed."	48 Employees have been enrolled for NQF Level 3 in Water and Wastewater Treatment Process Operation 24 Employees have been enrolled for NQF Level 4 in Water and Wastewater Treatment Process Supervision Operation
		CF8.2	Dissatisfaction in the Working Environment (e.g. not fitting in with the organisation's culture and inadequate working resources)	CC8. 2.1	Medical Aid Policy		RAP8. 2.1	Review the Medical Aid policy to include pension	In progress – The draft Employee Benefits Policy circulated to management for comments and the closing date for all comments was 22nd December 2023.	In progress - All HR Policies including the Employee Benefit Policy are under review and will be submitted to Board for approval.
	CC8. 2.2			Employee climate survey	RAP8. 2.2		Conduct an Employee Climate Survey	In progress - Organisational Development Services Tender document has passed BSC.	In progress - Organisational Development Services Tender has been advertised and will close 20 March 2024.	
	CC8. 2.3			Psychosocial support	RAP8. 2.3		Implementation of the 2023/24 Employee Wellness Support Programmes	The tender is at Bid Evaluation stage. Tender closed on 09 November 2023	Tender is presently sitting with BEC. . Will report feedback in Q3. Presently counselling done in-house by the Occupational Health Nurse Practitioner (OHNP)	
	CC8. 2.4			Wellness workplace programmes	RAP8. 2.4		Implementation of the 2023/24 Wellness Program	The Tender is at Bid Evaluation Committee phase. Presently counselling done in-house by the Occupational Health Nurse Practitioner (OHNP)	Tender is presently sitting with BEC. . Will report feedback in Q3. Presently counselling done in-house by the Occupational Health Nurse Practitioner (OHNP)	

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
				CC8.2.5	Human Resource Management Roadshows	High	RAP8.2.5	Go on a Human Resources Road Show to raise awareness on Human Resource activities	In progress - Roadshow has commenced. Benoni and Rynfield (16 November 2023), JP and Jan Smuts (28 November 2023), CG and HB (29 November 2023), Vlakplaats and Rondebult (06 December 2023) has been visited.	In progress - 11 Wastewater Care Works have been visited to date.
		CF8.3	Individuals not coping with the work challenges, expectations on individuals not met and career advancement	CC8.3.1	Personal Development Plans		RAP8.3.1	Review of Personal Development Plans for the 2023/24 Financial Year	Action plan completed. Information from PDP's has been consolidated into the six-year Training Plan.	Action plan completed.
				CC8.3.2	Exit Interview as and when a need arise		RAP8.3.2	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
ERW9	Potential delays in the supply and delivery of critical goods and services as a result of procurement challenges	CF9.1	Late commencement of bid processes by user department and discrepancies around specifications	CC9.1.1	Supply Chain Management Policy	High	RAP9.1.1	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC9.1.2	SOP14 Turn Around Time		RAP9.1.2	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC9.1.3	ERWAT Procurement Plan		RAP9.1.3	Review the 2022/23 Procurement Plan for the 2023/2024 Financial Year	In progress - Procurement plan were concluded and signed by the AO on 11/09/2023 and 02/10/2023 respectively.	Action plan completed
				CC9.1.4	BID Committees		RAP9.1.4	Appointment of Probity Committee to assist the Accounting Officer with compliance.	Action plan completed	Action plan completed

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
				CC9.1.5	BID Committee Charters		RAP9.1.5	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC9.1.6	SCM Document Movement Control Tracking Register implemented		RAP9.1.6	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF9.2	Inadequate monitoring of contract term by the user department	CC9.2 (a)	Contract Management Policy		RAP9.2	Implementation of the Contracts Management Policy (reporting and reviewing of the contract register)	Action plan completed	Action Plan Completed
				CC9.2 (b)	Contracts Management Register					
		CF9.3	Long lead time to deliver goods/ services due to external factors such as Pandemics, Rise in Logistics Cyber Attacks, Shortage of supplies & Consumables etc.	CC9.3	Service Master Contracts for Maintenance		RAP9.3	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
ERW10	Potential Loss of, and Unauthorised Access Critical Information	CF10.1	Aging ICT infrastructure leading to higher hardware failure (80%-85%) of the Server Hardware has reached end of life support, leading to difficulties in procuring replacement spare, warranties, etc)	CC10.1	Asset Management Policy, Strategy and Disaster Recovery Plan (Cloud back-up)	High	RAP10.1(a)	Replacement of server infrastructure	In progress - The Bid submission is at the Bid Evaluation Committee phase	In Progress - The bid was awarded on the 31st January 2024
							RAP10.1(b)	Upgrade unsupported operating systems	Action plan not yet started the upgrading of the operating system is dependent on the server infrastructure replacement with is currently at the Bid Evaluation Stage"	Action plan not yet started the upgrading of the operating system is dependent on the server infrastructure replacement with is currently at the Bid Evaluation Stage"

