

DEPARTMENT OF WATER AFFAIRS

DIRECTORATE: WATER SERVICES REGULATION

REGULATORY PERFORMANCE MEASUREMENT SYSTEM

A tool for improving business practise and reporting compliance in the water sector in South Africa

HANDBOOK: DATA DEFINITIONS

A Guide to understanding the definitions of the RPMS KPI data elements

VERSION 11.0



water affairs

Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA

OVERVIEW: Regulatory Performance Measurement System (RPMS)

A performance measurement system can be defined as a formal, regular, rigorous system of data collection and usage that provides measures in changes in effectiveness and efficiency, in order to illustrate the relative performance of an entity over time. Performance measurement is an essential component of achieving best practice through striving for continuous improvement in the entity's key business processes.

The Regulatory PM system is therefore, a simple web-based tool to be used by the Regulator to measure performance against key performance indicators and to determine performance trends with the intention of promoting best practice in the sector. The system measures activities according to the 11 regulatory key performance indicators (KPIs) set out in the NWSRS. These KPIs have been clustered and are represented in the figure below. This definitions manual has been developed to aid WSAs in understanding what information is required and where it could be sourced. The manual will aid those users completing manual data-sheets or those using the live web-system.

Why is business performance measurement important?

“TO MEASURE IS TO KNOW”

Business performance management (BPM) is a set of processes that help organizations optimize their business performance. It is a framework for organizing, automating and analyzing business methodologies, metrics, processes and systems that drive business performance.













BPM is seen as the next generation of business intelligence (BI).



BI is sometimes used interchangeably with briefing books, report and query tools and executive information systems. In general, business intelligence systems are data-driven **Decision Support Systems**.

BPM helps businesses make efficient use of their financial, human, material and other resources.













Business performance measurement is the basis for the RPMS, but instead of applying business practice norms as the standards, national regulatory standards are applied.

KPI 1 – Access to Water (1)



Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 1 – Backlog reduction rate – Water supply				
Backlog (water supply) previous year-end (according to the definition in the SFWS) (Component ID:001)	n	WS Act 108 section 1(1) and the SFWS (2003) “basic water supply” means the prescribed minimum standard of water supply services necessary for the reliable supply of a sufficient quantity and quality of water to households, including informal households, to support life and personal hygiene: (ii) <i>SFWS - “The infrastructure necessary to supply 25 litres of <u>potable water</u> per person per day supplied within 200 metres of a household and with a minimum flow of 10 litres per minute (in the case of communal water points) or 6 000 litres of potable water supplied per formal connection per month (in the case of yard or house connections).”</i> <i>“The provision of a basic water supply facility, the sustainable operation of the facility (available for at least 350 days per year and not interrupted for more than 48 consecutive hours per incident) and the communication of good water-use, hygiene and related practices.”</i>	Purpose: to gage the status of backlog in the WSA area of jurisdiction Definition: The definition of water supply backlog is shown in the previous column. The figure in the system is based on a formula applied by DWA and is calculated in the same way for all WSAs, and incorporates all elements of the definition of backlog as per the SFWS. This is done to avoid different methods of calculating backlog and to ensure that the RPMS measures are uniform.	 Backlog study reports  WSDP / Technical reports  Census
Backlog (water supply) latest year end (according to the definition in the SFWS) (Component ID:002)	n	Refer to 001	Purpose: to gage whether there has been an improvement in the backlog status from the previous financial year. Definition: As above	 Backlog study reports  WSDP / Technical reports  Census
Component 2 – Households served – Water supply				
Households served to the minimum level specified under compulsory national standards (water supply) in last financial year (Component ID:003)	Y/N	Refer to 001 – definition corresponds to that of the compulsory national standards	Purpose: to gage the extent to which the WSA is able to provide the public with a minimum level of service Definition: the total number of households that have actually received water supply services, according to the compulsory national standards (refer to the legislative reference under Component 001), in the last financial year.	 Backlog study reports  WSDP / Technical reports  Census
Target households to be served to the minimum level specified under compulsory national standards (water supply) in last financial year (according to WSDP) (Component ID:004)	Y/N	Refer to 001 – definition corresponds to that of the compulsory national standards	Purpose: to gage whether the WSA is meeting its service delivery targets with regard to Access to water supply Definition: the total number of households that that were planned to receive water supply services, according to the compulsory national standards, in the last financial year.	 Backlog study reports  WSDP / Technical reports  Census

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 3 – Project spending – water supply				
Amount (MIG) spent on water supply projects in the last financial year (Component ID:005)	R million		<p>Purpose: to assess what percentage (component 005 & 006 are used to determine the %) of the total MIG funding was spent on water supply projects. It is suggested that ability to spend MIG funds is a sufficient indication of performance in terms of project spending efficiency and therefore only the MIG figures are required for this component.</p> <p>Definition: Total amount of MIG funds which were allocated to and spent on water supply projects in the last financial year</p>	 Financial reports / statements or financial management systems
Total MIG Grant Amount for the last financial year (for all infrastructure - water/sanitation/roads etc.) (Component ID:006)	R million		<p>Purpose: to assess the total MIG funding received by the WSA</p> <p>Definition: The total amount of MIG funds received by the municipality under DORA in the last financial year</p>	 Financial reports / statements or financial management systems







