



ERWAT: Third Quarter Departmental Performance Reporting

2024/25 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. A new strategy was adopted by ERWAT in the current financial year 2024/2025, which is anchored in two main objectives, including the focus on operational excellence and enhancement of infrastructure maintenance for the achievement of Green Drop Status at all the water care works over a time period and ensuring financial sustainability through financial alignment and commercialisation. The strategic objectives are further enhanced by the introduction of corporate key performance areas, which aims to strengthen the achievement of Service Delivery Budget Implementation Plan (SDBIP) outcomes and alignment to the Integrated Development Plan (IDP) and the Growth and Development Strategy (GDS) of City of Ekurhuleni. Critical for ERWAT is to ensure that it has sufficient wastewater treatment capacity to meet current and future demands. This is measured in terms of the city-wide indicator for wastewater treatment capacity that is unused. ERWAT has continued to dedicate its capex programme towards the renewal of infrastructure and ensuring continuity in wastewater treatment during loadshedding events, through the installation of generators, where necessary. The departmental SDBIP 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 and public health through improved quality of effluent discharges and adherence to Green Drop requirements, regulatory compliance, clean public administration, sustainable financial management and improving external revenue streams towards becoming self-sustainable.

ERWATs performance in Quarter 3 of 2024/2025 continued to be very good at 89% achievement of reportable targets considered for the performance of the entity. This achievement is a considerable improvement compared to the same period in the previous financial year (i.e. 2023/2024). The entity achieved eight (8) out of the nine (9) reportable indicators, which is considered for performance in the third quarter of 2024/2025, as shown in Table A, below. There are in total fourteen (14) performance indicators, comprising of one (1) city wide indicator and thirteen (13) departmental indicators. Although all fourteen performance indicators are reported on in 2024/2025, only thirteen (13) are counted when calculating overall performance for periods in this financial year, due to the exemption of the "Total Operating Expenditure as a % of Total Operating Budget" indicator. As a result, one (1) city-wide indicator and eight (8) departmental indicators are reportable for performance in Quarter 3.

Table A: Summary of Service Delivery Performance

Service Delivery Monitoring						
	Total number of targets	Target exempted *in 2024/2025	Total number of targets set for performance measurement in the quarter	Achieved	Not achieved	Variance
City Wide SDBIP	1	0	1	1	0	0
Department SDBIP	13	1	8	7	1	1

**The target for Total Operating Expenditure as a percentage of Total Operating Budget is exempted in 2024/2025 and is reported on for monitoring purposes only. The outcome of this target is not counted in the performance calculations.*

ERWAT has achieved the city-wide indicator for wastewater treatment capacity unused, but the intention is to eliminate the negative unused capacity to have at least 20% capacity that is unused. However, to realise this, requires greater financial resources, which is a priority focus for both the City of Ekurhuleni and the entity. Good progress was made by the ERWAT to improve the effluent quality discharges, by almost a 10% improvement compared to some periods during the last financial year. These improvements are due to prioritising maintenance and renewal of critical infrastructure. The entity continues to assess its expenditure to ensure that programmes focused on the achievement of the Green Drop objective, also ensuring that receiving environment is not polluted, and public health is not affected by the operations, as per the entity's key mandate. Furthermore, ERWAT has continued to improve in the procurement of goods and services and maintained good allocations for procurement of SMMEs in the municipal areas. In addition, good margins for external revenue generation were achieved.

ERWAT is working hard towards closing the gaps in the expenditure of its operating budget, through the acceleration of the recruitment of staff and the joint task team to oversee and expedite project timelines and the maintenance of critical infrastructure. These measures contributed to the improved performance and will continue in the foreseeable future so that the pre-determined targets can be achieved, when this indicator becomes applicable for performance reporting.

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 50year master and 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 worked hard to close some of the short-term gaps by ensuring the capex budget was spent as planned in the first two (2) quarters. However, there remains a significant shortfall in the in the Capex funding requirements for ERWAT to implement the 5year capex programme, to upgrade of the Water Care Works.

2. Service Delivery Monitoring

2.1 CITY-WIDE SDBIP

KPI 1 – City-wide

Percentage of wastewater treatment capacity unused

Method of Measure

((1) Total volume of wastewater treated over the last year / ((2) Daily wastewater treatment plant available design capacity x cumulative number of days))]

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

-38%

Comment

Target is achieved due realistic target setting given the prevailing inundation challenges.

Reasons for Variance

Water Care Works received lesser than amounts of daily inflows.

Corrective Measure

Even though the target was achieved the intention is to eliminate completely the negative unused capacity and have at least 20% unused capacity. To this end more financial resources are required to eliminate any negative unused capacity and create some spare capacity. 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 budget allocation. ERWAT cannot commit to a specific date due to unavailability of budget.

2.2 DEPARTMENTAL SDBIP**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 sales report with a balance that agree to the amount reported for SDBIP purposes)

Q3 Target

R8.25 million

Q3 Actual

R10 689 387

Comment:

The revenue target for Quarter 3 was achieved and exceeded with a positive variance of R2 439 387

Reason for variance

The revenue target was successfully achieved due to the continued execution of current projects, as well as the additional revenue generated from beneficiation projects.

Remedial action

Maintain the current client base 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

Unqualified Audit Opinion

Q3 Actual

Unqualified Audit Opinion

Comment:

Target achieved

Reason for variance

The target was due to improved internal controls and processes.

Remedial action

None, as target was achieved

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

87 %

Comment

KPI Achieved

The entity achieved 87% Quarterly target by a positive variance of 12% compared to the 11% positive variance in Q2. The 1% increase was mainly due to the low strength raw inflows received; this normally occurs during wet seasons as the stormwater ingress tends to dilute the raw sewage inflows.

Reason for variance

Although the Quarterly target has been met the following ongoing challenges are experienced by the WCW operated by ERWAT. Also see Section 3.3.

Critical equipment failures

Industrial pollution

Power outages

- **Critical equipment failures**

The critical equipment failures are expressed as a percentage (%) of the number of critical equipment failures over the reporting period divided by the total number of duty critical equipment that directly impacts final effluent water quality. The following WCWs Benoni, Hartebeestfontein, Dekema, Rynfield, Welgedacht, Tsakane, Vlakplaats, Rondebult and Esther Park experienced the most critical equipment failures impacting directly on the effluent compliance, average negative variance of 1.28% as compared with the prior quarter. These negative variances occurred within different months in the quarter.

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.

WCW	% of critical equipment not available Q3 2024/2025	% of critical equipment not available Q2 2024/2025
Ancor	0%	0%
Benoni	48%	43%
Carl Grundlingh	0%	0%
Daveyton	2%	2%
Dekema	34%	45%
Esther Park	11%	0%
Hartebeestfontein	38%	29%
Heidelberg	5%	5%
Herbert Bickley	7%	5%
Jan Smuts	2%	0%

JP Marais	7%	0%
Olifantsfontein	7%	1%
Ratanda	4%	4%
Rondebult	13%	29%
Rynfield	32%	37%
Tsakane	21%	9%
Vlakplaats	17%	21%
Waterval	4%	6%
Welgedacht	27%	18%
Average of 19 WCW	14.65%	13.37%
	5 remain unchanged, 5 improvements and 9 deteriorated.	2 remain unchanged, 5 improvements and 12 deteriorated.

The average critical equipment failures between Q2 2024-2025 and Q3 2024-2025 have increased by about 1.28%.

- Power outages

Although ESKOM no longer implements load shedding, WCW continue to experience significant power supply interruptions. The WCWs tabulated below experienced frequent power failures during Quarter 3 impacting the compliance of the WCWs directly. It must be noted that the impact of power outages, have an increasing detrimental impact on the WCW ability to treat wastewater, despite the availability of standby generators. It can be noted that in total 1193 hours power failures were experienced on the WCW in Q3, compared to 1421 hours in Q2- a decrease of 228 hours.

Some of the WCW do not have installed generators at all critical plant processes whilst others are not operational, awaiting repairs and maintenance.

Plant	Quarter 3 2024/2025					Total hours without power
		Scheduled Load Reduction	Total hours Load Reduction	Power failures	Total hours Power Failures	
Benoni	DD3	9	17	9	19	54
Esther Park	DD3	3	6	6	21	27
Hartebeestfontein	DD3	7	14	10	162	176
Olifantsfontein	DD3	0	0	0	0	0
Rynfield	DD3	10	23	22	47	70
Ancor	DD4	14	29	2	24	52
Daveyton	DD4	16	34	15	70	104
Jan Smuts	DD4	20	42	3	22	63
JP Marais	DD4	15	33	11	74	107
Welgedacht	DD4	0	0	5	46	46
Herbert Bickley	DD5	9	23	0	0	23
Heidelberg	DD5	13	28	36	154	182
Tsakane	DD5	14	33	0	0	33

Ratanda	DD5	8	16	15	89	105
Plant	Quarter 3 2024/2025					Total hours without power
		Scheduled Load Reduction	Total hours Load Reduction	Power failures	Total hours Power Failures	
Carl Grundlingh	DD5	0	0	1	10	10
Dekema	DD6	9	23	0	0	23
Rondebult	DD6	15	30	9	26	57
Vlakplaats	DD6	15	35	5	26	61
Waterval	DD6	0	0	0	0	0
Total number of hours without electricity on all impacted Water care Works for Q3						1193

It is important to take note that although the water quality compliance target was achieved, serious ongoing challenges remain mainly due to power outages associated with bulk electrical supply failures and load reductions in selected areas. The following WCW experienced the greatest number of power supply interruptions periods (hours) in Q3; Heidelberg (182), Hartebeestfontein (176), JP Marais (107), Ratanda (105), Daveyton (104), Rynfield (70) Jan Smuts (63), Vlakplaats (61) and Rondebult (57)

- Industrial pollution incidents:

The industrial pollution is a phenomenon whereby industries (or other users) clean tanks, process units and dump the contents in the sewer lines. Such contents are normally characterised by high concentrated impurities or impurities the WCW wouldn't have been designed for, e.g. vehicle oils or lubricants. Even though ERWAT monitor, sample analyse and report to CoE the industrial pollution received at the various WCW daily, 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

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 results in the inability of the Works to meet the final effluent compliance levels. The total number of industrial pollution incidents decreased in Q3 as compared to Q2, as detailed in the Table below.

	Number Of Industrial Pollution Incidents during Q3 2024/2025	Number Of Industrial Pollution Incidents during Q2 2024/2025
Benoni	12	59
Esther Park	8	36
Hartebeestfontein	7	18
Olifantsfontein	29	45
Rynfield	0	0
Ancor	6	60
Daveyton	0	0
Jan Smuts	5	49
JP Marais	0	11
Welgedacht	2	9
Carl Grundlingh	0	5
Heidelberg	6	42
Herbert Bickley	26	62
Ratanda	0	0
Tsakane	0	0
Dekema	3	0
Rondebult	3	32
Vlakplaats	1	5
Waterval	7	0
Total	115	433

Olifantsfontein, Herbert Bickley, Benoni, and Esther Park WCW were impacted the most by industrial pollution in Q3, the overall pollution incidents has decreased by 3 folds in Q3 compared to Q2.

Remedial Action:

1. 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. Adequate OPEX funds are urgently required to implement the full asset care plans and reduce the failure rate and improve reliability. A War Room (comprising of Operations, Maintenance, Finance, Strategy, Monitoring & Evaluation, Infrastructure Planning and Projects Departments and Office of the Managing Director) has been established to closely monitor progress implementation of outstanding critical maintenance work and improve the internal business processes.

2. Power supply outages

Short to medium term: Standby diesel generators are available at some of the most critical process units of the various WCW. Several new generators have been procured to cover all WCW critical process units.

3. 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 ByLaws. ERWAT has also introduced an organic tariff formula, included in the Service Delivery Agreement whereby the City will be invoiced for increased organic content (strength) beyond the capabilities of the relevant WCW.

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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) Actual Capital Expenditure / (2) Budgeted Capital Expenditure

Evidence

Dated and signed Finance year to date expenditure report

Q3 Target

70%

Q3 Actual

70.39%

Comments

Quarterly target was achieved with a positive variance of 0.39%.

Reasons for variance

Effective Project Management approach and proper Project Planning in place

Remedial action: None

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

– Departmental SDBIP

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

72%

Comments

Target achieved.

Reason for variance

A positive variance of 12% is noted. Bidders are invited to complete the scoring criteria under the MBD 6.1 form that provides for bidders whose BEE status falls within a EME or QSE.

Remedial action

None

KPI 7 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

– Departmental SDBIP

KPI 8 Number of Green Drop 6 (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

N/A

Q3 Actual

N/A

Comment:

N/A

Reasons for variance

N/A

Remedial actions:

N/A

– Departmental SDBIP

KPI 9 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

50%

Comment:

Target Achieved.

Reasons for variance

A total operating expenditure value of R211 498 388.16 was paid on contracted services (all active contracts that were awarded through the public procurement process) whereof R105 522 707.85 were paid to contracted services within the municipal area (COE).

Remedial actions

None

– Departmental SDBIP
KPI 10 **Total Operating Expenditure as a percentage of Total Operating Expenditure Budget¹**

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

60.14%

Comment:

Target not achieved

Reasons for variance

Under expenditure is mainly on repairs & maintenance, general expenditure, interest expense and depreciation.

Repairs and maintenance:

Repairs and Maintenance, under expenditure is driven by a backlog in maintenance work.

General expenditure:

¹ This indicator has been identified by National Treasury on 30 May 2024 (Ref No: ECU/2) as having reporting challenges and will be exempted from reporting for the 2023/24 and 2024/25 financial year until the definition of the indicator is revised in the upcoming 2025/26 Addendum 6 of the MFMA C88 to provide clear guidance to municipalities on how to report accurately. It has just been included in this scorecard for monitoring purposes by the City

– Departmental SDBIP

The transport and freight - sludge management contract that was awarded in the third quarter therefore monies could not be expended.

The health, safety and protective clothing contract (which was previously deemed irregular), only lapsed during the third quarter.

Depreciation:

Depreciation expense was slightly lower than projected due to the delayed acquisition of plant equipment that only occurred towards the end of the third quarter.

Remedial actions:

Repairs & maintenance:

The under expenditure is being addressed and overseen by the Managing Director at the WAR room with a focus on spending all the budget before year end.

General expenses:

The expenditure for health and safety items is anticipated to be done on existing transversal contracts, which should be realised in the fourth quarter.

The pending end planned work on the transport and freight - sludge management contract will ensure significant expenditure during the fourth quarter.

Depreciation:

Ensure that assets are acquired timeously and depreciated as soon as they have been brought into use.

KPI 11 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. Unauthorized expenditure includes overspending of the total amount appropriated in the approved budget.

Indicator Formula: ((1) Irregular + (2) Fruitless and Wasteful + (3) Unauthorised Expenditure) / (4) 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

2%

Comment:

Target not achieved.

Reasons for variance

A total of R20 406 779 irregular expenditure and a total of R6 792 881 Fruitless and wasteful expenditure was noted. The irregular expenditure incurred is as a result of prior year findings raised by the AG on non-compliance matters.

Remedial actions:

Internal controls are put in place to reduce and eliminate irregular, fruitless and wasteful expenditure.

– Departmental SDBIP

KPI 12 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

Statement of financial performance done at the end of the financial year. In the absence of the audited figures, unaudited annual financial statements should be used.

Q3 Target

N/A

Q3 Actual

N/A

Comment:

N/A

Reasons for variance

N/A

Remedial actions

N/A

KPI 13 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.

– Departmental SDBIP

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

No bid cancellations were approved during the period under review.

Remedial actions:

None

KPI 14 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 abovementioned categories. Overhead 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

– Departmental SDBIP

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.

Evidence

Statement of financial performance done at the end of the financial year. In the absence of the audited figures, unaudited annual financial statements should be used.