REF	Risk Title	Contributing Factors	Current Mitigating Controls	RR	Risk Action Plans	Detailed Progress Quarter 2	Detailed Progress Quarter 3		
Potential injuries to people (personnel, visitors and contractors)		CF10.2	Inadequate cyber security awareness and behaviour	CC1 0.2	ICT security awareness programs: (News Flash, Induction, Cyber security surveys, Mimecast)	RAP1 0.2	Raise awareness Cyber-Security through quarterly news flash	In progress - Quarter 2 Flash on Cyber Security was issued on the 13 December 2023	In progress Quarter 3 Flash on Cyber Security was issued on the 25 March 2024
		CF10.3	Inadequate Information Security Controls	CC1 0.3.1	ICT Security Policy and Procedures	RAP1 0.3.1	Develop a User Access Review Standard Operating Procedure	In progress - User Access Review Standard Operating Procedure still in draft to be signed off in quarter 3	Action plan completed. User Access Review Standard Operating Procedure approved in March 2024
				CC1 0.3.2	Access control policy	RAP1 0.3.2	Develop a back-up and restoration Standard Operating Procedure	Back-up and Restoration Standard Operating Procedure in a draft format, to be signed off by in quarter 3	Action plan completed - Back-up and Restoration Standard Operating Procedure approved in March 2024
				CC1 0.3.3	Logical access policy	RAP1 0.3.3	Develop a Cyber-Security policy	Action plan not yet started	Action plan not yet started
		CF10.4	Non-adherence to ICT Policies and Procedure	CC1 0.4(a)	Disciplinary Procedure	RAP1 0.4	Raise awareness on ICT Policies through quarterly news flash	Quarter 2 Flash on Cyber Security was issued on the 13 December 2023	In progress - Quarter 3 Flash on Cyber Security was issued on the 25 March 2024
				CC1 0.4(b)	Induction Program			There was no induction of new employees in the period under review.	There was no induction of new employees in the period under review.
		CF10.5	Inadequate maintenance of Assets that are critical to ICT Environment (e.g. fire equipment in the server room, air conditioning system, UPS, Power Generators, location of server room, etc.)	CC1 0.5	CC10.5 Maintenance of ICT critical equipment TBC (Who is responsible for executing the maintenance function e.g. servicing of fire equipment, ups, generators)	RAP1 0.5	Annual Servicing of the Fire Fighting Equipment (Fire Extinguishers & Fire Hydrants)	Action plan completed - The Servicing of the Fire Extinguishers and Fire Hydrants has been completed for all districts. Next service is due in November 2024.	Action Plan Completed
		CF10.6	Inadequate monitoring of ICT server environment	CC1 0.6(a)	Manually Monitoring of the Environmental Conditions	RAP1 0.6	Implementation of an Environmental Monitoring System in the server room	Action completed - The installation Environmental	Action Plan Completed