KPI 2 – Access to Sanitation (2)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 1 – Backlog reduction rate – Sanitation supply				
Backlog (sanitation supply) previous year-end (according to the definition in the SFWS) (Component ID:007)	n	WS ACT 108 section 1(1) and the SFWS (2003) <i>The infrastructure necessary to provide a sanitation facility which is safe, reliable, private, protected from the weather and ventilated, keeps smells to the minimum, is easy to keep clean, minimises the risk of the spread of sanitation-related diseases by facilitating the appropriate control of disease carrying flies and pests, and enables safe and appropriate treatment and/or removal of human waste and wastewater in an environmentally sound manner.</i> <i>The provision of a basic sanitation facility which is easily accessible to a household, the sustainable operation of the facility, including the safe removal of human waste and wastewater from the premises where this is appropriate and necessary, and the communication of good sanitation, hygiene and related practices.</i>	Purpose: to gage the status of backlog in the WSA area of jurisdiction Definition: The definition of sanitation backlog shown in the previous column. The figure in the system is based on a formula applied by DWA and is calculated in the same way for all WSAs, and incorporates all elements of the definition of backlog as per the SFWS. This is done to avoid different methods of calculating backlog and to ensure that the RPMS measures are uniform.	 Backlog study reports  WSDP / Technical reports  Census
Backlog (sanitation supply) latest year end (according to the definition in the SFWS) (Component ID:008)	n	Refer to component 007	Purpose: to gage whether there has been an improvement in the backlog status from the previous financial year. Definition: as above	 Backlog study reports  WSDP / Technical reports  Census
Component 2 – Households served – Sanitation supply				
Target households to be served to the minimum level specified under compulsory national standards (sanitation) in last financial year - (according to WSDP) (Component ID:010)	Y/N		Purpose: to gage the extent to which the WSA is able to provide the public with a minimum level of service and identify the backlog Definition: the total number of households that that were planned to receive sanitation services, according to the compulsory national standards, in the last financial year.	 Backlog study reports  WSDP / Technical reports  Census
Households served to the minimum level specified under compulsory national standards (sanitation supply) in last financial year (Component ID:009)	Y/N		Purpose: to gage the extent to which the WSA is able to provide the public with a minimum level of service and identify the backlog Definition: the total number of households that have actually received sanitation services, according to the compulsory national standards (refer to the legislative reference under Component 007), in the last financial year.	 Backlog study reports  WSDP / Technical reports  Census







Component 3 - Project spending – Sanitation supply

Total MIG Grant Amount for the last financial year (for all infrastructure - water/sanitation/roads etc.)	R million		<p>Purpose: to assess what percentage (component 005 & 006 are used to determine the %) of the total MIG funding was spent on water supply projects. It is suggested that ability to spend MIG funds is a sufficient indication of performance in terms of project spending efficiency and therefore only the MIG figures are required for this component.</p>	 Financial reports / statements or financial management systems
			<p>Definition: Total amount of MIG funds which were allocated to and spent on sanitation projects in the last financial year</p>	
Amount (MIG) spent on sanitation supply projects in the last financial year (Component ID:011)	R million		<p>Purpose: to assess what percentage (component 005 & 006 are used to determine the %) of the total MIG funding was spent on water supply projects. It is suggested that ability to spend MIG funds is a sufficient indication of performance in terms of project spending efficiency and therefore only the MIG figures are required for this component.</p>	 Financial reports / statements or financial management systems
			<p>Definition: Total amount of MIG funds which were allocated to and spent on sanitation projects in the last financial year</p>	


KPI 3 – Access to Free Basic Water (3)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 1 – Poor households receiving FBW				
Total poor households receiving Free Basic Water for last financial year (Component ID:012)	n	WS ACT 108 section 1(1) and the SFWS (2003) “basic sanitation” means the prescribed minimum standard of services necessary for the safe, hygienic and adequate collection, removal, disposal or purification of human excreta, domestic waste-water and sewage from households, including informal households; (i)	<p>Purpose: To identify the extent to which the WSA is supplying poor (according to the National Treasury definition) households with Free Basic Water. This indicator will also allow for evaluation of the WSA’s ability to generate revenue and therefore the sustainability of the WSA without grant funding. The Treasury definition of poor is used to ensure that the RPMS measure remains uniform across all WSAs.</p> <p>Definition: The total number of poor (according to the definition of poor provided by National Treasury) households in the WSA’s area of jurisdiction which are actually receiving Free Basic Water services</p>	<ul style="list-style-type: none">  Backlog study reports  WSDP / Technical reports  Census
Total poor households (Component ID:013)	n		<p>Purpose: As above</p> <p>Definition: the total number of poor (according to the National Treasury definition) households in the WSA’s area of jurisdiction.</p>	<ul style="list-style-type: none">  Backlog study reports  WSDP / Technical reports  Census