Q3 Target

N/A

Q3 Actual

N/A

Comment:

N/A

Reasons for variance

N/A

Remedial actions: N/A

3.1 City-Wide/Institutional SDBIP 2024/25

Refer to the City-wide SDBIP 2024/25

Table1: City-Wide Indicators

NB: Please note that reasons for variance must be provided for both overachievement and under achievement

Entity	Outcome	Performanc e Indicator (Outcome)	Performanc e Indicator	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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															

East Rand Water Care Association (ERWAT)	WS4. 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 (	-40%	-50%	-50%	-38%	12%	Performance expectations were exceeded	Target achieved	Water Works received lesser than amounts of daily inflows.	Even though the target was achieved the intention is to eliminate completely the negative unused capacity and have at least 20% unused capacity. To this end more financial resources are required to eliminate any negative unused capacity and create some spare capacity. The implementation of the capacity upgrade or extension is	CAPEX	
Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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

				total of 19 WCW) .									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 budget allocation. ERWAT cannot commit to a specific date due to unavailability of budget.		
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3.2 Entity's SDBIP Score card with Key Performance Areas and Indicators 2024/25

Table 2: Departmental Entity's SDBIP

Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator (Output)	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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	Improved Quality of water (including wastewater		ERW1.1 Total revenue	Invoices coupled with general ledger	R39 837 478,83	R34 320 000.00	R8.25 million	R10 689 387	R2 439 387	Performance expectancy	Target achieved	The revenue target was successfully	Maintain the current client base and	OPEX	

Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator (Output)	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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
Company (ERWAT)			generated from external business	with a balance that agree to the amount reported						ons were exceeded		achieved due to the continued execution of current projects as well as the additional revenue generated from beneficitation project	prevent attrition		
	To build a clean, Capable and Modernized Local State		ERW1.2 Audit Opinion	Dated and signed Audit report from AGSA	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	0	Performance expectations were exceeded	Target Achieved	A clean audit has been achieved due to improved internal controls and processes.	None	OPEX	

	Improved Quality of water (including wastewater)		ERW1.3 Percentage compliance with wastewater treatment works license conditions and/or exemptions standards	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	81%	75%	75%	87%	12%	Performance expectations were exceeded	Target Achieved	A positive variance was due to lower raw inflow sewage strength during the wet season, which aided the treatment process	Even though target was met the entity will continue improve critical equipment maintenance .	R187 311 303.75	R148 188 557.83
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Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator (Output)	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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
				WCW for the ERWAT system (total of 19 WCW											
	Improved Quality of Water including Wastewater		FM1.11 Total Capital expenditure as a percentage of total capital budget	Dated and signed Finance year to date expenditure report	99.56%	95%	70%	70.39%	0.39%	Performance expectations were met	Target Achieved	Effective Project Management	None	CAPEX	R72 687 421,83

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 with support amount	91.4%	60%	60%	72%	12%	Performance expectations were exceeded	Target achieved	Effective submissions from bidders meeting the EME or QSE BEE status	None	OPEX /CAPEX	R63 457 929.10
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	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-	6 (90%)	6 (90%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	OPEX	N/A

Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator (Output)	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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
				house. assessment											
	LED1. Growing inclusive local economies		LED1.11 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	8%	8%	6%	50%	44%	Performance expectations were exceeded	Target achieved	A positive variance of 44% achieved, as a result of defined specific goals that are aimed at prioritising SMME's on procurement contracts	None	OPEX	R105 522 707.85
	FM1. Enhanced municipal budgeting and budget implementation	FM1.1 Percentage of expenditure against total budget	² FM1.12 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%	60.14%	-9.86%	Performance was below expectations	Target not achieved	Under expenditure is mainly on repairs & maintenance, general expenditure, interest expense and depreciation. <i>Repairs and maintenance:</i> Repairs and Maintenance, under expenditure is driven by a backlog in	<i>Repairs & maintenance:</i> The under expenditure is being addressed and overseen by the Managing Director at the WAR room with a focus on spending all the budget before year end.	R1 532 514 578	R921 640 909

² This indicator has been identified by National Treasury on 30 May 2024 (Ref No: ECU/2) as having reporting challenges and will be exempted from reporting for the 2023/24 and 2024/25 financial year until the definition of the indicator is revised in the upcoming 2025/26 Addendum 6 of

														General expenses:		
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Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator (Output)	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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
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the MFMA C88 to provide clear guidance to municipalities on how to report accurately. It has just been included in this scorecard for monitoring purposes by the City

												maintenance work. <i>General expenditure:</i> The transport and freight - sludge management contract that was awarded in the third quarter therefore monies could not be expended. The health, safety and protective clothing contract (deemed irregular) that only lapsed during the third quarter. <i>Depreciation:</i> Depreciation expense was slightly lower than projected due to the delayed acquisition of plant equipment that only occurred towards the end of the third quarter.	The expenditure on the anticipated transversal contracts should be realised in the fourth quarter. The pending end planned work on the transport and freight - sludge management contract will ensure significant expenditure during the fourth quarter. <i>Depreciation</i> : Ensure that assets are acquired timeously and depreciated as soon as they have been brought into use.		
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Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator (Output)	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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
	FM4. Improved expenditure management	FM4.1 Percentage change of unauthorised, irregular, fruitless and wasteful expenditure	FM4.11 Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	The Audited Annual Financial Statements for the previous financial year as finalized in January of the following financial period for the previous financial period,	New KPI	0%	0%	2%	2%	Performance was below expectation	Target not achieved	Irregular expenditure incurred is as a result of prior findings raised by the AG on non compliance matters. Fruitless and wasteful expenditure relates to assets being paid that could not be traced.	Internal controls are put in place to reduce and eliminate irregular, fruitless and wasteful expenditure	OPEX/ CAPEX	R27 199 660
	FM5. Improved asset management F	FM5.3 Percentage change of repairs and maintenance of existing infrastructure	FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property	Statement of financial performance done at the end of the financial year. In the absence of the audited figures, unaudited annual financial statements should be used.	4%	7%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	OPEX	N/A

	FM6. Improved supply chain management		FM6.13 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%	0%	Performance expectations were exceeded	Target achieved	No bid cancellations were noted during period under review	None	OPEX/ CAPEX	N/A
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Entity	Outcome	Performance Indicator (Outcome)	Performance Indicator (Output)	Portfolio of Evidence	Baseline (2023/24)	Annual Target (2024/25)	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
	FM7. Improved revenue and debtors management	FM7.3 Percentage of net operating surplus margin	FM7.33 Net Surplus /Deficit Margin for Wastewater	Statement of financial performance done at the end of the financial year. In the absence of the audited figures, unaudited annual financial statements should be used. Signed and dated SCM report containing tender cancellations in relation to the total	New KPI	5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	OPEX	N/A

				number of tender business cases that was recorded, advertised and closed.											
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3.3. Reflection on operations/ day-to-day activities (Analytical Narrative Account)

3.4. Service Delivery Highlights and Challenges

Quarterly Flows

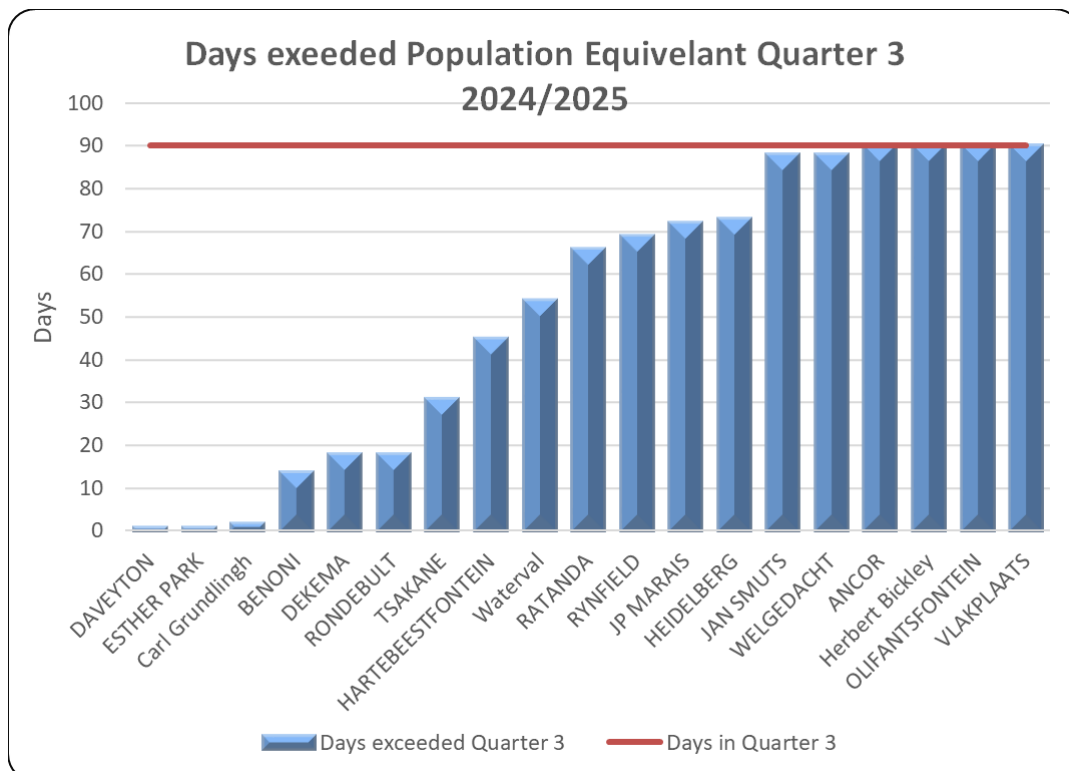
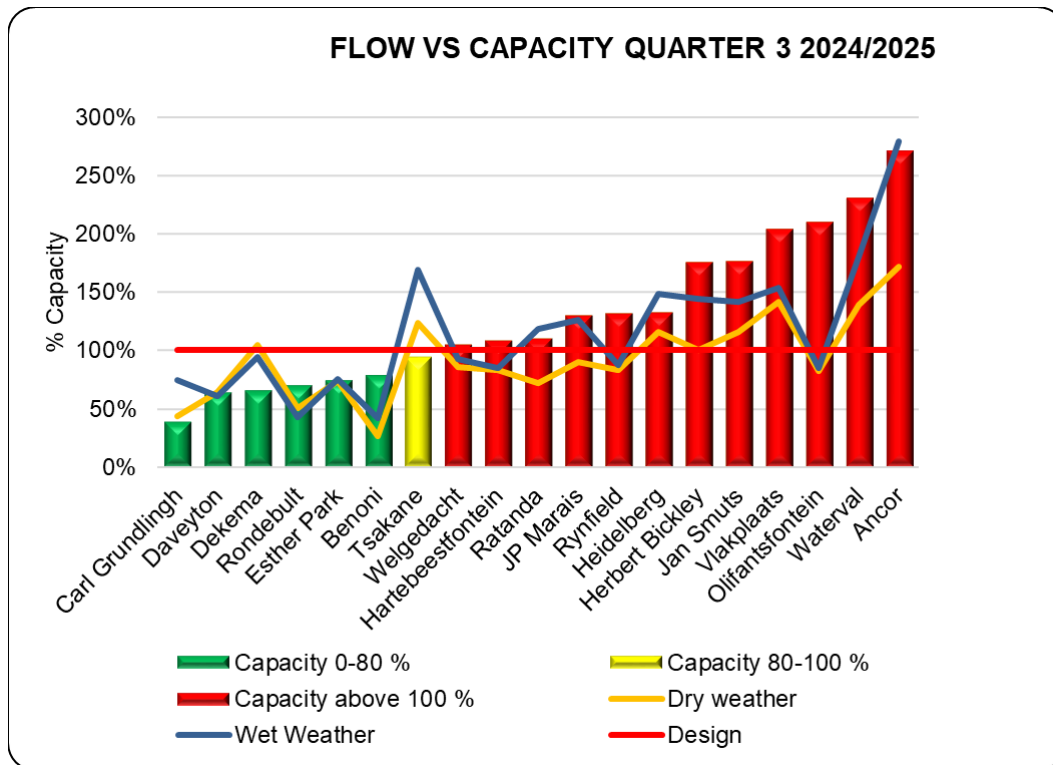


Figure 1: Q2 Flow Records per WCW: Flow vs Design Capacity

Flow and Rainfall

	Design Hydraulic Capacity (MI/d)	Average Flow Q3(MI/d)	Actual Rainfall Q3(mm)
Ancor	15.00	40.61	529.30
Benoni	7.50	5.83	523.00
Carl Grundlingh	5.20	1.99	445.00
Daveyton	19.00	12.05	444.10
Dekema	31.00	20.10	358.60
Esther Park	1.40	1.03	0.00
Hartebeestfontein	63.00	68.12	419.00
Heidelberg	5.40	7.12	984.60
Herbert Bickley	15.10	26.48	519.10
Jan Smuts	6.00	10.55	534.60
JP Marais	15.00	19.50	652.50
Olifantsfontein	65.00	136.09	1101.00
Ratanda	4.70	5.15	463.50
Rondebult	20.00	13.96	397.70
Rynfield	9.80	12.84	531.00
Tsakane	20.00	18.81	415.50
Vlakplaats	55.00	112.02	450.00
Waterval	170.00	390.82	495.00
Welgedacht	95.00	99.18	539.50
Total	623.10	1002.24	9803.00

A total of 90268.94 MI was treated in Quarter 3, at an average of 1412.82 MI/day, utilising 159% of the available capacity, as compared with Q2 where 76988 MI was treated in Quarter 1, at an average of 836.83 MI/day, utilising 134% of the available capacity.

As can be noted in the above graph, during Q3 twelve (12) out of nineteen (19) WCW were operating above their hydraulic design capacity, one (1) operating between 80% and 100% and six (6) below their hydraulic design capacity.

In Q3 Ancor operating at 271%, Waterval operated at 230%, Olifantsfontein operated at 209%, Vlakplaats operated at 204%, Jan Smuts operated at 176%, Herbert Bickley operated at 175%, Hedelberg Operated at 132%, Rynfield operated at 131%JP Marais operated at 130%, Ratada operated at 110% Hartebeesfontein operated at 108% and Welgedacht operated at 104% their design capacity.

Until the overloaded WCW are upgraded/extended, serious challenges remain to achieve Green Drop for all the 19 plants and to support the CoE in meeting the Growth Development Strategy (GDS 2055) and the development of the Aerotropolis.

Organic Load

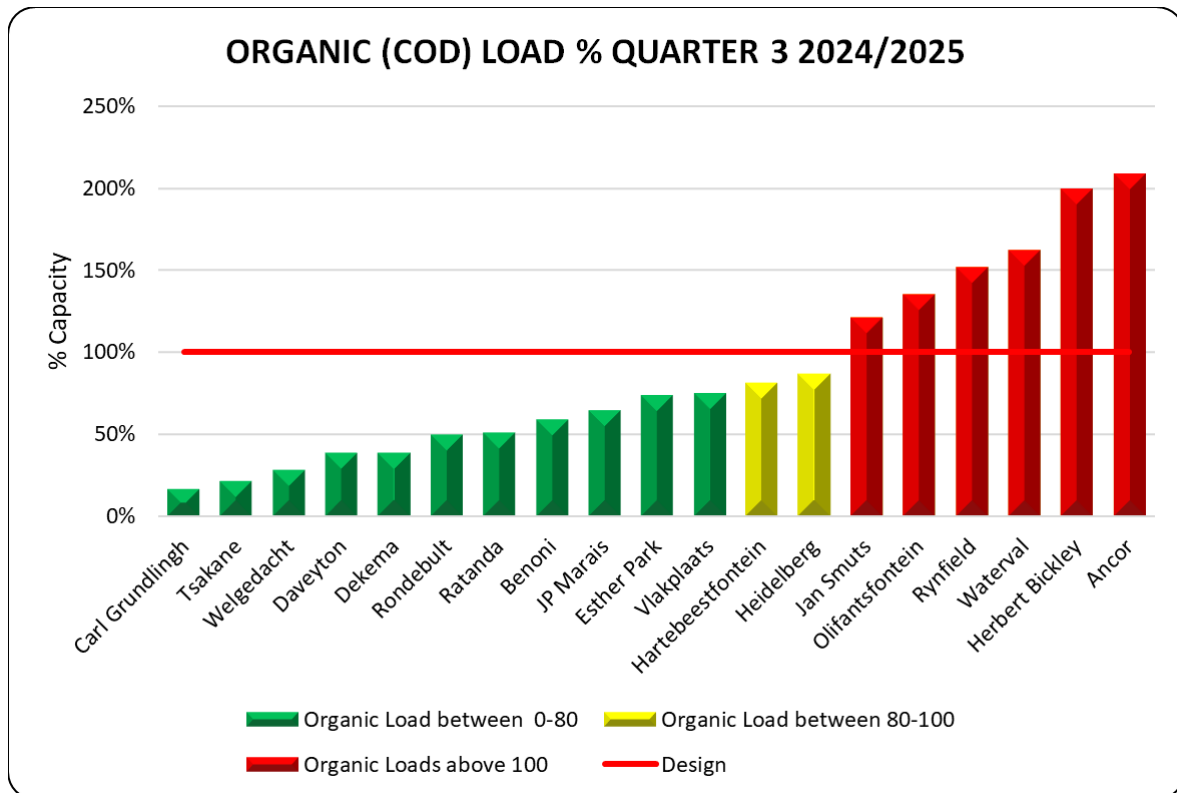


Figure 2: Q1 Organic Loads per WCW

As can be noted, 6 (six) WCW operated above 100% organic load, 2 (two) operated between 80 and 100% of the organic load and 11 (eleven) below their design capacity during Q3 (wet season), as compared to 10 (Ten) WCW operated above 100% organic load, 2 (two) WCW's operated between 80 and 100% of the organic load and 7 (seven) below their design capacity during Q2.