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
	and damage to property			CC1 0.6(b)	Temperature Data Logger			to control temperature, humidity and power	Monitoring System completed on the 13 December 2023	
		CF11.1	Non- Compliance/ disregarding (Knowingly or unknowingly) Occupational Health & Safety policies and Standard operating procedures. (e.g. Inappropriate use of PPE;)	CC1 1.1.1	Occupational Health & Safety Policy		RAP1 1.1.1	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review
				CC1 1.1.2	Occupational Health & Safety Procedures (SOPs) -MS- SOP-SA002 Health and Safety Representative Procedure -MS- SOP-SA003 Accident Reporting and Investigation Procedure -MS- SOP-SA004 Permit to Work Procedures -MS- SOP-SA005 Confined Space Procedure -MS- SOP-SA006 Excavation Procedure -MS- SOP-SA007 Wearing of Safety Harness -MS- SOP-SA008 Fall Protection Plan -MS- SOP-SA009 Control of contractors working at ERWAT -MS- SOP-SA010 HSE Plan		RAP1 1.1.2(a)	Development of Occupational Health Standard Operating Procedures: Employee Assistance Programme	The Employee Assistance Programme Standard Operating Procedure still in development stage. Draft documents will be circulated to the business in Quarter 3 for comments.	Draft document is being finalised and will be circulated by the 30 March 2024
							RAP1 1.1.2(b)	Review of Safety Standard Operating Procedures 1. Occupational Health & Safety Procedures (SOPs) 2. MS- SOP-SA002 Health and Safety Representative Procedure 3. MS- SOP-SA003 Accident Reporting and Investigation Procedure 4. MS- SOP-SA004 Permit to Work Procedures 5. MS- SOP-SA005 Confined Space Procedure 6. MS- SOP-SA006 Excavation Procedure 7. MS- SOP-SA007 Wearing of Safety Harness 8. MS- SOP-SA008 Fall Protection Plan 9. MS- SOP-SA009	"The following procedures were presented at the Central Safety Committee meeting on the 01 December for adoption and approval: 1. ERW- SOP-SA002 Health and Safety Representative Procedure 2. ERW- SOP-SA003 Accident Reporting and Investigation Procedure 3. ERW-SOP-SA-011 Medical Surveillance Procedure 4. ERW-SOP-SA-012 Leadership Procedure The following procedures are being reviewed by Maintenance Department: 1. MS- SOP-SA004 Permit to Work Procedures 2. MS- SOP-SA005 Lock-out Procedure"	The following Standard Operating Procedures were drafted and still to be signed off 1. Draft MS-SOP-SA-003 Incident Management Procedure (002) 2. Draft MS-SOP-SA-003.1 Incident CLASSIFICATION GUIDELINE 3. Incident Notification and Reporting Forms. 4. Process Flow Incident Reporting

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
								Control of contractors working at ERWAT 10. MS- SOP-SA0010 HSE Plan		
				CC1 1.1.3	Occupational Health & Safety Committees (Monthly District Safety Committee, Quarterly Central Safety Committee)		RAP1 1.1.3	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC1 1.1.4	Safety Awareness Program (Toolbox talks)		RAP1 1.1.4(a)	Raise Safety Awareness through quarterly newsflash	Raise Safety Awareness through Weekly Flash and a Safety share at all meetings	In progress - Raise Safety Awareness through Weekly Flash and a Safety share at all meetings
							RAP1 1.1.4(b)	Conduct a Safety Drill to increase safety awareness	In progress - Safety Drills were conducted at Rondebult on the 21 November 2023 and Head Office Precinct on the 18 October 2023.:	Action completed - Safety drills have been conducted for all plants. Next schedule will start in the next financial year
				CC1 1.1.5	Safety Induction		RAP1 1.1.5	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
		CF11.2	Deteriorating workplace condition due to inadequate maintenance	CC1 1.2.1	2022/2023 Maintenance Plan		RAP1 1.2.1	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC1 1.2.2	Medical Surveillance policy		RAP1 1.2.2	Develop a Medical Surveillance Standard Operating Procedure to expand on the baseline and categories of employees	The Employee Assistance Programme Standard Operating Procedure still in development stage. Draft documents will be circulated to the business in Quarter 3 for comments.	Draft document is being finalised and will be circulated by the 30 March 2024 for inputs

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
		CF11.3	Unauthorised entry to ERWAT properties with the aim of vandalising, threat to lives, theft, (armed robberies)	CC1 1.3.1	Security Services Policy		RAP1 1.3.1	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC1 1.3.2	Security Services Standard Operating Procedure -Security Operations Room Procedure -Security Systems Procedure -Trespass procedure -Guarding Procedure -Incident Reporting Procedure -Access control Procedure -Security Awareness Procedures		RAP1 1.3.2	The current mitigation controls are deemed to be adequate. Therefore, no further risk action plan to be implemented.	There will be no reporting for the period under review.	There will be no reporting for the period under review.
				CC1 1.3.3	Security Awareness Program (Induction, Newsletters, Flash)		RAP1 1.3.3	Implementation of the Security Awareness Programs for 2023/2024	Security awareness sessions were conducted with all Plants during quarter 2,	Security Awareness Flash issued on the 27th of March for quarter3
	CF11.4	Unavailability of Fire Detection & Suppression System for the buildings	CC1 1.4	Fire extinguishers and Fire Hydrants	RAP1 1.4		Annual Servicing of the Fire Fighting Equipment (Fire Extinguishers & Fire Hydrants)	Action plan completed - The Servicing of the Fire Extinguishers and Fire Hydrants has been completed for all districts. Next service is due in November 2024.	Action Plan Completed	
							Raise Safety Awareness through quarterly newsflash	Ongoing Safety Awareness through Weekly Flash	In progress-Ongoing Safety Awareness through Weekly Flash	
							Conduct a Safety Drill to increase safety awareness	Safety Drills were conducted at Rondebult on the 21 November 2023 and Head Office Precinct on the 18 October 2023.:	Action completed. Drills completed for all 19 WCW and Head-Office.	