KPI 4 – Access to Free Basic Sanitation (4)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 1 – Poor Households receiving FBS				
Total poor households receiving Free Basic Sanitation for last financial year (Component ID:014)	n		<p>Purpose: To identify the extent to which the WSA is supplying poor (according to the National Treasury definition) households with Free Basic Sanitation. This indicator will also allow for evaluation of the WSA’s ability to generate revenue and therefore the sustainability of the WSA without grant funding. The Treasury definition of poor is used to ensure that the RPMS measure remains uniform across all WSAs.</p> <p>Definition: The total number of poor (according to the definition of poor provided by National Treasury) households in the WSA’s area of jurisdiction which are actually receiving Free Basic Water services</p>	<ul style="list-style-type: none">  Backlog study reports  WSDP / Technical reports  Census
Total poor households (Component ID:013)	n		<p>Purpose: As above</p> <p>Definition: the total number of poor (according to the National Treasury definition) households in the WSA’s area of jurisdiction</p>	<ul style="list-style-type: none">  Backlog study reports  WSDP / Technical reports  Census

KPI 5 – Drinking Water Quality (5)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 1 – Blue Drop Score				
The score achieved by the WSA on the Blue Drop evaluation methodology (Component ID:081)	n	Regulation 9 promulgated under s5 of the WS Act.	Purpose: DWQ is currently being assessed by a specific team at DWA through the Blue-drop Green-drop (BD/GD) process. As a result, the RPMS has linked with the BD/GD process and will use the WSA score as a measure of compliance and allow for the undertaking of necessary regulatory actions	 Blue drop evaluation report or certification
			Definition: The score achieved by the WSA on the Blue Drop assessment	



KPI 6 –Wastewater Quality (6)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 1 – Wastewater quality monitoring systems				
The score achieved by the WSA on the Green Drop evaluation methodology (Component ID:023)	Y/N	Regulation 9 promulgated under s5 of the WS Act.	Purpose: WWQ is currently being assessed by a specific team at DWA through the Blue-drop Green-drop (BD/GD) process. As a result, the RPMS has linked with the BD/GD process and will use the WSA score as a measure of compliance and allow for the undertaking of necessary regulatory actions	 EWQMS  Formal monitoring programme
			Definition: The score achieved by the WSA on the Green Drop assessment	

KPI 7 - Customer Services Standards (7)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options to source the data
Component 1 – Service Interruptions				
Total number of Service interruptions in the last financial year (Component ID:034)	n	WSDP Guidelines v.10 – Customer Service Profile	<p>Purpose: to gage the reliability of the service provided by the WSA.</p> <p>Definition: the data question asks for the total number of all water and sanitation interruptions in the last financial year including those that are greater than 24hrs. The data provided for this element should not include planned maintenance interruptions where consumers are informed beforehand.</p>	<ul style="list-style-type: none"> Geographical Information Systems (GIS) O&M system reports Excel sheets with logged faults or manual log books or other reporting docs
Number of interruptions in continuous service to consumers, where interruption for a single incident was greater than 24h (Component ID:033)	n	<p>As per section 9(4) - Water Services Act (108 of 1997), Section 4 of the Norms and Standards for Quality Water Services (explanatory Notes and Guidelines) “A water services institution (WSI) must take steps to ensure that where water services usually provided by or on behalf of that WSI are interrupted for a period more than 24 hours for reasons other than those contemplated in section 4 of the Act, a consumer has access to alternative water services comprising;</p> <ul style="list-style-type: none"> a) at least 10 litres of potable water per person per b) day; and c) sanitation services sufficient to protect health”. 	<p>Purpose: to gage the reliability of the service provided by the municipality.</p> <p>Definition: this data question asks for the number of all water and sanitation interruptions that lasted longer than 1 day in the last financial year. There has been confusion with this question as municipality report a zero as a result of them not knowing the answer. If a WSA is not keeping track of their service interruptions then their answer should be unknown and they should provide comment.</p>	<ul style="list-style-type: none"> Geographical Information Systems (GIS) O&M system reports Excel sheets with logged faults or manual log books or other reporting docs Customer service centre records
Component 2 – CRM Systems				
Does the WSA have a customer Charter (Component ID:036)	Y/N	<p>This element refers to requirements as detailed under section 9(16) - Water Services Act (108 of 1997) Section 9(4) of the Water Services Act (108 of 1997) and Regulations – Norms and Standards for Water Services Contract section (13) which says:</p> <p>“Where the contract provides for the water services provider to provide services directly to consumers, a contract must - require a water services provider to prepare and publish a consumer charter that at least –</p> <ul style="list-style-type: none"> a) (i)fulfills the requirements for conditions for provision of water services as contemplated in section 4 of the Act; (ii) provides a system for dealing with consumer complaints; <p style="padding-left: 40px;">sets out a consumers right to redress; and</p> <ul style="list-style-type: none"> b) provide for procedures to enable consumers in the contract area to participate in the preparation of the consumer charter and must for that purpose provide for (i) public meetings and hearings that take into account the language preferences and usage in the contact area; and (ii) the receipt, processing and consideration of comments and other inputs on the proposed charter by consumers.” 	<p>Purpose: is to ensure that the WSA and the consumer understand their rights and responsibilities in terms of water service delivery.</p> <p>Definition: A customer charter is a document that outlines what the consumer’s rights and responsibilities are in terms of service provision and what the responsibility of the municipality is to provide this.</p>	<ul style="list-style-type: none"> A formal customer charter should exist – obtain a copy before providing an answer for this data element