3.4. Service Delivery Highlights and Challenges

3.4.1 Plant Specific Challenges

Plant	Noncompliance 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	Ground water 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 = 93% Chemical = 99% Micro = 95% The average	Plant operated at 78% % of regraded hydraulic capacity in Q3	Plant operated at 59% % of regraded organic capacity in Q3 .	There were abnormal flow fluctuations in Q3 , due to Tom Jones and APEX pumpstation broken rising mains	There was 12 high strength of COD from industrial pollution in Q3	7 Level 3 Equipment failure occurred in Q3	There were 10 unplanned power failures and Loadshedding which lasted for a duration of 28 hours Q3	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 B2b. Sludge Samples were taken to the Laboratory on 27/08/2024 for analysis of the new sludge classification. Screenings and grits	Road is accessible	Portale water is available

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	compliance target of 90% was Achieved with the overall compliance of 96% for Q3														that are generated at the plant, are collected by CoE.		

Esther Park	Esther Park complied with overall WUL effluent standards with compliance of	Plant operated at %73% of hydraulic capacity.in Q3	Plant operated at % 73%of organic capacity in Q3	The plant experienced no abnormal fluctuations in inflows in -Jan-March	Plant received industrial high strength effluent 8 times out of	FourAlert Level 3 Equipment failures occurred in Q 3(Inlet Mechanical	There were 6 power outages s Jan March 2025 for duration of 21 hours. (Power	Reactor walls are leaking.	Not applicable.	None	Not applicable.	Not applicable	Not applicable	Not applicable	Screenings and grits collected by service provider.	Access road repaired. Road inside plant must be compacted.	Drop in water pressure occasionally that affects chlorination dosing
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Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
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	Physical = 92% Chemical = 91% Micro = 87% The average compliance target of 84% was Achieved with the overall compliance of 90% in Q3.			2025 (Q3) with an average inflow of 1.03ML/d (73%).	90 days during JanMarch 2025(Q3).	Screen), Aerator no1, Aerator no2, Mixer no2.	failure due to Maintenance CoE).										
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Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads
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Hartbeestfontein	Hartbeestfontein complied with overall WUL effluent standards with compliance of Physical = 89% Chemical = 66% Micro = 29% The average compliance	Plant operated at 108% above hydraulic capacity in Q3	Plant operated at 81% of organic capacity in Q3	The plant experienced fluctuations in inflows in January-March 2025(Q3) due to rainfalls with an average flow of 68.12M l/d.	Plant received industrial high strength effluent 7 times out of 92 days during January-March 2025 (Q3).	60 Alert Level 3 Equipment failures occurred in Q3.	There were 7 power outages in January-March 2025 (Q3).	Aging infrastructure: chlorine, thickeners, clarifier 2-4 bridge and siphons.	Digester 1, 4,6 and 9 sludge recirculation nozzles blocked. Digester 1-9 feeding lined was blocked. Constant blockage of digester feed lines (1-9)	There was no veld fires experienced in January-March 2025 (Q3)	816004 kg of dry sludge was irrigated to the 200 hectares farm in Q3	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.	Sludge classification is B2b, not suitable for the intended purpose; this requires further engagement with the farmer.	The grading was done around the fence in May 2024.
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Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Power
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	target of 50% was Achieved with the overall compliance of 61%																
Olifants fontein	Olifants fontein complied with overall WUL effluent standards with compliance of Physical = 82%	Plant operated at a hydraulic capacity of 209% in Q3 24-25	Plant operated at 135% of organic capacity for Q3 24/25	There were abnormal fluctuations of inflows in Q3 2425 With ranges of 112.30 -145.61	Plant received industrial high strength effluent (very high Electrical Conductivity above	8 Level 3 Equipment failures occurred in Q3.	There were 0 power outages in Q3	Module 3 Anaerobic digesters and module 1 and 2 reactors.	0 of 6 digesters.	There were noveld fires reported in Q3	Total sludge of 515 406kg of sludge was produced in Q3.	Unlined emergency dams contaminating borehole no.2&3. Borehole 1 runs dry during dry	2x Sinkholes behind and in front of the old laboratory which occurred in Dec 2019 and 1x	Olifants fontein WUL is stringent on Ammonia of < 2mg/l, SS of 15 mg/l and EC of < 80 mS/m.	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 there is high erosion on the banks. To be	YES the area was leased that recording and resurveying was lost

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Chemical = 71% Micro = 91% The average compliance target of 60% was Achieved with the overall compliance of 81%			MI/d in Jan 2025, 116.91 – 184.51 MI/d in Feb 2025, and 130.29 – 189.14 MI/d in Mar 2025.	80 mS/m) with 30 days out of 92 days In Q3. Plant also experiences fine sand ingress, and fats pollution that solidifies in sedimentation tanks							seasons	behind return pump station which occurred in March 2024. All sinkholes still not rehabilitated		cultivating crops such as fruits trees (2). Drying beds (A3a), No restrictions and requirements apply 3) Grit and screenings are collected by service provider from	reported to the CoE..	

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	P
					as scum.										the water works to the registered landfill.		
Rynfield	Rynfield complied with overall WUL effluent standards with compliance of Physical = 95% Chemical = 72% Micro = 55%	Plant operated at 131% of regraded hydraulic capacity in Q3, which was higher than design capacity.	Plant operated at 151% of regraded organic capacity for Q3	There were high flows received during the Q3 due to rain. N12 pumpstation pumps and valve were replaced in	None	0 Level 3 Equipment failures occurred in Q3	There were power outages in Q3 with a duration of 70 hrs.	Pavement, Digesters, Reactor tank and Bio-feeder structures are cracked	3 of 4 digesters are blocked due to defective desludging valves	There was no veld fire incident in the plant in Q3.	Dried sludge is stockpiled at the plant	Unlined sludge paddies, contact tank and maturation ponds could cause possible ground water	None	None	CoE collects screenings and grits from the inlet works. Dried sludge is stockpiled at the plant	None	V

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	
	The average compliance target of 65% was Achieved with the overall compliance of 74%			January 2025.								pollution					
Ancor	Ancor did not comply with overall WUL effluent standards with	Plant operated at 271% of its hydraulic	Plant operated at 209% of organic capacity in Q3.	Ancor did receive storm water ingress during	Plant received high COD industrial effluent in 6 out	0 Critical equipment failures	There was loadshedding incident during Q3 of 14	Bio filter flow division boxes partially collapsed, humus	1 digester blocked with sand and 2 are partially	No Veld fires occurred during the week at	Stockpile area not lined. Stockpiles on plant is a risk due to	Unlined sludge paddies pollute could cause undergr	Area around humus tanks and final effluent channel are	N/A	CoE/service provider removes solid waste (screenings	Access road to the plant is in bad condition with lots of	

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	compliance of Physical = 85% Chemical = 67% Micro = 81% The average compliance target of 50% was Achieved with the overall compliance of 78%	capacity in Q3		week Q3.	of 90 days.		times (29 hrs). And 2 power outage of 29 hrs	tanks/ PST's- and digesters structures are crumbling /cracked. Ancor also do not have a chlorine contact tank for disinfection	in operation. This cause the plant to run out of sludge handling capacity, which prevent proper desludging and resulting in noncompliances.	sludge lands	veld fires and environmental pollution	ground water	dolomitic according to Geotechnical study performed.		and grit).	potholes.	

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
Daveyton	Daveyton complied with overall WUL effluent standards with compliance of Physical = 100% Chemical = 99% Micro = 97% The average compliance	Plant operated at 63% of its hydraulic capacity in Q3.	Sufficient capacity. Plant operated at 38.% of its organic capacity in Q3.	Numerous sewer blockages in the CoE network, pump failures at Etwatwa ext.18 pumpstation and potable water supply interruption to Etwatwa.	N/A. Domestic only.	7 Level 3 Equipment failures occurred in Q3 which was the Generator at the BNR and Aerators.	31 power failures totalling 104 hours in Q3.	CCT and Inlet works channel sometimes leaking. Do not have direct impact on the operation of the plant at the moment	N/A	No veld fires in Q3	Sludge lagoons are unlined. Space for solar drying is insufficient	Unlined sludge lagoons pollute the ground water.	N/A	N/A	Screenings are collected by MCC contractor for proper disposal.	N/A	N/A

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	nce target of 90% was Achieved with the overall compliance of 99%																
JP Marais	JP Marais complied with overall WUL effluent standards with compliance of	Insufficient capacity. Plant operated at 130% of hydraulic capacity	Sufficient capacity. Plant operated at 64% of organic capacity.	-Plant flows increased from 84% in Q2 to 130% in Q3	No industrial effluent incident occurred in Q3	8 Alert level 3 equipment failures occurred in Q3, namely: Chemical pump x 1, WAS level	11 unplanned power failure incidents with a total of 74 hours and 15 loadshedding incidents	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	N/A	None

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Physical = 100% Chemical = 95% Micro = 88% The average compliance target of 90% was Achieved with the overall compliance of 94%					sensor x 1, Inlet & BNR generator x 4 and PST fine screen x1	s totalling 33hours occurred in Q3								screen compactor. Awaiting the issuance of PO for wet screenings removal.		

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
Welgedacht	Welgedacht complied with overall WUL effluent standards with compliance of Physical = 100% Chemical = 97% Micro = 93% The average compliance target	Plant operated at a hydraulic capacity of 104% in Q3 24-25	Sufficient capacity Plant operated at 28% organic capacity. Under Achievement.	McComb outfall sewer line blocked during Q3, Works experienced high inflows during the quarter with some of the contributing factor being low lying manhole next to	Welgedacht received coloured influent and foreign object once during Q3.	6 critical equipment failures occurred in Q3 2024/25, tripped MV, Tripping aerators after power failures, Ras pump, defective chlorine system and defective gearbo	5 power outages which lasted for 46 hours due transformer failure at ESKOM substation.	Module 1 electrical panel for aerators and digesters at module 2	N/A	No veld fires occurred.	None	Unlined Dichlorination channels and Emergency dam	N/A	None	Screenings are removed by an approved contractor to an approved landfill site. This practice does comply with WUL conditions.	Gravel access roads are in very bad condition and very slippery when wet.	No potable water supplied to the plant. Borehole water is used for hygiene. Drinking water is being transported from other plants.

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	of 81% was Achieved with the overall compliance of 97%			Slovo pumpstation		x for Biological clarifier 3.											
Jan Smuts	Jan Smuts compliance of Physical = 97% Chemical = 74% Micro = 94% The average	Plant operated at 176% of its hydraulic capacity in Q3	Plant operated at 121% of its organic capacity.	88 days of high incoming flows in Q3	Plant received industrial high strength effluent on 5 of the 90 days in Q3	2 critical equipment failures during Q3.	63 Hours of power failure, with 41.5 hours of loadshedding and 21.5	Humus Tanks scum boards, digester number 2's wall, drying beds' walls and the bio-filters'	None	0 fires occurred at Jan Smuts during Q3	Dried sludge is stockpiled on site.	Unlined sludge stockpile area can cause ground water pollution.	No	No	Screenings are removed by an approved contractor to an approved landfill site. This practice	Fair	Rand Water

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	the compliance target of 70% was Achieved with the overall compliance of 88 %						hours of unplanned power failure)	feed flow division box/tower.							does comply with WUL conditions.		
Heidelberg	Heidelberg complied with overall WUL effluent standards with compliance of	Plant operated at 132% of its hydraulic capacity	Plant operated at 86% of organic capacity	High incoming flows above the design of the 5.4 MI/d	The plant received high 3 CODs and 2 high NH3s levels that are	Total critical equipment failure in this quarter is 8, which is made up	Heidelberg had 36 unplanned power outages with a duration of 156	The joint sealants of Carousel reactor concrete wall are damaged. Reactor	None	None	Sludge at the plant stockpiled after dewatering, and is also applied/irrigated to the lands	Unlined sludge paddies /lack of ground water monitoring in the sludge paddies	None	None	Contractor removes solid waste (screenings and grit).and dispose at license	The access road to Heidelberg works requires a new-tarred road is required	Leakage on the pipeline to the inlet works due to a rusted pipeline.

					above the	of:4x inlet	hours. Loadsh										
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Plant	Noncomplia nce of final effluent	Hydraul ic Capacit y	Organic Capacit y	Abnorm al fluctuati ons in inflow	Industri al effluent	Level 3 Equipm ent Failure	Power outage s	Ageing infrastr ucture	Blocke d digeste rs	Veld fires	Sludge stockpil ing	Ground water pollutio n	Dolomit ic soil	Very Strict WUL standar d	Solid Waste Manag ement	Access Roads	Potable water
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	Physical = 100% Chemical = 89% Micro = 96% The average compliance target of 80% was Achieved with the overall compliance of 95%				design in the current quarter. 1 coloured effluent was also received	works pump motors 2x Mechanical screens Cable fault at the substation. Tripped inlet work generator because it is leaking.	eddling was 13 times and 28 hours. Diesel used was 7981 L	module 1 has a cracked concrete slab			and could potentially contaminate groundwater resources				d solid waste site.	urgently	
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Plant	Noncompliance 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
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Herbert Bickley	Herbert Bickley complied with overall WUL effluent standards with compliance of Physical =100% Chemical = 98% Micro = 89% The average	Plant operated at 175% of its hydraulic capacity in Q3	Plant operated at 199% of organic capacity	None	26 industrial pollution incidents experienced in Q3	9 Alert level 3 incidents reported in Q3 Surface aerators no: 6 fault Sludge to land pump 1 fault Biofilter stage 2 pump 2 fault. Biofilter stage 1 pump	6 Incidents of power failure reported in Q3 which includes 40 hours of unplanned due and planned power failure	Anaerobic Digester 1,2,3&4	None	0 veld fires in Q3	Bickley WCW Sludge used for irrigation of Kikuya instant grass	All nine boreholes results fluctuate showing signs of pollution.	None observed	No. Bickley compliant with all parameters for Q3.	Contractor removes solid waste (screenings and grit).and dispose at licensed solid waste site.	Access road is Damaged	No Issues
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Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	compliance target of 80% was Achieved with the overall compliance of 96%					2&3 fault. Coarse screen fault Leaking Classifier											
Tsakan e	Tsakan e complied with overall WUL effluent standards with compliance of	Sufficient capacity. Plant operated at 94% of hydraulic capacity.	Sufficient capacity. Plant operated at 21% of organic capacity.	Maximum incoming flow was experienced at the plant due to high rain fall in Q3	Plant received industrial high strength effluent on 0 of 91 days	4x Level 3 Equipment failures occurred in Q3.namely Mechanical screen	Tsakan e had X4 unplanned power failure events for 39 hrs, X3 Planned	N/A	N/A	No veldfires occurred during Q3	Sludge pumped to unlined lagoons /paddies for solar drying.	Unlined sludge lagoons and paddies . Borehole monitoring was implemented	None (There's a dolomitic report that shows none at Tsakan e)	None	Contractor removes solid waste (screenings and grit).and dispose at license	None	Potable water leaks creates wetland next to inlet works.

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	Physical = 100% Chemical = 97% Micro = 85% The average compliance target of 94% was Achieved with the overall compliance of 89%			Reticulation pump stations (Rockville and Ext 22 were fixed in March, however Extension 11 is still non-operational.		screw conveyor, Chlorine pump, hypochlorite system & Sludge to land pump.	d load reduction for 16hrs. X14 Load shedding for 33hours. Total hrs without electricity= 88hrs					in March 2025 around sludge lagoons .			d solid waste site.		