8. Legislative (only if applicable to your department)

Report on the relevant legislative requirements enforced by the relevant department (e.g., Environmental Legislation).

Department must reflect on how it is doing in this regard (main issues, challenges, general departmental performance)

Compliance with legislation that applies to the entity is critical to the existence and operations of ERWAT. Management and the board have identified and prioritised seven (7) key legislation for monitoring. Compliance risk management plans are developed to ensure that all the risks are mitigated. Any changes to legislation is aligned with internal policies and processes The Regulatory Landscape consist of the following

1. Companies Act 71 of 2008
2. Municipal Systems Act 32 of 2000
3. National Water Act 36 of 1998
4. National Environmental Management Act
5. Municipal Finance Management 56 of 2003
6. Labour Relations Act 66 of 1995
7. Occupational Health and Safety Act 85 of 1993
8. Disaster Management Act 57 of 2005
9. Personal Protection of Information Act 4 of 2

9. Key Audit Matters and Progress

ERWAT obtained an unqualified audit opinion from the AGSA for the 2022/2023 financial year. Thirty-nine (39) findings were included in the ERWAT AGSA Management Report, of which thirty-nine (39) were audit report items. Of these thirty-nine (39) findings, eighteen (18) findings have been finalized, seven (7) findings have been good – going as planned, thirteen (13) findings have been okay-manageable issues, one (1) finding has been bad – unmanageable issues.

The CoE AGSA Management Report had included one (1) finding of which it is okay-manageable issues for ERWAT which then makes a total of forty (40) findings for ERWAT as per the below annexure.

2022/2023 OPCA

No	Finding Heading	Status	Action Plan
1	Procurement and contract management - Bid awarded to a bidder that is not tax compliant.	Good – going as planned	a) Checklist to be implemented to ensure all tick boxes are completed that will ensure that all legislation has been adhered to. b) A final SARS check will be conducted at the time of the AO sign off on the award.
2	The reported achievement was overstated due to a calculation error.	Good – going as planned	a) Management shall assess and correct the population used to calculate the reported achievement and adjust the annual performance report to reflect the correct percentage achieved for the percentage of wastewater treatment capacity unused indicator. b) The reviewed calculations and supporting schedules shall be reviewed by the Engineering Manager and Executive Manager: IPAP.
3	Incorrect reasons for the variance reported in the annual performance report.	Finalized	a) Finding was resolved after reviewing the managements response by Auditors. No further action is required.
4	Information supporting reported performance information has calculation errors.	Good – going as planned	a) Excel sheets are in use to record the actual flow readings taken by shift leaders, with built in formulas to automatically calculate the daily flow totals in order to prevent human calculation errors. b) Plant Manager and District Manager review will be conducted regular to identify human errors.
5	Splitting of quotation to avoid competitive bidding.	Okay manageable issues	a) Recurring commodities to follow the correct SCM Process. b) The Contract Register must be enhanced to include all procurement of the recurring commodities. c) All procurement below R200 000 to be signed off by the SCM Manager.

No	Finding Heading	Status	Action Plan
			d) FPQ's between the value of R200 000 and R750 000 to be signed off by the CFO and or AO pending the finalisation of the review of the SCM DOA.
6	Contractual terms are not complete.	Good – going as planned	a) All service level agreements to be concluded and signed off by the delegated official as per the approved DOA. b) The contract register to be reviewed to identify contracts concluded that require SLAs to be completed and signed including the regulation 32 and 36 contracts and the section 110 contracts.
7	Non-compliance with performance monitoring requirements.	Okay – manageable issues	a) The contract register to include the monitoring of performance evaluations of awarded contracts including regulation 32 and 36 and section 110 awards, on monthly basis and non-compliance reported to EXCO. b) Performance evaluations be submitted to SCM on a monthly basis indicating the appointed service providers performance or no services rendered in that particular months. c) The SA template to be amended to include measures to monitor performance and delivery by the supplier in the form of an annexure.
8	Deviations not timely reported to the board of directors.	Good – going as planned	a) The deviations register be updated as and when deviations are approved. b) That the deviations be reported to the next council through the Implementation for the SCM Policy. c) That any corrections to the respective quarters be reported to Council as soon as it becomes know.
9	Formal Price Evaluation Report not authorised by delegated officials.	Okay – manageable issues	a) All FPQ processes to include a checklist and proper record of the process including the sign off of the capturer, the reviewer and or approver as per the SCM DOA.
10	Contracted service provider that does not reside within municipal area is incorrectly included in the reported performance information.	Finalized	a) The annual report figures to be updated and KPI be corrected as per the definition of contracted services utilizing the CSD report and award register applicable for the year.
11	Capital expenditure that does not relate to the planned projects is incorrectly included in the schedule supporting the reported achievement.	Finalized	a) Completed. No further action required.