Component 2 – CRM Systems

<p>Does the WSA have a customer service centre</p> <p>(Component ID:035)</p>	<p align="center">Y/N</p>	<p>This element refers to requirements as detailed under section 9(16) - Water Services Act (108 of 1997) “A water services institute must have a consumer service to which non-compliance with these regulations can be reported”.</p>	<p>Purpose: regulation is about protecting the public’s interest and this element will gage whether the WSA has a system in place that will allow easy interaction between local govt. and the consumer.</p> <p>Definition: it looks at whether the WSA has provided a mechanism for the public to report issues on water services delivery in their area. Such reporting can be done through telephonic, electronic (e-mail) or personal interaction between parties. A customer service centre could include, a shared service centre or a dedicated water service centre.</p>	<p> Verify dedicated Call Centre numbers or physical addresses and understand the nature of the Call Centre before providing an answer for this data element</p>
<p>Is there a system to manage customer queries and log faults</p> <p>(Component ID:038)</p>	<p align="center">Y/N</p>	<p>WSDP Guidelines v.10 – Customer Service Profile</p>	<p>Purpose: this element assesses whether the WSA has a system is place to formally log issues and complaints from consumers.</p> <p>Definition: The system does not have to be electronic but looks at any process the WSA has in place. “System” in this case means a systematic process to log faults i.e. recorded in a ‘complaints / queries book’ or into a dedicated CRM software system</p>	<p> Any system either electronic or manual used to escalate complaints. Queries could also be recorded in a dedicated CRM software system.</p>
<p>Does the incident tracking system escalate complaints if not responded to within a prescribed time?</p> <p>(Component ID:037)</p>	<p align="center">Y/N</p>	<p>WSDP Guidelines v.10 – Customer Service Profile</p>	<p>Purpose: to ensure that consumers have re-course should complaints not be dealt with.</p>	<p> Any system either electronic or manual used to escalate complaints. Queries could also be recorded in a dedicated CRM software system.</p>






KPI 8 - Institutional Effectiveness (8)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Component 1 – Institutional Effectiveness				
Completed WSDP is approved by Council for the last financial year? (none=0, draft=1, approved by council=2) (Component ID:039)	List of 3 options: <input type="radio"/> none, <input type="radio"/> draft, <input type="radio"/> approved by council	As per section 12(1) - Water Services Act (108 of 1997) <i>“Every water services authority must, within one year after the commencement of this Act—</i> <i>(a) as part of the process of preparing any integrated development plan in terms of the Local Government Transition Act, 1993 (Act No. 209 of 1993); or (b) separately.</i> <i>(b) if no process contemplated in paragraph (a) has been initiated.</i> Prepare – <i>(i) a draft water services development plan for its area of jurisdiction; and</i> <i>(ii) a summary of that plan.”</i>	Purpose: to assess whether the municipality has undertaken the legislative requirements of the WSDP. Definition: the document refers to the Water Services Development Plan which is meant to be reviewed, approved by council and submitted to DWA on an annual basis.	A copy of the WSDP for the current financial year is to be sourced. The municipality can determine whether the draft or final document has been approved by council by referring to meeting minutes.
Required policies are in place and approved by Council? (Component ID:040)	List of 3 options: <input type="radio"/> none, <input type="radio"/> draft, <input type="radio"/> approved by council	WSDP Guidelines v.10 – Financial Profile Institutional Profile	Purpose: to assess whether the municipality has the right instruments derived from the relevant legislation to manage water services effectively. Definition: Relevant policies include credit control, FBW and indigent policies. All policies will need to be approved by council for the municipality to select ‘approved’ as an option. Otherwise the answer must be reflected as draft or none.	A copy of all should be sourced. Policies must exist for; <ul style="list-style-type: none"> - Credit Control - Free Basic Water - Indigent policies
Required bylaws are in place and approved by Council? (Component ID:041)	List of 3 options: <input type="radio"/> none, <input type="radio"/> draft, <input type="radio"/> approved by council	This element refers to requirements as detailed in under section 21(1) – Water Services Act (108 of 1997) <i>“Every water services authority must make bylaws which contain conditions for the provision of water services, and which must provide for at least -</i> <i>(a) the standard of the services;</i> <i>(b) the technical conditions of supply...</i> <i>© the installation, alteration, operation, protection and inspection of water...</i> <i>(d) the determination and structure of tariffs in accordance with section 10;</i> <i>(e) the payment and collection of money due for the water services;</i> <i>(f) the circumstances under which water services may be limited or discontinued...</i> <i>(g) the prevention of unlawful connections to water services works...”</i>	Purpose: to gage whether the municipality has the necessary bylaws in place. Definition: bylaws are developed from founding legislation and are promulgated through the government gazette. We need to know if the WSA has any bylaws in place and whether this is reflected in their policies.	A copy of all bylaws should be obtained.