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
Carl Grundlingh	Carl Grundlingh complied with overall WUL effluent standards with compliance of Physical = 99% Chemical = 94% Micro = 92% The average compliance target	Plant operated at 38% hydraulic capacity in Q3	Plant operated at 16% organic capacity in Q3	none	none	None	There was 1 power outage for 10 hours in Q3 due to stolen cables	BNR structure	N/A	No veldfires reported in Q3	Land application of sludge is being used	Unlined sludge to land posing ground water pollution Blocked borehole #3	None	None	Contractor removes solid waste (screenings and grit).and dispose at licensed solid waste site.	Access road to the plant is damaged and requires an upgrade.	There is a water leak that is next to the transformer. d the sludge to land area

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads
	of 88% was Achieved with the overall compliance of 95%															
Ratanda	Ratanda complied with overall WUL effluent standards with compliance of 99% Chemical = 99%	Plant operated at 110% of its hydraulic capacity	Plant operated at 50% organic capacity,	Reduced flow due to blocked manhole next to Heidelberg WCW and two manholes next to extension 2, and	None	Generator leaking oil due to Welch plug which damaged and the new plug is installed and the generator	WCW experienced 19 unplanned power outages for the duration of 225 hours, due to cable damage	Drying beds drainage system and chlorine contact tanks are badly leaking structures	N/A	No veld fires occurred during Q1	Dried sludge is stockpiled on-site, potential ground water pollution	Unlined sludge ponds and leaking drying beds, potential ground water pollution	None	None	Contractor removes solid waste (screenings and grit). and dispose at licensed solid waste site.	The access road to Ratanda Works is severely damaged and a new tarred road is required

						or is											
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Plant	Noncomplia nce of final effluent	Hydraul ic Capacit y	Organic Capacit y	Abnorm al fluctuati ons in inflow	Industri al effluent	Level 3 Equipm ent Failure	Power outage s	Ageing infrastr ucture	Blocke d digeste rs	Veld fires	Sludge stockpil ing	Ground water pollutio n	Dolomit ic soil	Very Strict WUL standar d	Solid Waste Manag ement	Access Roads	Potable water
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	Micro = 97% The average compliance target of 85% was Achieved with the overall compliance of 98%			leaking reticulation pipe next to the WCW, Lesedi LM and DWS inform High inflows due to ongoing high rainfalls		now operational Generator not operational out for repairs and mobile generator unable to supply power to the plant it requires service	ed by contractor, no load shedding experienced. WCW experienced 8 loadshedding events for the duration of hours and 15 unplanned power outages for the duration									urgently	is used for other domestic purposes
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Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
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							n of 89 hours										
Dekema	Dekema complied with overall WUL effluent standards with compliance of Physical = 81% Chemical = 86% Micro = 82% The average compliance	Plant operated at 65% of hydraulic capacity	Incoming organic concentration was within design organic capacity. Plant operated at 38% organic capacity	The plant received an average of 20.10 ML/d for Q3 and the total rainfall measured for Q3 at the plant was 359 mm.	Plant received inflow that contained industrial effluent with high COD 1 out of 92 days and NH ₃ 2 out of 92 days.	9 x Level 3 Equipment failures occurred in Q3. 2 x 1 sludge pump. 2 x Biofilter pump 2 x Inlet mechanical coarse screen. 1 x Screening	30 power outages occurred in Q3 for 144 hours in total. 6 x Unplanned power outages for 54 hours, 9 x Loadshedding for 23 hours and 15 load reduction	Channels feeding sections partially collapsed. Biofilters and digesters wall are cracked.	1 out of 12 Anaerobic digesters is blocked	No vessel fires occurred during Q3	Sludge pumped to unlined sludge paddies for solar drying and dried sludge spread to land area to be ploughed into land	Unlined sludge paddies. Screenings and grit are disposed to suitable landfill that is lawful according to the NEMA. A Service Provider screenings	None	N/A	Screenings and grit generated at the plant are disposed to suitable landfill that is lawful according to the NEMA. A Service Provider screenings	The access road to Dekema WCW needs to be tarred as it gets muddy and slippery during rainy season.	N/A

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Permitting
	Compliance target of 75% was achieved with the overall compliance of 83%					1 x compactors 1 x Ferric chloride pump 1 x PST bridge	on for 67 hours.								and grit transport to authorised landfill site courtesy of CoE		
Rondebult	Rondebult complied with overall WUL effluent standards with compliance of Physical = 97%	Plant operated at 70% of hydraulic capacity	Plant operated at 49% organic capacity	The plant received an average of 13.96 ML/d for Q3 and highest flow recorded was	Plant received high COD industrial effluent on 3 of 90 days and NH3 on	11 Level 3 Equipment failures occurred in Q3. 0 critical equipment	24 Outages with the total hours of 57 hours occurred during Q3, Unplanned	Channels feeding sections partially collapsed. Biofilters and digesters wall are cracked	1 of 6 digesters is blocked	No veld fires occurred during Q3	Sludge pumped to unlined paddies for solar drying and dried sludge spread to land area	Unlined sludge lagoons, Collection and transportation of screenings, grit disposed of at	The entire area of the plant are dolomitic	N/A	Collection and transportation of waste (screening and grit) to a waste disposal site done by	The access road in and around the plant are deteriorating and will need	Permitting requirements are not to be

					0 of 90 days													
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Plant	Noncomplia nce of final effluent	Hydraul ic Capacit y	Organic Capacit y	Abnorm al fluctuati ons in inflow	Industri al effluent	Level 3 Equipm ent Failure	Power outage s	Ageing infrastr ucture	Blocke d digeste rs	Veld fires	Sludge stockpil ing	Ground water pollutio n	Dolomit ic soil	Very Strict WUL standar d	Solid Waste Manag ement	Access Roads	Potable water
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	Chemical = 96% Micro = 90% The average compliance target of 90% was achieved with the overall compliance of 94%			29.12 MI/d. Total rainfall measured during Q3 at the plant was 398 mm.		ent reported during the month of January 2025. 9 critical equipment reported during the month of February 2025. Namely ;	power outages for 26 hrs and 30 hours during load shedding Unplanned power outages were due to CoE power interruptions (cable faults and faulty electrical	. 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			and ploughed into land. WUL noncompliant and an audit finding.	a registered hazardous waste landfill sites			service providers.	attention	
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Plant	Noncompliance 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
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						3x primary biofilter feed pumps 1x secondary biofilter feed pumps 1x main office electrical cable 1x sludge pumps 1x chlorine dosing pumps	substation)	ed. The wall that has a feed pipeline to the PSTs has collapsed due to heavy rainfalls Anaerobic digester #4 and #5 walls have cracks. Digester #6									
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Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
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						2x Grit classifier March 2025 Namely ; 1 x primary and secondary biofilter feed pump 1x emergency light outside the		dome has open/ visible cracks on the surface Office building cracked and leaking during heavy rainfalls									
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Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Po
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						guardhouse											
Vlakplaats	Vlakplaats didn't comply with overall WUL effluent standards with compliance of Physical = 97% Chemical = 73% Micro = 14%	Plant operated at 204% of hydraulic capacity. Needs to be upgraded	Plant operated at 74% of organic capacity	The plant received an average of 112.02 ML/d for Q3 and highest flow recorded was 205 ML/d. Rainfall measured at the plant	Plant received industrial high strength effluent on 1 of 90 days	17 Level 3 Equipment failures occurred in Q3. - Namely: 3 x damaged electrical cable at main supply and module B section.	18 Outages occur (78 hours in total) due to Load reduction and damaged power supply cable.	Office building, Biofilters, Digesters have some cracks.	Most digesters are full of sand and require to be emptied and cleaned.	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	No wastewater supply increased veld exposure during Q3

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
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	The average compliance target of 47% was achieved with the overall compliance of 61%			was 165 mm. Fluctuation of inflow is due to inconsistent Pump stations		6 x failure of Module 1-4 Level 3 Equipment failures occurred in Q3 2. 6 x failure of raw sludge pumps 1 x failure of DBF dosing pumps.											
Water	Water compliance	Plant operated	Plant operated at	Average flow of up to	Plant operated at	21 alert level	0 Hours planned	None	None	0 vessel fires at sludge	Dried sludge is	Unlined Emergency	None	N/A	Screenings and grit	N/A	

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	d with overall WUL effluent standards with compliance of Physical = 94% Chemical = 88% Micro = 80% The average compliance target of 80% was Achieved with	above capacity (operated at 230% capacity)	164% organic capacity.	386.44 Ml/day received due to developments and bypasses from upstream plants. Average rainfall of 63.7 mm was received in Q3	65% organic capacity.	3 Critical equipment failures occurred in Q3 2024/2025 Mainly from 3x Pond 7 short circuiting to final effluent, 1x DBF dosing point power	blower outage			land occurred during Q2	stockpiled on the plant and paddies. Demand for agricultural application is seasonal.	dams and paddies.			generated at the plant are now disposed at landfill site, this to prevent underground seepage		

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
	the overall compliance of 87%					failure, 2 x Blowers tripped, 1 x Module 2 RAS pump failure, 1 x DAF 4 recirculation pump blocked, 4 x Module 1-3 screens failure, 5 x module 4 screens failure, 1 x											

Plant	Noncompliance 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	Ground water pollution	Dolomitic soil	Very Strict WUL standard	Solid Waste Management	Access Roads	Potable water
						Chlorine dosing injector blocked , 2 x Module 1 clarifiers syphoning box failure, 1 x Digested sludge pumps failure.											

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. 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.

Running Projects

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) 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.

Replacing pumps that are inefficient or pumps that are operating outside the expected service life. The objective of the project is to enhance plant performance, efficiency and reliability to ensure compliance of wastewater works effluent to the requirements as per the water use license granted by the Regulator.

The project is on implementation phase

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) 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.

Planned Projects: Mega Projects

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. 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.

ERWAT has prioritized four large construction projects that will increase the capacity of the Water Care Works, discussed in section below.

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

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
Waterval WCW Upgrade	Inception	Completed
	Preliminary Desing	Ongoing
Olifantsfontein WCW Upgrade	Inception	Completed
	Preliminary Desing	Ongoing
Ancor WCW Upgrade	Inception	Completed
	Preliminary Desing	Ongoing
Welgedacht WCW Upgrade	Inception	Completed
	Preliminary Desing	Completed
	Detail Design	Ongoing

Ancor Water Care Works

The Ancor 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.

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.	The project is currently on Stage 2 (Preliminary Design)

Vlakplaats Water Care Works

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.

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

Welgedacht WCW

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.

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)

Ratanda Water Care Works

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.

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.

Waterval Water Care Works

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.

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)

Olifantsfontein Water Care Works

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. 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.

3. Financial Report

Table 5: Operational expenditure

Description	Revised Budget	Budget Q3	Actual Q3	YTD Budget	YTD Actual	Quarterly variance	YTD variance
	R	R	R	R	R	%	%
EXPENDITURE BY TYPE							
Employee Related Costs - Salaries & Wages	514 506 937	102 637 299	117 501 966	360 154 856	350 817 938	14,48%	-2,59%
Remuneration of Directors	2 961 078	592 216	237 170	2 072 755	711 509	-59,95%	-65,67%
Bad Debts (Provision for Bad Debts)	1 742 850	348 570	25 700 685	1 219 995	52 107 391	7273,18%	4171,12%
Impairment (gain)/loss	15 000 000	7 438 676	-	10 500 000	(1 954 555)	-100,00%	-118,61%
Depreciation	120 840 702	13 628 386	25 183 436	84 588 491	78 176 685	84,79%	-7,58%
Repairs and Maintenance	178 511 196	35 626 007	19 193 989	124 957 837	72 916 881	-46,12%	-41,65%
Interest Expense	36 087 769	5 717 554	5 392 349	25 261 438	18 195 612	-5,69%	-27,97%
Bulk purchases	433 122 168	83 091 972	77 107 023	303 185 518	266 354 289	-7,20%	-12,15%
General Expenses - Other	229 741 878	47 524 608	31 385 240	160 819 315	84 315 159	-33,96%	-47,57%
TOTAL OPERATING EXPENDITURE	1 532 514 578	296 605 287	301 701 858	1 072 760 205	921 640 909	1,72%	-14,09%

Analysis of expenditure performance

The total overall underspending in the 3rd Quarter can be attributed to the following reasons:

1. There was an under expenditure on director's remuneration as the budget provided for 8 Directors however only 3 Directors remained due to resignations.
2. Provision for bad debts in relation to interest on the COE debt was not budgeted for.
3. Impairment loss: Due to a reversal of prior year impairment losses which was followed by the actual scrapping of the assets.
4. Repairs and Maintenance, under expenditure is driven by a backlog in maintenance work. This matter is being addressed and overseen by the Managing Director at the WAR room with a focus on spending all the budget before year end.
5. The actual Interest Expenditure incurred was slightly lower than expected due to the recent interest rate cuts and the volatility of the interest rate in general.
6. The actual expenditure on electricity & chemicals is lower than the budget for the year to date.
7. Under expenditure on General Expenses mainly driven by:
 - The transport and freight - sludge management contract that was awarded in the third quarter therefore monies could not be expended, however the pending end planned work will ensure significant expenditure during the fourth quarter.
 - The health, safety and protective clothing contract (deemed irregular) that only lapsed during the third quarter. The expenditure on the anticipated transversal contracts should be realised in the fourth quarter.
 - Underspending on fuel that was budgeted for in anticipation of loadshedding but was not realised.
 - Consulting and professional fees not spent, as the panel of professional service providers tender that is currently at evaluation stage.
8. Depreciation expense was slightly lower than projected due to the delayed acquisition of plant equipment that only occurred towards the end of the third quarter.

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
CAPEX PROJECTS	R95 000 000.00	R 103 260 537,00	R 72 282 375,90	R72 687 421,83	R405 045,93	R 103 260 537,00	R72 687 421,83	R405 045,93	70.39%

4. Human Resources

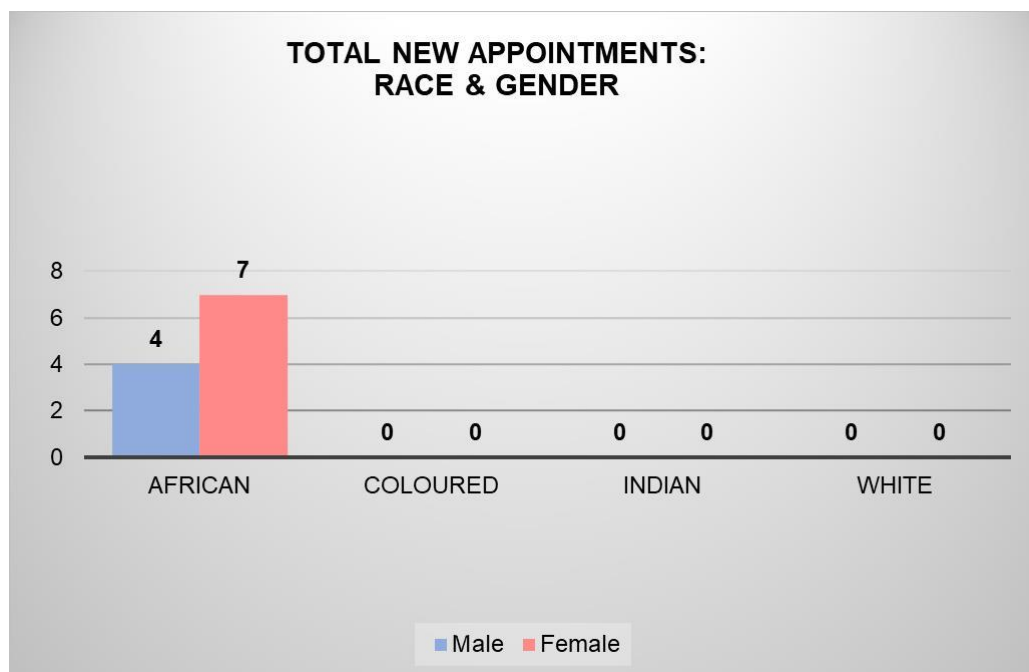
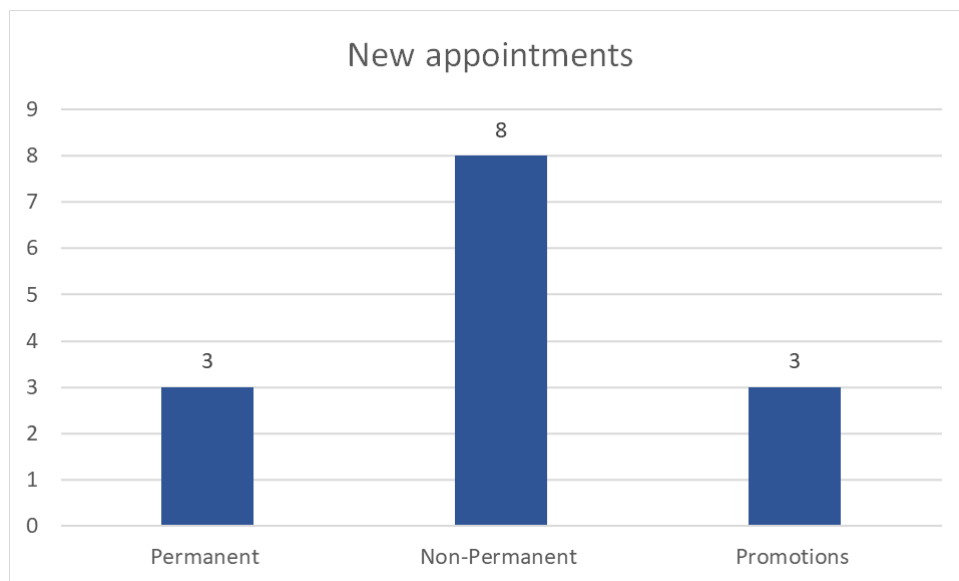
The department is expected to report with respect to the Labour Legislation:

4.1 Staff Movements

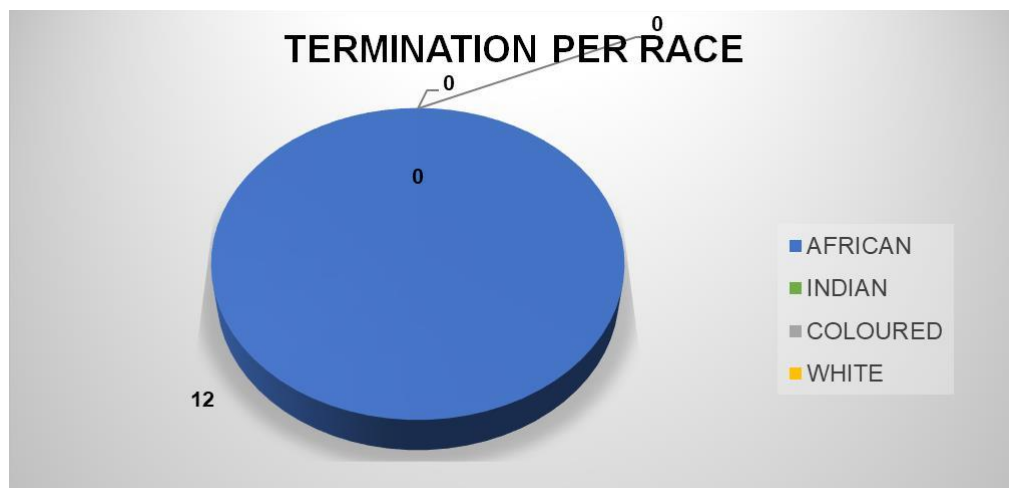
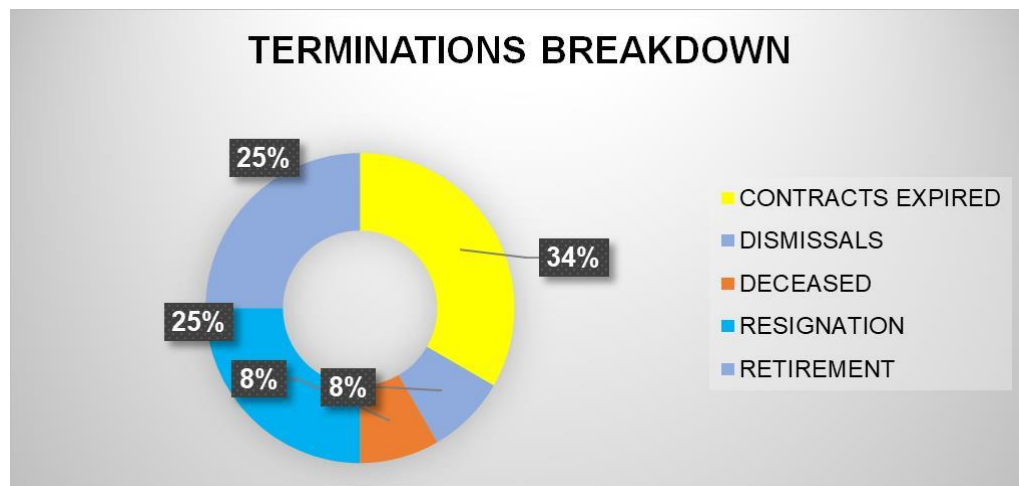
Staff	African	Coloured	Indian	Whites	Total
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Movements	Male	Female	Male	Female	Male	Female	Male	Female	
Recruitments	4	7	0	0	0	0	0	0	11
Resignations	3	0	0	0	0	0	0	0	3
Retirements	3	0	0	0	0	0	0	0	3
Contract Expired	2	2	0	0	0	0	0	0	4
Dismissals	1	0	0	0	0	0	0	0	1
Deceased	1	0	0	0	0	0	0	0	1
Promotions	3	0	0	0	0	0	0	0	3

4.1.1 Appointments



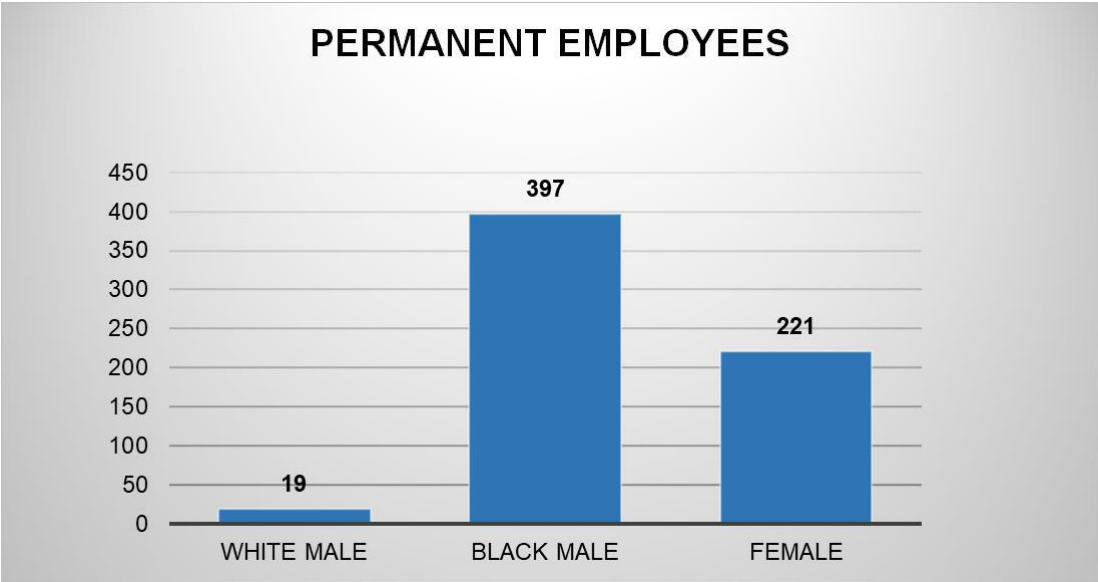
4.1.2 Terminations



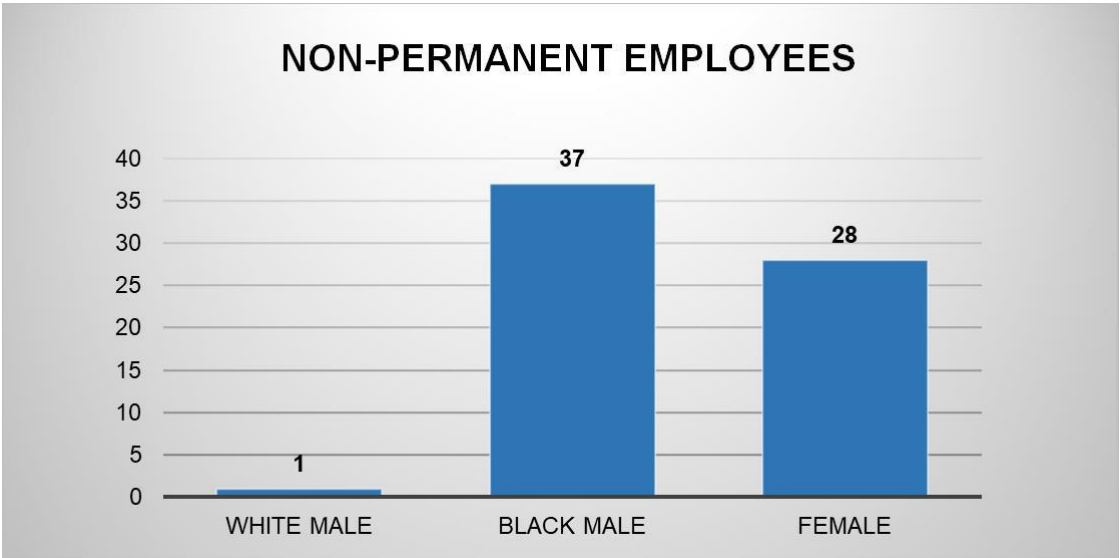
Status Analysis

- During the period under review, 11 employees were appointed.
- During the period under review, 12 employees exited the organisation for the following reasons:
 - 4 contracts expired. ○ 3 employees resigned. ○ 1 employee passed away ○ 1 employee was dismissed and
 - 3 employees went on retirement during the period under review

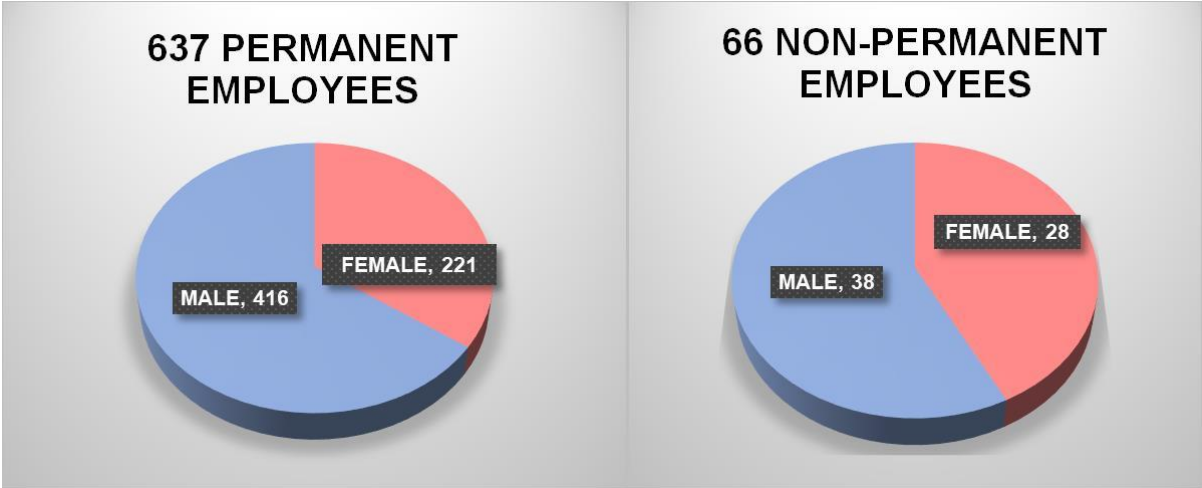
4.2 Employment Equity Demographics



ERWAT has **637** permanent employees.



ERWAT has **66** non-permanent employees.



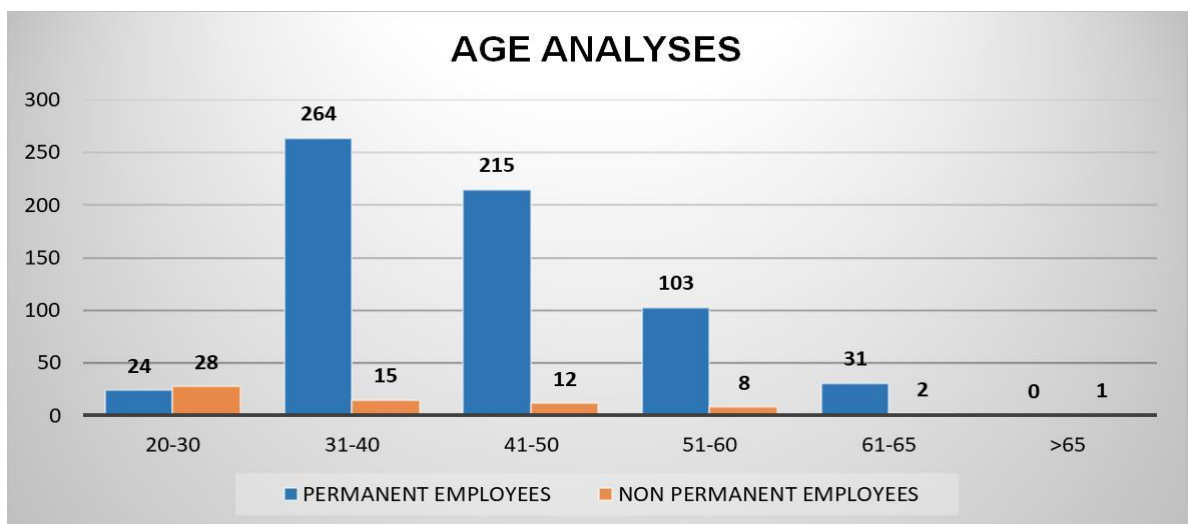
Status Analysis

- The employment demographics of ERWAT as at 31st March 2025 reflects:
 - Females in both permanent and non-permanent positions within ERWAT account for 249 or 35% of total positions filled.
 - Males in both permanent and non-permanent positions within ERWAT account for 454 or 65% of total positions filled.

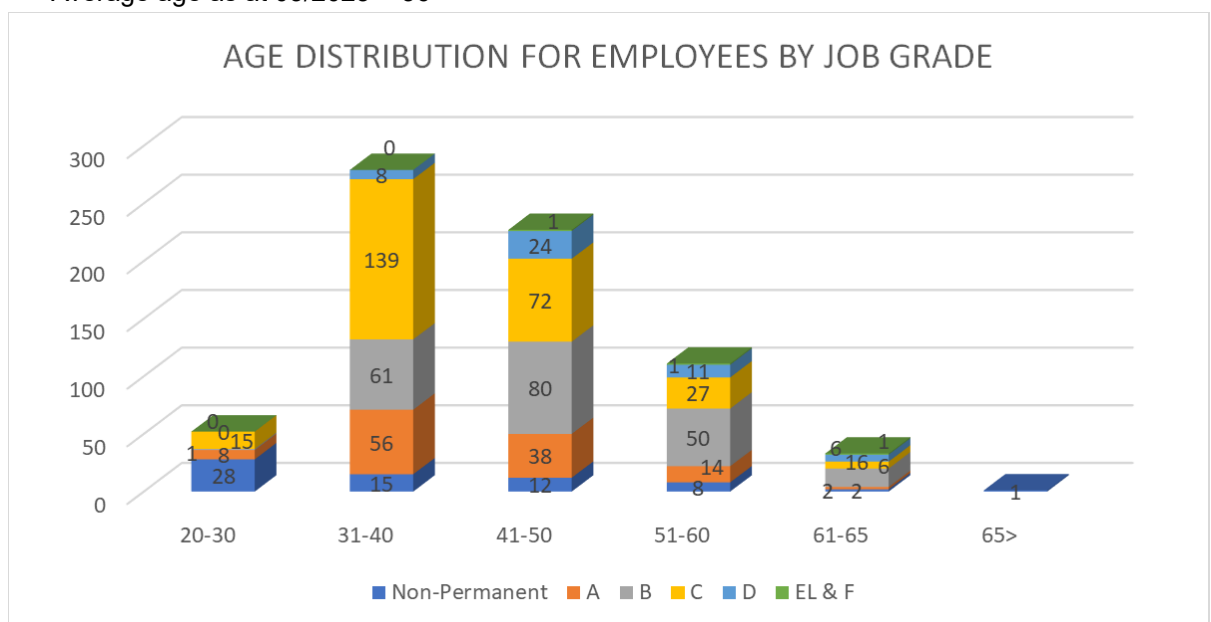
4.3 Employment Equity Update

The total number of female employees in the Support Functions, represent 64% of the total number of employees in these functions, compared to 35% in the Operational (Technical) functions of the organisation, all efforts are being put in place to increase the number of female recruits in the technical functions.

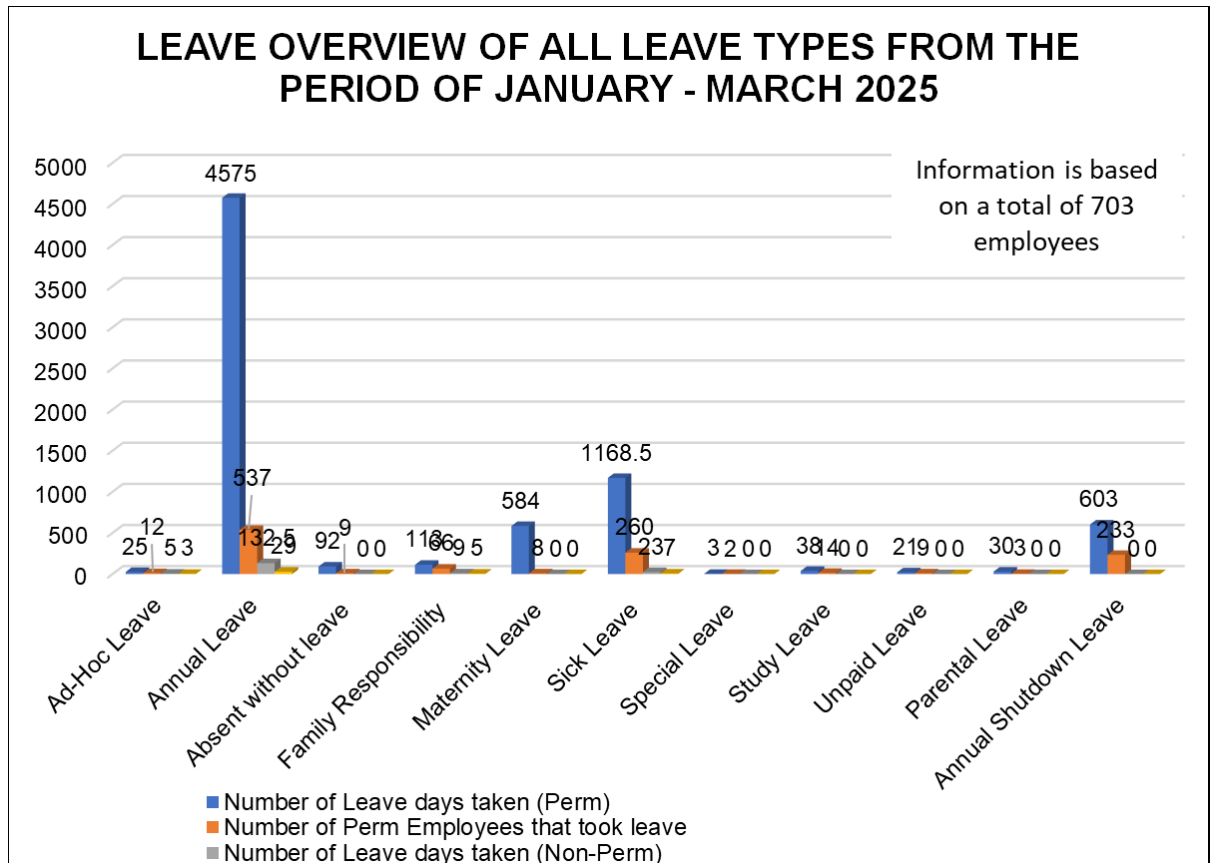
Age Analysis



- Average age as at 03/2025 = 36



4.4 Leave Management



Status Analysis

- Total number of employees who took sick leave during the period under review are 260. The total sick leave taken equates to an approximate minimum of 4 days per employees.