No	Finding Heading	Status	Action Plan
12	Internal controls deficiencies identified in the procurement process.	Good – going as planned	a) All FPQ processes to include a checklist and proper record of the process including the sign off of the capturer, the reviewer and or approver as per the SCM DOA.
13	Consequence Management - Instances of irregular expenditure NOT investigated to determine if someone is responsible for irregular expenditure incurred.	Finalized	a) Correct the AFS by reversing the non-compliant irregular expenditure written off as per the AGSA.
14	Irregular expenditure written off presented as condoned.	Finalized	a) Amend the annual financial statements with the disclosure recommended by the AGSA.
15	Assets recorded in the fixed asset register that could not be verified.	Okay manageable issues	a) Verification of assets.
16	Assets that are damaged and not in operation.	Okay manageable issues	a) Test assets for impairment at year end.
17	Assets with Rnil value on the asset register.	Okay manageable issues	a) Asset register report writer to be configured by BCX to exclude Rnil value assets. b) Remaining useful life adjustment to be made for assets that have a Rnil value but still have a remaining useful life.
18	Assets without tags and assets tagged but not recorded in the fixed asset register.	Okay manageable issues	a) Verification of assets
19	Non-compliances in the pre-qualification assessment.	Finalized	a) Update the irregular expenditure register and notes to the AFS. b) Implement an FPQ checklist for sign off to ensure full compliance, internal controls and verification of information.
20	Procurements not recorded in SCM tender register.	Finalized	a) Update the contract register to include non-awarded and cancelled bids.
21	Reported performance information is overstated due to calculation error.	Finalized	a) The annual report figures to be updated and KPI be corrected as per the definition of contracted services utilizing the CSD report and award register applicable for the year. b) Review information submitted for 2023/2024.
22	Target set as a negative and is not consistent with the purpose of the indicator.	Finalized	a) N/A
23	Pre-determined target was set below the industry norm.	Bad unmanageable issues	a) The task identified was to increase the target in 2023/2024 to be in line with industry norm of 8%.

No	Finding Heading	Status	Action Plan
24	Reported performance information is overstated due to suppliers not qualifying as EME/QSE included in the numerator.	Finalized	a) The annual report figures to be updated and KPI be corrected as per the definition of contracted services utilizing the CSD report and award register applicable for the year.
25	Suppliers qualifying as EME/QSE not included in the numerator.	Finalized	a) The annual report figures to be updated and KPI be corrected as per the definition of contracted services utilizing the CSD report and award register applicable for the year.
26	Reasonable steps not taken to prevent irregular expenditure.	Okay manageable issues	<ul style="list-style-type: none"> a) Ensure internal controls are effective by developing procedures to ensure that all scm compliance requirements are met before transactions are approved and enforce adherence to all SCM prescripts. b) Implement controls to ensure effective contract management in place to avoid incurring irregular expenditure
27	Local content awards not reported to DTI.	Okay manageable issues	a) Report local content awards made during the period of July 2022 until 31 December 2023 to the required regulatory body.
28	Internal controls deficiencies identified relating to the quotation process.	Finalized	a) ERWAT to do a screen shot of the CSD listing under the commodity when the search is conducted on the CSD portal.
29	Concerns and issues noted during site visits at Olifantsfontein and Waterval WWTW's.	Okay manageable issues	<ul style="list-style-type: none"> a) Olifantsfontein resource needs (funding for operation, capital budget, equipment and workforce) are developed on an annual basis and submitted to the City of Ekurhuleni for approval. However, the approved funds are not enough to implement the required infrastructure upgrades thus ensure proper service delivery. b) All measures to treat, process and dispose of waste, wastewater and other pollutants are in place e.g. the usage of SOPs, plant manuals to operate/treat the processes in order to comply with WUL, the usage of IMPS as a guide to report any incidents to all stakeholders and the usage of sludge guidelines for the disposal of waste sludge. c) The plant and infrastructure are managed, maintained, operated, monitored and safeguarded to effectively treat wastewater by ensuring that there are personnel at the plants 24/7 through 2 x 12 hours shifts per day and sample as are taken to monitor compliance with the relevant legislation daily. The actions are then taken for the non-compliances parameters