KPI 8 - Institutional Effectiveness (8)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Component 1 – Institutional Effectiveness				
Contracts and Service level agreements in place with all appropriate service delivery role-players (WSPs, internal etc) (Component ID:042)	Y/N	This element refers to requirements as detailed in under section 19(5) - Water Services Act (108 of 1997) “The Minister ...may prescribe - (a) matters which must be regulated by a contract between a water services provider and a water services authority; (b) compulsory provisions to be included in such a contract: and (c) requirements for a joint venture between a water services authority and a water services institution. to ensure – (i) that water services are provided on an efficient, equitable, cost-effective and sustainable basis; (ii) that the terms of the contract are fair and equitable to the water services authority, the water services provider and the consumer; (iii) and compliance with this Act.”	Purpose: to assess whether the WSA has the necessary regulatory instruments in place to regulate the WSPs. Definition: legislatively, the municipality is required to have contracts or SLA’s with all their WSPs. This includes any internal service delivery mechanisms that the municipality may have, take for example, a mechanism where another municipality takes on the WSP function. The answer must be a YES or NO only. Comment can be provided if necessary.	📄 A copy of all contracts or service level agreements must be sourced
The WSA monitors the KPIs defined by the contract or SLA? (Component ID:043)	Y/N	WSDP Guidelines v.10 – Institutional Arrangements	Purpose: to assess whether the municipality can exercise regulatory oversight over the WSPs. Definition: Key Performance Indicators are included in water service contracts in order for the WSA to assess the water service provider to ensure they are fulfilling all functions agreed to in the contract. The answer must be a YES or NO only. Comment can be provided if necessary.	📄 A copy of all contracts or service level agreements must be sourced and the answer must be based on the KPIs identified in the SLA
Component 2 – Water Services Staff Effectiveness				
Total Water Services staff costs for the last financial year (Component ID:045)	R million	1. WSDP Guidelines v.10 – Financial Profile.	Purpose: to gage the cost spent of employee salaries Definition: If the broader costs of the water service department is not ring-fenced then the value for this component must include an estimation of the costs of those who are not spending 100% of their time on water and sanitation e.g. CFO, Billing clerks. This question refers to all permanent and temporary staff	📄 Financial reports / statements or financial management systems
Total cost of water and sanitation provision for the last financial year including interest and depreciation (expenditure) (Component ID:046)	R million	1. WSDP Guidelines v.10 – Financial Profile. 2. This element refers to requirements as detailed in under section 18(1) - Water Services Act (108 of 1997) “A water services authority must include a water services audit in its annual report on the implementation of its water services development plan required in terms of section 18(1) of the Act.” “A water services audit must contain details for the previous financial year and, if available comparative figures for the preceding two financial financial years of...”	Purpose: to determine the overall costs for the provision of water and sanitation services. Definition: Refers to the actual expenditure or all operational costs of water and sanitation service provision. Staff costs reflected for data element 45 should also be included in this value.	📄 Financial reports / statements or financial management systems