4.5 Overtime Trends

Department	Budget	Quarter 1		Quarter 2		Quarter 3		YTD
		Hours	Expenditure	Hours	Expenditure	Hours	Expenditure	Percentage Expenditure
Office of the MD (incl. Security)	25 9041,1	188,50	74 179,62	180,90	76 554,57	182	74 928.64	87%
Company Secretariat	35 419,5	0	0	0	0	0	0	0%

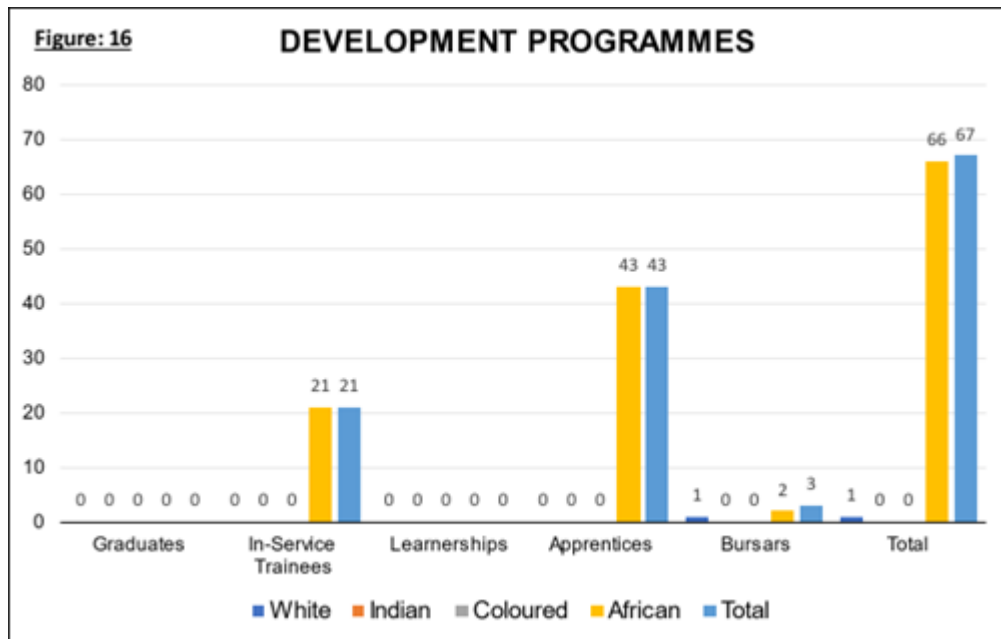
Financial Services	158 766,18	188,50	65 300,55	100,00	35 701,6 3	32.5	12 809.62	71%
Human Resources	9 536,00	0	0	0	0	0	0	0%
Strategy, Monitoring and Evaluation	15 729,00	0	0	0	0	0	0	0%
Maintenance	4 498 678,58	4 509,50	1 236 464 ,84	3 639,00	1 109 318,83	2 996.5	926 202.5 3	72%
IPAP	15 173,33	39,00	14 519,93	0	653,40	0	0	96%
Scientific Services (incl. R&D)	2 341 354,83	1 780,50	553 298,0 8	1 853,50	630 459, 31	1 939	655 951.3 7	79%
Commercial Business	1 917 071,12	3 038,50	537 499,2 0	2 702,50	479 571, 92	3 209	587 514.0 5	83%
Operations	6 138 058,28	9 383,50	2 142 670,97	8 209,00	2 009 186,89	8 593	2 137 151 .37	102%
Total	15 388 827,92	19 128,00	4 623 933,19	16 684,90	4 341 446,55	16 952	4 394 557 .24	87%

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

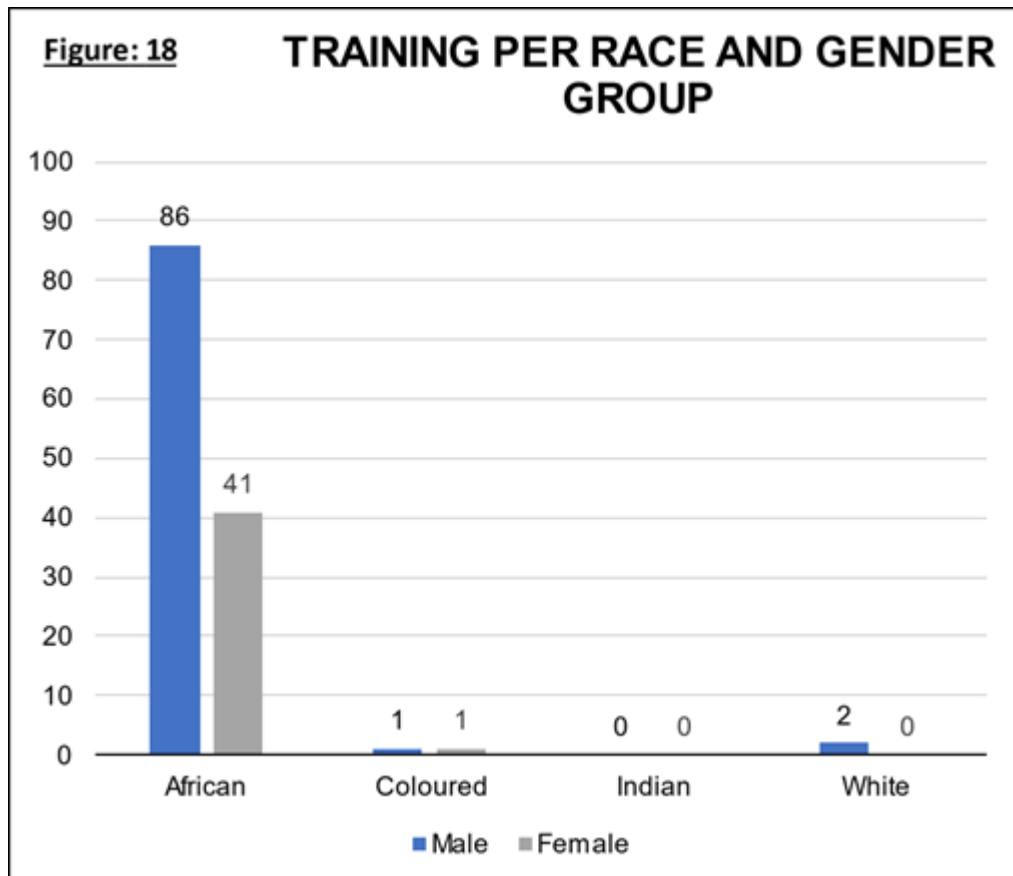
4.6 Training and Development

The reporting period saw **62 employees** attending compliance training workshops, namely:

- First Aid Awareness workshop
- SHE Rep Awareness workshop
- Fire Fighting Awareness workshop
- Fire Marshall Awareness workshop



- **Inservice trainees:** We have **21 trainees** based at Commercial Business and **3 trainees** at Scientific Services.
- **Apprentices:** We have **43 Apprentices** from **SEIFSA** based at Various ERWAT plants.
- **Bursars:** We have **3 external bursary** beneficiaries.



Report on performance in respect of the Skills development plans (narrative).

- 16 SHE Representative Awareness Workshop on 10th February 2025
- 17 Basic First Aid Awareness Workshop 11th February 2025

- 15 Basic Fire Fighter Awareness Workshop 12th February 2025
- 14 Evacuation Marshall Awareness Workshop 13th February 2025

Training per race and gender to date.

- 86 African Males • 41 African Females.
- 1 Coloured Male
- 1 Coloured Female
- 2 White males

4.7 Performance Management

Status Analysis

Year End 2023/2024 evaluations have been completed, and Mid-Year 2024/2025 evaluations will be completed in Quarter 4 of the 2024/2025 Financial Year.

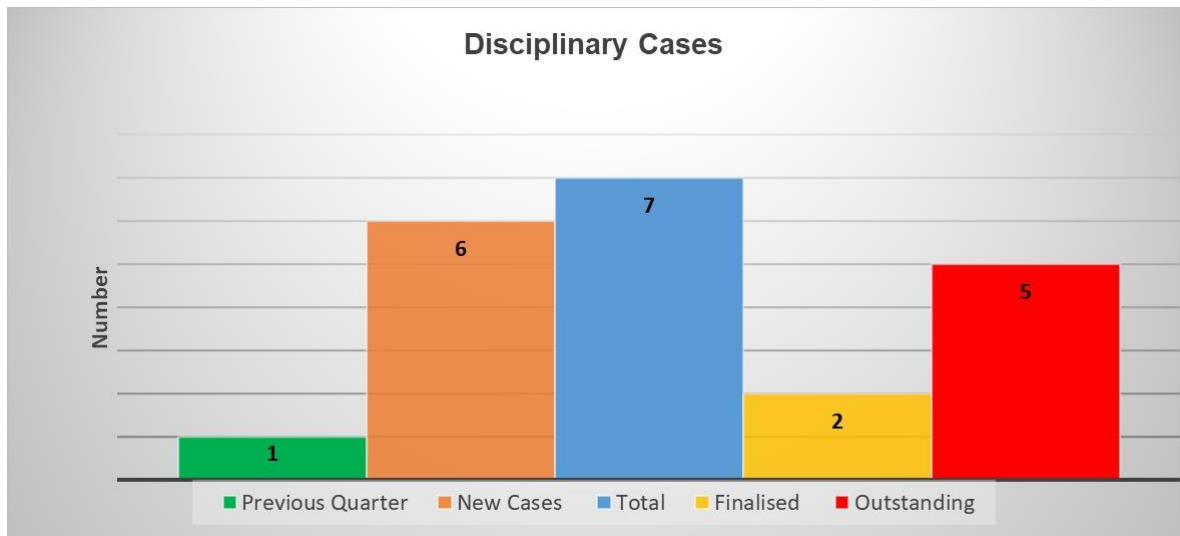
4.8 Employee Relations

The HR department, has received, recorded and administered the following processes for the reporting quarter, below is the statistical data of all cases and the analysis thereof.



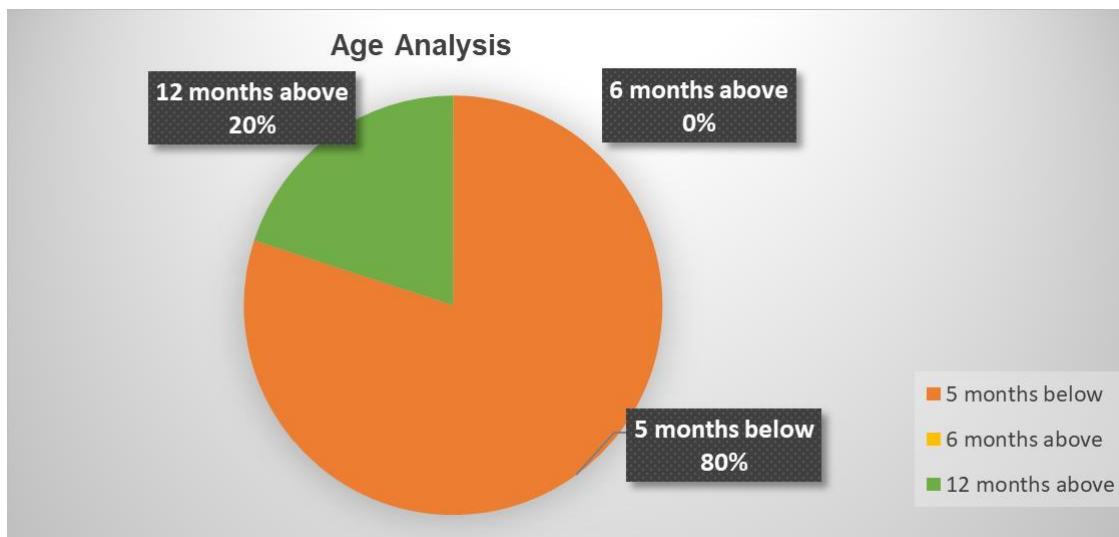
4.8.1 Disciplinary Cases

- One (1) case was not concluded in the previous quarter, hence brought forward.
- Six (6) new cases were received; the total for all disciplinary cases is seven (7). The total number of cases finalized is two (2) with a remaining balance of five (5) cases outstanding.



4.8.2 Age Analysis of Disciplinary Cases

- The age analysis of the six (6) cases outstanding, 0% are below five (5) months, and 100% are above twelve (12) months old.



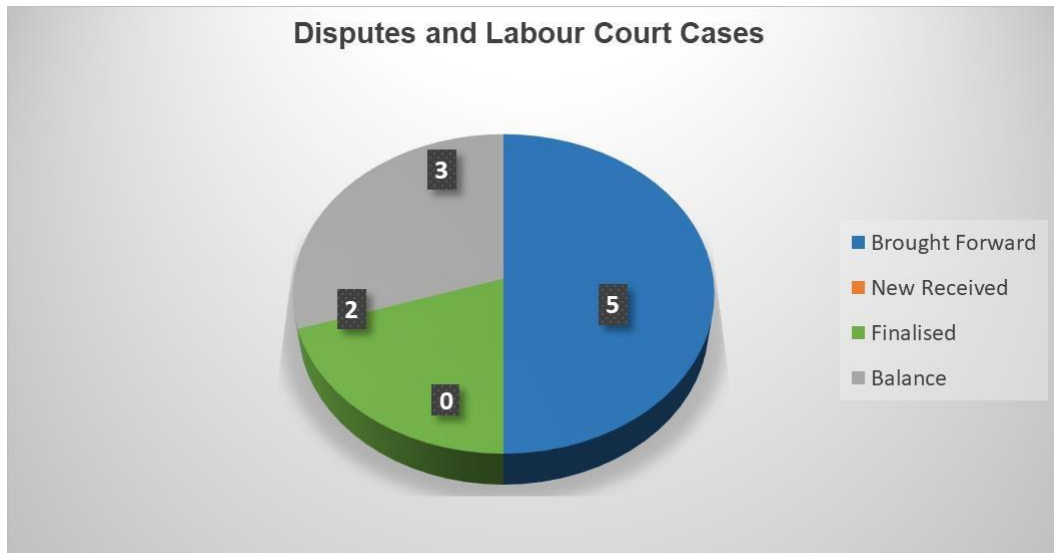
The age analysis of the six (6) outstanding cases is as follows:

- Cases that are one (1) month old = 0
- Cases that are two (2) months old = 4
- Cases that are three (3) months old =
- Cases that are four (4) months old =
- Cases that are five (5) months old =
- cases that are six (6) months old =
- Cases that are more than twelve (12) months old = 1

4.8.3 Disputes, Arbitrations & Labour Court Cases

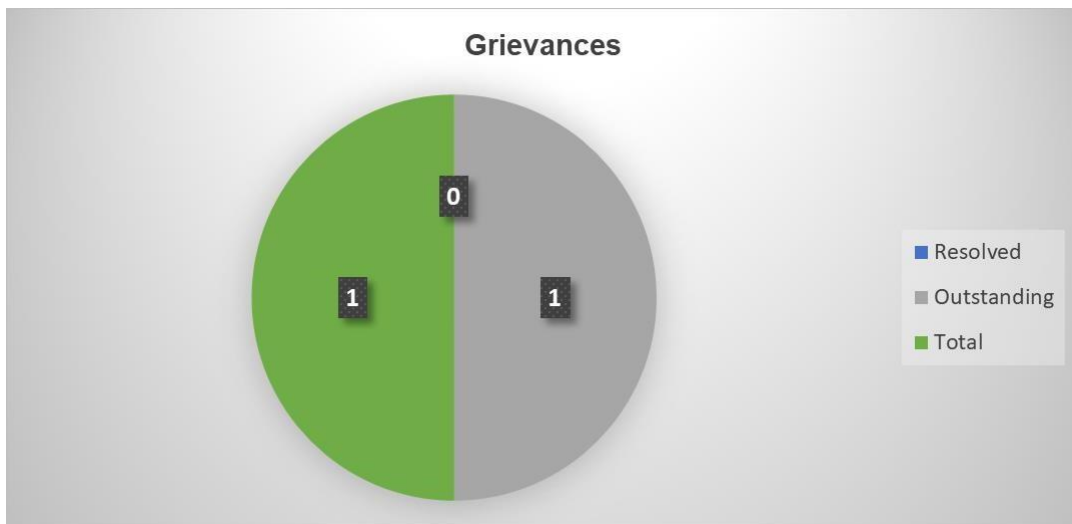
- Total cases brought forward five (5) as at the end of the previous quarter.
- No new case was received
- Two cases have been finalised
- In respect of disputes at the bargaining Council and Labour Court cases, ERWAT is sitting on three (3) cases

- The above cases are pending adjudication at the appropriate forums.