No	Finding Heading	Status	Action Plan
			<p>depending on the root cause of the non-compliance and they are also reported to management accordingly. The maintenance team is available for maintenance of infrastructure.</p> <p>d) Contingency plans (generators) are in place to limit the impacts of load shedding and other issues that may cause improper treatment like high hydraulic & organic loads need capex funding to refurbish and upgrade the plants.</p> <p>e) Management continually identify, address and monitor all general and control weaknesses relating to environmental activities which may impact on the environment by ensuring that plant inspections and risk assessments are carried out with capturing of findings and action plans for mitigation purpose are reported and tracked.</p>
30	General Expenditure- expenditure incurred incorrectly classified as professional fees.	Finalized	a) Monitor and Review
31	Assets recorded as WIP but have been completed.	Okay manageable issues	a) Verification of all WIP assets to confirm that asset is not yet in use and should remain as WIP
32	Misstatements identified relating to the prior period error note.	Finalized	a) Management evaluated and adjusted the financial statements as per the AG recommendations
33	Differences noted in the related parties note.	Finalized	a) Completed. No further action required.
34	Overtime paid without evidence of work done.	Good – going as planned	a) Develop SOP
35	Human Resource Management – No performance agreements concluded for the 2022/23 financial year.	Finalized	a) 2022/2023 Performance agreements have been completed.
36	Achievement reported does not agree to the supporting schedule.	Finalized	a) Completed. No further action required.
37	Tenders/quotations (below R30 000) that were invited on or after 16 January 2023 were not awarded in accordance with the PPPFA and PPR of 2022.	Finalized	a) Review SCM policy to provide for procurement process for purchase below R30 000
38	Limitation of scope on procurement and contract management.	Okay manageable issues	a) Amend the tender checklist to include a tracking tool for documents from initiation to close out including the safe storage and movement of documents to ensure all information is properly maintained and easily retrievable when required.

No	Finding Heading	Status	Action Plan
39	Concerns and issues noted during site visits at Ancor WWTW's and Waterval licence –PA 03.	Okay manageable issues	<p>– OPERATIONS COMMENTS</p> <p>ANCOR WCW</p> <ul style="list-style-type: none"> a) Ancor sludge lands are monitored twice daily to ensure any smoke is detected early and any fire is extinguished as soon as possible. b) Fencing of the sludge area and lining of the sludge paddies form part of the Capex 5-year plan, awaiting funding. c) Groundwater quality is monitored monthly to track possible pollution trends, however, the pollution will continue until Capex is available to construct a dewatering facility or line the sludge paddies for the WCW. d) Enforcement of the bylaws is the responsibility of the CoE and ERWAT reports all industrial pollution of the relevant CoE officials for their investigation and action. <p>WATERVAL WCW</p> <ul style="list-style-type: none"> a) Waterval sludge lands are monitored during the day by the security & staff to prevent any veld fires, and the un-authorized entry signs are erected. b) Fencing of the sludge area and lining of ponds part of 5-year CAPEX plan. c) Groundwater quality is monitored monthly to track possible pollution trends. d) Enforcement of the bylaws is the responsibility of the CoE and ERWAT reports all industrial pollution to the relevant CoE officials for their investigation and action. e) Application of new licenses for Waterval is in progress, currently notice for public participation was published on the 01 February 2024.
40	Site visit observations and review of documentation.	Okay manageable issues	<ul style="list-style-type: none"> a) Ground water pollution cannot be prevented as the unlined structures form an integral part of the WCW and are used daily. b) Pollution can only be addressed once Capex funds become available to upgrade the facilities(lining of dams and new mechanical dewatering sludge facility). c) Complete. d) Weekly War room meetings were established by senior Management to ensure any challenges in the SCM processes are resolved.

No	Finding Heading	Status	Action Plan
			<ul style="list-style-type: none"> e) Sludge lands are monitored daily to ensure early detection of fires. Fencing of the area is pending availability of Capex funding. f) All Capex related findings will be incorporated in the future upgrade of the WCW. g) Enforcement of the Bylaws is the responsibility of the local authority and cannot be actioned by ERWAT. All industrial pollution incidents are reported to the CoE as and when they occur.