KPI 8 - Institutional Effectiveness (8)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Component 2 – Water Services Staff Effectiveness				
Total budgeted for water services staff according to the approved organogram for the last financial year (Component ID:078)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: data element 078/079/080 assesses whether the water service department is adequately resourced and the associated cost.</p> <p>Definition: This data element requires the total amount budgeted for water services staff based on the Council-approved organogram and considering all posts on the organogram were filled.</p>	 Financial reports / statements or financial management systems
Component 3 – Grant Funding Effectiveness				
Total grant funding allocation received for the last financial year (Component ID:048)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: data element 47 and 48 looks to determine whether the municipality is able to spend the grant funding received for that financial year effectively.</p> <p>Definition: The data element considers all types of operational and capital funding. The types of funding include, MIG / National treasury / Donor funding / Capacity funding / DPLG / Municipal funding. A portion of Capacity funding will be apportioned to water services and this should be included in the data value.</p>	 Financial reports / statements or financial management systems
Total grant funding allocation spent for the last financial year (Component ID:047)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: data element 47 and 48 looks to determine whether the municipality is able to spend the grant funding received for that financial year effectively.</p> <p>Definition: The data element considers all types of operational and capital funding. The types of funding include, MIG / National treasury / Donor funding / Capacity funding / DPLG / Municipal funding (including loans / DBSA funding). With regard to Capacity funding, an amount will be apportioned to water services and this should be included in the data value.</p>	 Financial reports / statements or financial management systems
Component 4 – WSA Annual Report				
WSA annual report submitted to Minister (Component ID:077)	Y/N	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: to assess whether the municipality is fulfilling their specific legislative obligation to inform the Minister about the status of their water service business.</p> <p>Definition: This is a separate report required under the Water Services Act, to be submitted by the Water Service Authority to the Minister of Water Affairs and Environment on an annual basis. It is not the consolidated report for the municipality.</p>	 A copy of the WSA annual report must be sourced i.e. either hard or soft copy in order to answer Yes. If it cannot be sourced, the answer is No.
Component 5 – % Filled Posts on Organogram				
Total number of posts on Council-approved organogram for the last financial year for water services staff (Component ID:080)	n	WSDP Guidelines v.10 – Financial Profile Institutional Profile	<p>Purpose: data element 078/079/080 assesses whether the water service department is adequately resourced and the associated cost.</p> <p>Definition: This data element requires the total number of permanent & contract posts which are designated on the water services organogram that has been approved by council for the last financial year</p>	A copy of the approved or draft organogram must be sourced from existing reports or council meeting minutes
Total number of posts filled on the approved water services organogram in the last financial year (Component ID:079)	n	WSDP Guidelines v.10 – Financial Profile Institutional Profile	<p>Purpose: data element 078/079/080 assess whether the water service department is adequately resourced and the associated cost.</p> <p>Definition: This data element requires the total number of permanent & contract posts on the water services organogram which have been filled for the whole of the last financial year</p>	 A copy of the approved or draft organogram must be sourced from existing reports or council meeting minutes

KPI 9 - Financial Performance (9)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Component 1 – Financial Integrity				
Is WSA ring-fenced? (Separate legal entity=3, Separate accounting entity=2, Partially ring-fenced=1, Not ring-fenced at all=0) (Component ID:049)	List of 4 options: o separate legal, o separate accounting o partially ring- fenced o not ring- fenced	This element refers to requirements as detailed in under section 20(1) - Water Services Act (108 of 1997) – “When performing the functions of a water services provider, a water services authority must manage and account separately for those functions.”	<p>Purpose: to assess the degree of autonomy of the water service department from the municipality as a whole.</p> <p>Definition: The greater the level of independence the easier it is to assess the effectiveness of the WSA as a management unit. A separate legal entity is where the water services are carried out by an institution that has its own legal personality, for example; uThukela Water or Jhb Water. In the case of a separate legal entity all revenue collection will remain in the water service department and there is no cross-subsidisation. Partially ring-fenced is where water services falls within the legal framework of the municipality with cross-subsidisation of all revenue collection.</p>	Review annual financial reports and financial management systems
Audit report evaluation. (Unqualified=4, Qualified=3, Adverse=2, Disclaimer=1, No report=0) (Component ID:050)	List of 5 options o unqualified o qualified o adverse o disclaimer o no report	This element refers to requirements as detailed in under section 18(1) - Water Services Act (108 of 1997) “A water services authority must include a water services audit in its annual report on the implementation of its water services development plan required in terms of section 18(1) of the Act.” “A water services audit must contain details for the previous financial year and, if available comparative figures for the preceding two financial financial years of- a) the quantity of water services provided... b) the level of services rendered... c) the numbers provided in compliance with paragraph (b) expressed as a percentage of the total number of connections or households; d) cost recovery, including at least- (i) the tariff structures for each user sector; (ii) the income collected expressed as a percentage of total costs for water services provided; and (iii) unrecovered charges expressed as a percentage of total costs for water services provided (e) meter installation and meter testing... Section 126 of the Municipal Finance Management Act (Act 56 of 2003) The accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those statements relate, submit the statements to— (a) the parent municipality of the entity; and (b) the Auditor-General, for auditing. (3) The Auditor-General must— (a) audit those financial statements; and (b) submit an audit report on those statements to the accounting officer of the municipality or entity within three months of receipt of the statements. (4) If the Auditor-General is unable to complete an audit within three months of receiving the financial statements from an accounting officer, the Auditor-General must promptly submit a report outlining the reasons for the delay to the relevant municipality or municipal entity and to the relevant provincial legislature and Parliament. (5) Once the Auditor-General has submitted an audit report to the accounting officer, no person other than the Auditor-General may alter the audit report or the financial statements to which the audit report relates.	<p>Purpose: to determine the integrity of the municipal financial and management systems.</p> <p>Definition: The audit report refers to the evaluation received from the Auditor General on the municipality's financial report for the last financial year.</p>	Source a copy of the annual report