The graph illustrates the statistical data of disputes at the Bargaining Council and Labour Court, as at the end of Q3, with three (3) cases still pending

4.8.4 Grievances



The total grievances outstanding is one (1).

4.8.5 Suspensions

There is one suspension for the period under review.

4.9 Employee Wellness Programme & OHS

ERWAT Occupational Health Services offers Employee Wellness Programme as follows:

ERWAT has 46 Wellness Champions (WC) that are placed in all 19 Plants including the Laboratory 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 and monitor absenteeism; they also provide health education in the form of frequently scheduled meetings with employees on site.

4.10 Percentage of Salary to OPEX.

	Quarter 1	Quarter 2	Quarter 3	YTD – Actual
Total Manpower Cost	104 489 989.00	124 653 215.00	117 739 136,0 0	351 529 447,00
Total Opex	253 717 922.00	320 779 492.00	301 701 857,6 6	921 640 908,53
% of Salary to Opex	41%	39%	39%	38%

Note: The ratio between the % of Salary to the Operational Expenditure are influenced by the total expenditure for the Quarter, 39% seems high, but it is reflective of the under expenditure of the OPEX budget for Q3.

5. Procurement Practices, Job Creation and Mainstreaming

A total of 7 bids were concluded during Quarter 3 whereof three of the bids were awarded to multiple service providers. (*Annexure B*)

1. BEE spend in respect of supplier and contractor (PDIs):

- 1.1 Eleven (11) bidders were awarded contracts with HDI ownership levels ranging between 36.93 % to 100%.
- 1.2 One (1) bidder was awarded a contract with 0% HDI ownership level.
- 1.3 Six (6) bidders were awarded contracts with Black Women ownership levels ranging between 11 % to 100%.
- 1.4 Five (5) bidders were awarded contracts with youth ownership levels ranging between 19.09% to 100%.
- 1.5 Seven (7) bidders were awarded contracts that falls within the EME B-BBEE scorecard.
- 1.6 One (1) bidder was awarded a contract that falls within the QSE B-BBEE scorecard.
- 1.7 Four (4) bidders were awarded contracts that falls within the Generic B-BBEE scorecard.
- 1.8 Twelve (12) service providers were appointed whereof two (2) are situated within the City of Ekurhuleni area and ten (10) falls outside the CoE area.

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.
3. ERWAT is not able 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.

SUMMARY OF GEYODI OF BIDS AWARDED FOR QUARTER 3 (PERIOD JANUARY 2025 - 31 MARCH 2025) (Annexure A)

	QUARTER 3				
CATEGORY	JANUARY	FEBRUARY	MARCH	YEAR TO DATE TOTAL Q3	% OF YEAR TO DATE TOTAL
0% HDI / JURISTIC PERSON	R2 700 000.00	R0.00	R0.00	R2 700 000.00	1%
1-50% HDI	R0.00	R2 000 000.00	R0.00	R2 000 000.00	1%
51-99% HDI	R0.00	R0.00	R0.00	R0.00	0%
100% HDI	R1 840 000.00	R46 292 059.00	R185 250 310.71	R233 382 369.71	98%
TOTAL	R4 540 000.00	R48 292 059.00	R185 250 310.71	R238 082 369.71	100%
SIZE OF COMPANY	JANUARY	FEBRUARY	MARCH		
LARGE	R2 950 000.00	R2 000 000.00	R36 916 728.81	R41 866 728.81	17.58%
MEDIUM	R0.00	R36 916 728.81	R0.00	R36 916 728.81	15.51%
SMALL	R1 590 000.00	R46 292 059.00	R111 416 853.09	R159 298 912.09	66.91%
MICRO	R0.00	R0.00	R0.00	R0.00	0.00%
TOTAL	R4 540 000.00	R85 208 787.81	R148 333 581.90	R238 082 369.71	100%
AWARDS MADE TO:	JANUARY	FEBRUARY	MARCH		
BLACK FEMALE 01-50%	R1 340 000.00	R2 000 000.00	R36 916 728.81	R40 256 728.81	
BLACK FEMALE 51 - 99%	R0.00	R0.00	R0.00	R0.00	
BLACK FEMALE 100%	R500 000.00	R0.00	R666 666.66	R1 166 666.66	
FEMALE 0 - 100%	R0.00	R0.00	R0.00	R0.00	
MILITARY VETERANS	R0.00	R0.00	R0.00	R0.00	
PWD	R0.00	R0.00	R0.00	R0.00	
YOUTH	R0.00	R48 292 059.00	R74 500 124.28	R122 792 183.28	
BBEE SCORE CARD	JANUARY	FEBRUARY	MARCH		
EME	R1 590 000.00	R46 292 059.00	R111 416 853.09	R159 298 912.09	66.91%
QSE	R0.00	R0.00	R36 916 728.81	R36 916 728.81	15.51%
GENERIC	R2 950 000.00	R2 000 000.00	R36 916 728.81	R41 866 728.81	17.58%
TOTAL	R4 540 000.00	R48 292 059.00	R185 250 310.71	R238 082 369.71	100%
AWARD MADE TO	JANUARY	FEBRUARY	MARCH		
COE-BASED COMPANIES	R0.00	R0.00	R37 583 395.47	R37 583 395.47	15.79%
NON-COE BASED	R4 540 000.00	R48 292 059.00	R147 666 915.24	R200 498 974.24	84.21%
	R4 540 000.00	R48 292 059.00	R147 666 915.24	R238 082 369.71	100%

6. Risk Management

Risk Management is an important tool for both the Board of Directors and Management to align Risk and Strategy. Risk assessments provides the entity with an opportunity to mitigate unforeseen event and achieve strategic objectives. The assessment and identification of critical risks through 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
ERW 1	Inadequate infrastructure to treat wastewater	CF 1.3	'a) Outdated, aging and inadequate infrastructure to treat high strength industrial effluent due to lack of budget related projects. Current Capacity (14 WCWs operating above 100% capacity, 3WCWs operating at 80+ to 100% and only 2 WCWs operating below 80%)	CC 1.3.1	Grant Funding (Urban settlement development grant)	High	RAP 1.3.1	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- Research and Initiate new processes in this FY	The two applications submitted by the entity to DBSA and IDC in the last financial year were unsuccessful. The entity is now considering appointing a Technical Advisor to assist with the entity with the new applications to various financial institutions. The process to appoint a technical advisor has not yet started.	The appointment of a transactional advisor was a non-award. The Spec is still in evaluation, the tender will be readvertised for the third time before the bid evaluation process starts.
				CC 1.3.2	ERWAT implemented the 2023/2024 Capex Plan- target of +/- 98,10% was achieved.		RAP 1.3.2.1	Implement the 2024/2025 Capex plan	-/+45,88% (R43 616 673,32) of R95,000,000.00 budget the 2024/2025 budget	-/+46,85% (R48 380 296,54) of R103,260,538.00 budget the 2024/2025 budget
							RAP 1.3.2.2	Plant Optimisation Modelling	In progress – Waterval WCW FDP (Facility Development Program) is signed-off. Olifantsfontein WCW and Hartebeestfontein WCW FDPs are in the process of being signed-off.	FDP is in the process of being signed-off.

REF	Risk Title	Contributing Factors	Current Mitigating Controls	RR	Risk Action Plans	Detailed Progress Quarter 2	Detailed Progress Quarter 3
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				CC 1.3. 4	Wastewater conveyance and treatment systems regionalisation and 50-year master plan		RAP 1.3.4	Five (5) Turnkey Capital Project – 50 Year Master Plan through the City (progress report) 1. Watervaal 2. Olifantsfontein 3. Vlaakplaats 4. Anchor 5. Welgedacht	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 an 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 & Stage 2 in progress. 4. Ancor - Refurbish and upgrade from the current regraded capacity of 15 MLD to 35 MLD and expansion for an additional 15 MLD: Stage 1 Completed & Stage 2 in progress.	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 an 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 & Stage 2 in progress. 4. Ancor - Refurbish and upgrade from the current regraded capacity of 15 MLD to 35 MLD and expansion for an additional 15 MLD: Stage 1 Completed & Stage 2 in progress.
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REF	Risk Title	Contributing Factors	Current Mitigating Controls	RR	Risk Action Plans	Detailed Progress Quarter 2	Detailed Progress Quarter 3
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								5. Welgedacht - Refurbishment and Expansion for an additional 60 MLD: Stage 1 Completed & Stage 2 Completed, Stage 3 in progress.	5. Welgedacht - Refurbishment and Expansion for an additional 60 MLD: Stage 1 Completed & Stage 2 Completed, Stage 3 in progress.
		'b) Outdated, aging and inadequate technology to treat high strength industrial effluent due to lack of budget to implement newer technologies (OPS).	CC 1.3. 5	Wastewater Risk Abatement Plans		RAP 1.3.5	Review the Wastewater Risk Abatement Plans every 3rd year (2023)	The Wastewater Risk Abatement Plans were table and approved by EXCO at a meeting held 23 Oct 2024, the item will serve at the next Board meeting.	The Wastewater Risk Abatement Plans (W2RAP) were approved. The Board approved the W2RAP on 20 January 2025.
			CC 1.3. 6	Organic testing of industrial effluent.		RAP 1.3.6	Monthly Screening for Industries exceeding law limits	In progress - Organic profiling has been completed on 705 industrial source scans (380 for North East Region and 325 for South West Region). Industries exceeding by laws limits are being screened monthly.	In progress - Organic profiling has been completed on 725 industrial source scans (391 for North East Region and 334 for South West Region). Industries exceeding by laws limits are being screened monthly.
			CC 1.3. 8	Tracking of incidents and on a quarterly to assist in planning to build operational resilience and		RAP 1.3.8	Quarterly tracking of incidents	Action plan completed- 1764 Job Cards were loaded on the CMMS and a Total of 921 were Closed. Translated to 52%	Action plan completed- 1386 Job Cards were loaded on the CMMS and a Total of 591 were Closed. Translated to 43 %

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
					improving compliance					
		CF 1.5	Delays in bringing back equipment to services due to long lead time of spares sourced overseas and inadequate service master contracts	CC 1.5.1	ERWAT Operational Procurement Plan		RAP 1.5.1	Create a Centralised Spares Store to reduce downtime and increase efficiency	In progress. 2.The process has started, analysis of stakeholder needs has been completed for satellite stores needs and workshops. <u>I. Phase 1 & 2</u> A submission to initiate the feasibility study was presented to EXCO approval has been granted to proceed. In this submission a generic concept was presented, establishment of new infrastructure, re-purposing of old buildings and any other material needs that will be required for successful management of this facilities. <u>iii. Phase 3 & 4</u> Finer details of this stage will be part of the feasibility study outcome, The Maintenance team will adjust the procurement plans to	In progress. 2.The process has started, analysis of stakeholder needs has been completed for satellite stores needs and workshops. <u>I. Phase 1 & 2</u> A submission to initiate the feasibility study was presented to EXCO and approval has been granted to proceed. In this submission a generic concept was presented, establishment of new infrastructure, re-purposing of old buildings and any other material needs that will be required for successful management of this facilities. <u>iii. Phase 3 & 4</u> Finer details of this stage will be part of the feasibility study outcome, The Maintenance team will adjust the procurement plans to

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									accommodate the resources required implement this study in this financial year. v. <u>Phase 5</u> This project will be budgeted for under Capex upon completion of the study mentioned above, we anticipate phased implementation in between 2025-27 Financial Years	accommodate the resources required implement this study in this financial year. v. <u>Phase 5</u> This project will be budgeted for under Capex upon completion of the study mentioned above, we anticipate phased implementation in between 2025-27 Financial Years
ERW 2	Inadequate preparedness in the event of an emergency/natural disaster.	CF 2.1	Some plants of the 19 Wastewater Care Works do not have wastewater bypassing systems and emergency dams	CC 2.1	Water Bypass System for some Wastewater Care Works and emergency dams	High	RAP 2.1	There is no further risk action planned to be implemented due to budget constraints. ERWAT Capex budget is limited to 95 million	There will be no reporting for the period under review.	

		CF 2.3	Inadequate Business Continuity Management Program	CC 2.3.1	Business Continuity Management Policy		RAP 2.3.1	Develop an ERWAT Disaster Management Framework	In Progress- ERWAT Disaster Management Framework is still under development. The BCM Policy was reviewed to guide the Framework. The Incident	In Progress-. The Incident Management Protocols for the Wastewater Care Works reviewed and awaiting approval
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REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									Management Protocols for the Wastewater Care Works reviewed and awaiting approval	
				CC 2.3.2(a)	Business Continuity Management Risk Assessments for Water Care Works and Support Services		RAP 2.3.2	Review of Business Recovery Plans for the Core Business	The entity is reviewing BIAs (Business Impact Analysis and BCM Risk Assessments for the Core departments. The above will inform the review of the Business Recovery Plans. The BIAs were conducted for ten (10) wastewater care works and the BIA reports still to be drafted for the 10.	The BIAs were conducted for fourteen (14) wastewater care works and the BIA reports still to be drafted for the 14.
				CC 2.3.2(b)	BCM Business Impact Analysis					
				CC	Business					

				2.3.2(c)	Recovery Plans		RAP 2.3.3 (b)	Training of BCM Co-ordinators	In progress- The Human Resources department has concluded the BCM Training needs requirements for the BCM Team. It is anticipated that training will commence in quarter 3. The Risk Department raises BCM Awareness also during the BIA review workshops.	In progress- The Human Resources department has submitted the FPQ for Risk Management: Lead Implementer BCMS (ISO 22301) training and scheduled for advertisement in this quarter.
				CC 2.3.5	ICT Disaster Recovery Plan		RAP 2.3.5	Move ERWAT Disaster Recovery Site to	In progress – In the last financial year CoE indicated that ERWAT	In progress – In the last financial year CoE indicated that ERWAT

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
							a location far from Head Office in line with best practice		halt the data center hosting project as the municipality is assessing whether they are able to provide the same service to ERWAT. ERWAT has in the interim given the C.o.E the scope of work which it requires for it's data center hosting services.	halt the data center hosting project as the municipality is assessing whether they are able to provide the same service to ERWAT. ERWAT has in the interim given the C.o.E the scope of work which it requires for it's data center hosting services.

ERW 3	Potential loss of the ISO 17025 accreditation	CF 3.1	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	CC 3.1 (a)	Scheduled Instrumentation Maintenance Plan	High	RAP 3.1(a))	Implement Capex 2 items: 2 x Flow injection analysers GC-MS equipment	The tender resulted into a number of non-awards due to bidders not submitting correct paperwork and bidders not bidding at all have resulted in delay's in scheduled instrument maintenance and a nonconformance No. 2024/05 was issued. Sole Supplier procurement for certain suppliers is underway.	Capex funding has been made available for the 2 x Flow Injections Analysers in the 2025/2026 financial year. Sole Supplier approval for critical instrument maintenance have been approved. The tender ERW202201/TNDR-001 was awarded on 07/03/2023 on a 36 month contract and has been used by different districts to mitigate the risks on an ongoing bases.
				CC 3.1 (b)	Use of obsolete scrapped				There is no budget allocation for CAPEX funding for Scientific	Capex funding has been made available for the 2 x Flow Injections

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
					equipment spares				Services until budget adjustment is done. The advertising of CAPEX instruments is thus on hold. The GC/MS Purge and Trap was a nonaward and will be readvertised when CAPEX funding is available.	Analysers in the 2025/2026 financial year.

		CF 3.2	Lack of budget for planned maintenance of the laboratory building	CC 3.2	Ad-hoc minor maintenance by the Maintenance Department on a daily, weekly and monthly basis.		RAP 3.2	Implementation of building maintenance plans including power supply loads, building/ roof leaks, etc.	In progress- ERWAT is going on tender to have a Buildings Maintenance contract in place. The bid closed on 4 th Dec 2024.	Building Maintenance tender is currently with BEC for evaluation.
ERW 4	Inadequate preparedness in the event of total grid collapse resulting in extended blackouts	CF 4.1	Load shedding challenges facing the South African government	CC 4.1	No current control	High	RAP 4.1	No further action plan to be implemented due to the network configuration	There is no reporting for the period under review. Network configured by Eskom	There is no reporting for the period under review. Network configured by Eskom
		CF 4.2	Thirty-Six (36) Gensets to power critical processes and UPS for the Laboratory	CC 4.2	Conduct a feasibility study on alternative energy such as Hydropower, Solar etc		RAP 4.2	Do a feasibility study on alternative energy such as Hydropower, Solar etc	The two applications submitted by the entity to DBSA and IDC in the last financial year were unsuccessful. The entity is now considering appointing a Technical Advisor to assist with the entity with the new	The appointment of a transactional advisor was a non-award. The Spec is still in evaluation, the tender needs to be readvertised for the third time first, after that we will start with the bid evaluation process.

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									applications to various financial institutions. The process to appoint a technical advisor has not yet started.	

		CF 4.3	Repair nonoperational Gensets- Procure and Install additional Gensets				RAP 4.3(a)	Repair all nonoperational Gensets	In progress - Generators repairs contracts are now active, Two service providers were awarded the tender. The Olifantsfontein Generator is not operational, an insurance claim was lodged, it still need to be fixed.	In progress - Generators repairs contracts are now active, two service providers were awarded the tender. The Olifantsfontein Generator is not operational, an insurance claim was lodged, it still needs to be fixed. The Insurance claim is still pending
ERW 5	Inability to spend in accordance with the allocated budget	CF 5.1	High vacancy rate due to the backlog caused by the previous monotorium	CC 5.1	Implementation of the 2023/24 Recruitment Plan	Med	RAP 5.1	Implemented the 2024/205 Recruitment Plan.	The following Positions are at offer stage: □ Manager Legal □ Board and Committee Secretariat □ Occupational Health Nurse □ Maintenance Manager □ Specialist Risk and Compliance Nine positions as per below still in Progress,	The following Positions are at offer stage: □ Manager Legal □ Board and Committee Secretariat □ System Analyst Four positions as per below still in Progress, (Interviews/Shortlisting Stage): □ Sales Engineer □ Fitter

REF	Risk Title	Contributing Factors	Current Mitigating Controls	RR	Risk Action Plans	Detailed Progress Quarter 2	Detailed Progress Quarter 3
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									(Interviews/Shortlisting Stage): □ Sales Engineer □ System Analyst □ Administration Officer: Creditors □ Fitter □ Process Operators □ Plant Administrator □ Senior Process Controller x2 □ Maintenance Planner	□ Senior Process Controller x2 □ Maintenance Planner
		CF 5.2	Decline in bulk purchases; Electricity costs due to load shedding	CC 5.2	ERWAT Procurement Plan		RAP 5.2	Enhance the process by having additional chemical suppliers (Ops)	Tender closed 28 June 2024 and at final stages of procurement process. The tender for the supply, delivery, and offloading of various chemicals for wastewater treatment served at BAC (price negotiations) on the 9 th December 2024.	The tender for the supply and delivery of wastewater treatment chemicals was awarded (as a panel) on the 4 th February 2025, four SLAs has been finalized (still waiting for 2 more SLAs to be finalized), and the kick-off meeting with the successful bidders was held on the 19 th March 2025.
ERW 6	Inadequate revenue	CF 6.1	Inability to secure new business due	CC 6.1.1	Pricing Model. (Scientific	Med	RAP 6.1.1	Review of the Pricing Model.	The review of the Pricing Model is depended on the finalisation of the	The review of the Pricing Model is depended on the finalisation of the

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
	generation to supplement the approved budget		to overhead costs that are higher than that of competitors. (Such as Manpower, laboratory, etc.)		Services Price Schedule)				Financial Model by Finance	Financial Model by Finance
		CF 6.2	Loss of existing business through insourcing and companies closing down or reducing costs	CC 6.2	Customer Satisfaction Survey		RAP 6.2	Appointment of an independent service provider to conduct annual customer survey	The Evaluation Report on the appointment of the preferred bidder is at Probity stage for verification.	Service provider appointed-see attached the appointment letter.  0050AA461D7D2503 14113016.pdf
		CF 6.4	Business requirements limiting of entry to new market (Level of BBB-EE Compliance)	CC 6.4	BBB-EE Task team in place		RAP 6.4	Planning of all activities related to the requirements of the BBB-EE score card Annual review of BBB EE Compliance.	Verification is in progress. Awaiting final report from the service provider.	Verification was completed, certificate valid till December 2025. please see attached BBB-EE certificate.  BEE CERTIFICATE - EKURHULENI WATER

ERW 7	Failure to meet capital	CF 7.1	Delays in Supply Chain processes.	CC 7.1.1	Implementation of the 2023-2024 CAPEX Plan	Med	RAP 7.1.1	Implementation of the 2024-2025 CAPEX Plan	-/+ 45,88% (R43 616 673,32) of	-/+ 71,64% (R73 975 849,42) of
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REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
	expenditure set target		(Including the effect of the Pandemic)-IPAP						R95,000,000.00 budget the 2024/2025 budget	R103,260,538.00 budget the 2024/2025 budget
ERW 8	Potential loss of key skills	CF 8.1	Unexpected loss of key employees due to the resignation, retirement, death etc.	CC 8.1.1	Review HR Policies after every 3 years	Med	RAP 8.1.1	Review the HR Policies on an as and when the need arises	Action Plan Completed	Action Plan Completed
				CC 8.1.3	ERWAT Progression Framework		RAP 8.1.3	Review of existing Progression Framework to include other departments	Maintenance Department Progression Framework was under review, the process to be finalized in quarter 3.	Review of Progression Frameworks currently in progress and will be finalized upon approval of Departmental Structures.

				CC 8.1. 7	Implementation of 2023/24 Annual Training Plan		RAP 8.1.7	Implement the 2024/2025 Training Plan	17 Employees attended the She Rep training on 22 November 2024 20 Employees attended the Basic Fire Fighting training on 26 November 2024 15 Employees attended First Aid training on 27- 28 November 2024 17 Employees attended the Incident Investigation training on 09-11 December 2024	This quarter will see the completion of the remaining H&S training. x38 First Aid x39 SHE REP x38 Fire Fighting Work at Heights PO granted scheduled to take place in this Quarter.
				CC 8.2. 2	Employee climate survey		RAP 8.2.2	Conduct an Employee Climate Survey	The tender was a nonaward. A Firm Price Quotation to be	Tender was awarded. Kick off will take place in Quarter 4.

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
									advertised in January 2025	
				CC 8.2. 3	Psychosocial support		RAP 8.2.3	Implementation of the 2023/24 Employee Wellness Support Programmes	Service Level Agreement still under discussion with the winning bidder. Presently counselling done in-house by the Occupational Health Nurse Practitioner (OHNP)	SLA agreement has been signed with service provider. Kick off meeting was held and services will commence in April 2025.

				CC 8.2. 4	Wellness workplace programmes		RAP 8.2.4	Implementation of the 2024/25 Wellness Program	Three (3) Employee Wellness Days were conducted on the 04 October, 01 November and 08 November 2024. Discovery Health and other companies provided many services such as Podiatry, Physiotherapy, Eye Testing etc. Counselling for mental health is done in-house by the Occupational Health Nurse Practitioner (OHNP)	SLA agreement has been signed with service provider. Kick off meeting was held and services will commence in April 2025.
				CC 8.2. 5	Human Resource Management Roadshows		RAP 8.2.5	Go on a Human Resources Road Show to raise awareness on Human	The remaining Wastewater Care Works (WCW) are scheduled for Quarter 3.	The remaining Wastewater Care Works (WCW) are now scheduled for Quarter 4.

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
								Resource activities		

ERW 9	Potential delays in the supply and delivery of critical goods and services as a result of procurement challenges	CF 9.1	Late commencement of bid processes by user department and discrepancies around specifications	CC 9.1.1	Supply Chain Management Policy	High	RAP 9.1.1	Review the SCM Policy as and when legislation changes	There were no changes warranting policy review for the period under review. The Public Procurement Act was promulgated on 23 July 2024. No changes are effective and the SCM policy will be amended once the regulations have been promulgated.	There were no changes in the warranting policy review for the period under review. No changes are effective and the SCM policy will be amended once the regulations have been promulgated.
				CC 9.1.3	ERWAT Procurement Plan		RAP 9.1.3	Review the 2024//25 Procurement Plan and track the implementation thereof	The procurement plan will be revised as per 2024/2025 budget adjustment that was finalised in December 2024.	Opex procurement plan not approved – with OoCFO. Pending final approval of revised CAPEX procurement plan reflecting the adjustment budget. IPAP to submit.
		CF 9.3	Long lead time to deliver goods/ services due to external factors such as Pandemics, Rise in Logistics	CC 9.3	Service Master Contracts for Maintenance		RAP 9.3	Appoint a panel for professional services for IPAP and Maintenance Department	Professional Service Providers panel tender closed 19/04/2024 and is currently at BEC stage (IPAP). The PSP is anticipated to be awarded in April 2025.	PSP currently in final stages at BEC.

REF	Risk Title	Contributing Factors	Current Mitigating Controls	RR	Risk Action Plans	Detailed Progress Quarter 2	Detailed Progress Quarter 3	Progress
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			Cyber Attacks, Shortage of supplies & Consumables etc.						Civil Maintenance and Plant rental bid awarded. SLA to be finalized by 19 December 2024. (Operations and Maintenance)	
ERW 10	Potential Loss of, and Unauthorised Access Critical Information	CF 10.1	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)	CC 10.1	Asset Management Policy, Strategy and Disaster Recovery Plan (Cloud back-up)	High	RAP 10.1(a)	Replacement of server infrastructure	Data Centre Preparations is at 100% complete and new hardware is being deployed.	Data Centre software components are currently being configured such as ESXi hypervisors, vCenter and Veaaam Replication.
							RAP 10.1(b)	Upgrade unsupported operating systems	In progress - Data Centre Preparations is at 100% complete and new hardware is being deployed. The upgrading of the operating system will commence in quarter 3	Data Centre software components are currently being configured such as ESXi hypervisors, vCenter and Veaaam Replication. Operating System Licenses have been procured.
				CC 10.3.3	Logical access policy		RAP 10.3.3	Develop a Cyber-Security policy	The Cyber-Security Policy tabled and approved by the Board on the 24 th of November 2024. Completed	Action Plan Complete
		CF 11.1	Non-Compliance/ disregarding (Knowingly or unknowingly) Occupational	CC 11.1.2	Occupational Health & Safety Procedures (SOPs) -MS- SOP- SA002 Health		RAP 11.1.2(a)	Development of Occupational Health Standard Operating Procedures: Employee	Standard Operating Procedures were presented at the Central Safety Committee meeting held on 01 November 2024. Final	Awaiting sign off of the SOP's from MD's office

REF	Risk Title	Contributing Factors		Current Mitigating Controls		RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3
			Health & Safety policies and Standard operating procedures. (e.g. Inappropriate use of PPE;)		and Safety Representative Procedure - MS- SOP- SA003 Accident Reporting and Investigation Procedure - MS- SOP-			Assistance Programme	inputs from the committee are being incorporated and the final document will be submitted to the Managing Director signed-off in Quarter3.	
							RAP	Review of Safety		Awaiting sign off of the

	Potential injuries to people (personnel, visitors)		SA004 Permit to Work Procedures -MS- SOP- SA005 Confined Space Procedure - MS- SOP- SA006 Excavation Procedure - MS- SOPSA007 Wearing of Safety Harness -MS- SOPSA008 Fall Protection Plan -MS- SOPSA009 Control of contractors working at ERWAT		11.1. 2(b)	Standard Operating Procedures 1. Occupational Health & Safety Procedures (SOPs) 2. MS- SOPSA002 Health and Safety Representative Procedure 3. MS- SOPSA003 Accident Reporting and Investigation Procedure 4. MS- SOP- SA004 Permit to Work Procedures 5. MS- SOPSA005 Confined Space	Standard Operating Procedures were presented at the Central Safety Committee meeting held on 01 November 2024. Final inputs from the committee are being incorporated and the final document will be submitted to the Managing Director signed-off in Quarter3.	SOP's from MD's office
REF	Risk Title	Contributing Factors	Current Mitigating Controls	RR	Risk Action Plans		Detailed Progress Quarter 2	Detailed Progress Quarter 3

	and contractors) and damage to property				-MS- SOPSA0010 HSE Plan		Procedure 6. MS- SOPSA006 Excavation Procedure 7. MS- SOP- SA007 Wearing of Safety Harness 8. MS- SOPSA008 Fall Protection Plan 9. MS- SOP- SA009 Control of contractors working at ERWAT 10. MS- SOPSA0010 HSE Plan		
		CF 11. 2	Deteriorating workplace condition due to inadequate maintenance	CC 11. 2.1	2024/2025 Maintenance Plan		RAP 11.2. 1	Maintenance of Buildings by Operations Department	In progress- ERWAT went out on a Building Maintenance Tender, the bid closed on 4 th Dec 2024.

Emerging Risks (Narrative)

The following emerging risks identified relates to Climate Change:

1. Torrential rain resulting in Floods at Watervaal and Esther Park Wastewater Care Works

7. Legislative (only if applicable to your department)

Progress on the relevant legislative requirements includes the following:

No	Legislation	Main Issue	Remedial Action
1.	National Water Act	9 plants operating above their design capacity	5 Turnkey capacity building projects initiated by the City
2.	National Environmental Act	Unlined Sludge Drying Beds and Emergency Dams	No remedial action due to limited Capital Budget

8. Key Audit Matters and Progress

ERWAT obtained an unqualified audit opinion with no findings from the AGSA for the 2023/2024 financial year. Eleven (11) findings were included in the ERWAT AGSA Management Report, of which eleven (11) were audit report items. Of these eleven (11) findings, three (3) findings have been finalized, six (6) findings have been good - going as planned and two (2) findings have been bad – unmanageable issues.

Operation Clean Audit Progress

The progress on each finding is presented below:

2023/2024 OPCA

No	Finding Heading	Status	Percentage	Action Plan
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1	Differences identified between the auditor's recalculation of depreciation amount and the amount recorded in the Fixed Asset Register.	Good – going as planned	80%	1) Adjust the Financial Statements to correct the R852 734 error. 2) Resolve Solar system asset module challenges with BCX.
2	Fruitless and Wasteful Expenditure – The amount disclosed and related narrations are inconsistent	Finalized	100%	1) Management will adjust the financial statements note with the VAT amount.
3	Differences between the Cash Flow amounts and auditor's recalculation	Finalized	100%	1) Management will ensure review procedures are improved upon during the quarterly Financial Statement Preparation.
4	Internal control deficiencies in the management of overtime payments	Good – going as planned	95%	1) Implement a control to ensure job cards are updated with actual hours worked to be claimed. 2) Improve monitoring controls on the recording of overtime and approvals of payment documentation.

No	Finding Heading	Status	Percentage	Action Plan
				3) Review the Overtime Policy. 4) Prepare and implement Standard Operating Procedures (SOP) for emergency/maintenance work. 5) Finance to check that job cards agree to the claimed hours before processing payment until the control is assessed as effective.

5	Internal control deficiency noted with reported performance information	Good – going as planned	80%	1) Performance information procedure to be updated.
6	Consequence Management - Instances of irregular expenditure NOT investigated to determine if someone is responsible for irregular expenditure incurred at year end.	Good – going as planned	80%	1) Investigations to be completed and consequence management to take place.
7	Reasonable steps not taken to prevent irregular fruitless and wasteful expenditure	Finalized	100%	1) R15 708 444,00 – Irregular Expenditure relating to prior period. No further action is required. 2) R4 698 335,00 – Irregular Expenditure relating to current year. Management will have longterm contracts and follow tender processes for all commodities that were found to be irregular due to splitting if the requirements cannot be accommodated by the

No	Finding Heading	Status	Percentage	Action Plan
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				increased R750 000 threshold. ERWAT has consolidated a list of frequently purchased goods and services by all departments. The finalization of long-term contracts is ongoing. 3) R5 906 583,00 – Fruitless and Wasteful Expenditure for the current year. No further action is required until the investigation is complete.
8	Payments for good and services not delivered or benefit not received	Good – going as planned	99%	1) Immediate tagging or barcoding of the assets on receipt and timeous updating of the fixed asset register. 2) Continuous verification of assets.
9	Invoices from suppliers were not processed for payment within 30 days of receiving the relevant invoice	Good – going as planned	99%	1) Officials will be requested to escalate issues to the CFO and the Financial Manager Reporting as soon as the queries are not responded to within a week. 2) The CFO and the Financial Manager Reporting will engage the respective executive manager to resolve any queries on time.
10	General findings on Wastewater Treatment Plants (WWTW)	Bad – unmanageable issues	10%	<u>OPERATIONS</u> See attached Detailed Progress Report on the following findings that relates to the 6 WWTW. 1. Waterval 2. Rynfield 3. Jan Smuts 4. Hartebeestfontein 5. Herbert Bickley
No	Finding Heading	Status	Percentage	Action Plan

				6. Vlakplaats
11	Key projects significantly delayed and subsequently halted	Bad – unmanageable issues	40%	1) Vlakplaats Flow Redistribution: The matter is still with the high court. 2) Tertiary Filtration System: Review of Designs and Construction. 3) Capacity Improvement Nerada.

Approved by:



Mr. Kennedy Chihota , Pr Eng
Managing Director

9/04/2025

Date