KPI 9 - Financial Performance (9)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Component 2 – Average Debtor Days				
Water Services sales income for the last financial year (water/sanitation) (Component ID:052)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: to determine the income generated from the sale of water and sanitation services only.</p> <p>Definition: This value will exclude connection fees, levies and penalties any other income generated from these services reflects the total amount of actual billed invoices sent out to consumers.</p>	 Financial reports / statements or financial management systems
Total outstanding customer/consumer debt for water and sanitation for the last financial year (Component ID:051)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: is to determine the ability of the municipality to retrieve outstanding debt.</p> <p>Definition: The data element requires the value for the total outstanding customer debt for the last financial year. Debt billed but not received for the last financial year.</p>	 Financial reports / statements or financial management systems
Component 3 – Revenue Collection Effectiveness				
Water Services sales income for the last financial year (water/sanitation) (Component ID:052)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: to determine the income generated from the sale of water and sanitation services only.</p> <p>Definition: This value will exclude connection fees, levies and penalties any other income generated from these services reflects the total amount of actual billed invoices sent out to consumers.</p>	 Financial reports / statements or financial management systems
Water Services billed income actually received from consumers for last financial year (Component ID:053)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: to determine the income actually received from water and sanitation services.</p>	 Financial reports / statements or financial management systems
Component 4 – Average Creditor Days				
Annual total bulk water purchases for the last financial year (Component ID:055)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: to assess the cost of bulk water purchased.</p> <p>Definition: The answer for this data element requires the total cost of raw and potable water bought/purchased by the Municipality from bulk provider for the last financial year</p>	 Financial reports / statements or financial management systems 
Total bulk water accounts outstanding for the last financial year (Component ID:054)	R million	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: to determine the ability of the municipality to pay their creditors</p> <p>Definition: Total outstanding debt owed by the WSA to the bulk provider (either potable water or raw water). This is only referring to bulk water provision and not contracts the municipality has with WSPs.</p>	 Financial reports / statements or financial management systems






KPI 9 - Financial Performance (9)

Short Definition	Units	Legislative Reference	Detailed Definition	Guidance on data source...possible options of where to source the data
Component 5 – Financial Sustainability				
Total water and sanitation income for the last financial year (Component ID:056)	n	WSDP Guidelines v.10 – Financial Profile	<p>Purpose: to assess the total income generated for water and sanitation services.</p> <p>Definition: This figure will include actual income generated for connection fees, levies and penalties and any other income generated from these services.</p>	Financial reports / statements or financial management systems
Total cost of water and sanitation provision for the last financial year including interest and depreciation (expenditure) (Component ID:046)	R million	<p>1. WSDP Guidelines v.10 – Financial Profile.</p> <p>1. This element refers to requirements as detailed in under section 18(1) - Water Services Act (108 of 1997) “A water services authority must include a water services audit in its annual report on the implementation of its water services development plan required in terms of section 18(1) of the Act.” “A water services audit must contain details for the previous financial year and, if available comparative figures for the preceding two financial financial years of...”</p> <p><i>Section 126 of the Municipal Finance Management Act (Act 56 of 2003)</i></p> <p>The accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those statements relate, submit the statements to— (a) the parent municipality of the entity; and</p>	<p>Purpose: to determine the overall costs for the provision of water and sanitation services.</p>	Financial reports / statements or financial management systems
Component 6 – Financial Effectiveness				
Total outstanding customer/consumer debt for water and sanitation for the last financial year (Component ID:051)	R million	<p>1. WSDP Guidelines v.10 – Financial Profile</p> <p>2. As per the MFMA (2003) - under section 45 – “A municipality may incur short-term debt only in accordance with and subject to the provisions of this Act and only when necessary to bridge— and under section 46 A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of this Act, including section 19, and only for the purpose of...”</p>	<p>Purpose: is to determine the ability of the municipality to retrieve outstanding debt.</p> <p>Definition: The data element requires the value for the total outstanding customer debt for the last financial year. Debt billed but not received for the last financial year.</p>	Financial reports / statements or financial management systems
Total provision for doubtful debt for water and sanitation for the last financial year (Component ID:082)	R million	<p>1. WSDP Guidelines v.10 – Financial Profile</p> <p>2. As per the MFMA (2003) - under section 45 – “A municipality may incur short-term debt only in accordance with and subject to the provisions of this Act and only when necessary to bridge— and under section 46 A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of this Act, including section 19, and only for the purpose of...”</p>	<p>Purpose: to determine the effectiveness of the municipality to collect revenue.</p> <p>Definition: The provision accounted for doubtful debt in the last financial year.</p>	Financial reports / statements or financial management systems


KPI 10 Strategic Asset Management (10)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Component 1 - Capital Spent on Rehabilitation and Replacement				
Total capital budget (Water and Sanitation) in the last financial year (Component ID:063)	R million	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile	Purpose: to assess the level of investment the municipality has inputted into their water service infrastructure. Refers to all capital funding used for water service projects.	 Financial reports / statements or financial management systems
			Definition: This will included capital grants received from MIG / National treasury / Donor funding / DPLG / Municipal funding and the municipality's borrowings for the last financial year	
Total capital spent on refurbishment and replacement in the last financial year (Component ID:062)	R million	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile	Purpose: to assess the state of the municipality's water service infrastructure.	 Financial reports / statements or financial management systems
			Definition: This data element requires the total amount spent on maintaining and replacing their immoveable assets.	
Component 2 –Asset Management Effectiveness				
Asset management plan status (Component ID:057)	List of 3 options: o none, o draft, o approved by council	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile	Purpose: to determine whether the municipality has a formal plan in place for the effective management of the water service infrastructure.	 Source a copy of the AMP
			Definition: The AMP must be based on a water services infrastructure inventory for all immoveable assets. An asset management plan (AMP) may use the asset register initially as a basis for extracting information on the relevant inventory. The AMP however should not be confused with an asset register as it involves detailed technical and planning information	
Asset register status (Component ID:058)	List of 3 options: o none, o in place, up to date o approved by council	2. 1. WSDP Guidelines v.10 – Water Services Infrastructure Profile 3. 2. Under the MFMA (2003) section 63 “The accounting officer of a municipality is responsible for the management of— (a) the assets of the municipality, including the safeguarding and the maintenance of those assets; and (b) the liabilities of the municipality. The accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure— (a) that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality; (b) that the municipality's assets and liabilities are valued in accordance with standards of generally recognised accounting practice; and (c) that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.”	Purpose: to assess whether the municipality has a basic inventory of their assets.	 An electronic asset register should be available and the finance department will provide advice
			Definition: An asset register is a financial record of all moveable and immoveable assets. It is generally a record kept for the entire municipality and does not ring-fence water services.	
Asset management system is electronic (Component ID:059)	Y/N	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile 2.Under the MFMA (2003) section 63...as per reference in ID 058	Purpose: to assess what type of system the municipality has in place to manage their water service infrastructure.	 An electronic asset management system may be available – various software packages are used (see detailed definition). Technical department to provide advice.
			Definition: The use of an electronic asset management system enables the water service department to manage their assets easily and remotely. Examples of such systems are MAXIMO; IMQS; PRAGMA etc.	


KPI 10 Strategic Asset Management (10)

Short definition	Units	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Component 3 – O&M Expenditure				
Total spent on O&M/Annual maintenance cost (Water and Sanitation) in the last financial year (Component ID:060)	R million	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile, and Financial Profile	<p>Purpose: components 60 and 61 assess whether the municipality has spent sufficiently on the Operation and Maintenance of their water service infrastructure. The total spent only on Operation and Maintenance (both planned and unplanned) of Water Service Infrastructure.</p> <p>Definition: The total spent only on Operation and Maintenance (both planned and unplanned) of Water Service Infrastructure.</p>	 Financial reports / statements or financial management systems
Replacement value of assets (water services infrastructure) (Component ID:061)	R million	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile, and Financial Profile	<p>Purpose: components 60 and 61 assess whether the municipality has spent sufficiently on the Operation and Maintenance of their WSI.</p> <p>Definition: Current replacement value for water and sanitation infrastructure.</p>	 Financial reports / statements or financial management systems
Component 4 – Replacement Saving				
Depreciation value for the last financial year (Water and Sanitation infrastructure) (Component ID:065)	R million	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile	<p>Purpose: to assess whether the municipality undertakes the exercise of depreciating their assets.</p> <p>Definition: Depreciation refers to the systematic allocation of the depreciable amount of an asset over its useful life.</p>	 Financial reports / statements or financial management systems
Contribution to asset replacement fund for the last financial year. (Water and Sanitation) (Component ID:064)	R million	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile	<p>Purpose: is to assess whether the municipality has savings for infrastructure replacement.</p> <p>Definition: Refers to actual contributions made to the municipal asset replacement fund.</p>	 Financial reports / statements or financial management systems
Component 5 – Asset Register Monitoring				
Asset register field monitored: Date acquired (Yes/No) (Component ID:066)	Y/N	1.WSDP Guidelines v.10 – Water Services Infrastructure Profile 2.Under the MFMA (2003) section 63...as per reference in ID 058	<p>Purpose: to assess whether the financial asset register contains the necessary information required for planning.</p>	 To be sourced from the asset register
Asset register field monitored: Estimated remaining life of asset (Yes/No) (Component ID:068)	Y/N		<p>Definition: This data element looks to assess whether the relevant information is captured and how up to date it is.</p>	
Asset register field monitored: Replacement value of asset (Yes/No) (Component ID:070)	Y/N			
Asset register field monitored: Purchase cost of asset (Yes/No) (Component ID:069)	Y/N			
Asset register field monitored: Description of asset (Yes/No) (Component ID:067)	Y/N			

KPI 11 Water Use Efficiency (11)

Short definition	Unit	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Total billed metered water consumption (volume) for the last financial year (Component ID:071)	Million Kl/a	1. International Water Association (IWA) standards	<p>Purpose: to determine the extent of non-revenue water generated by the municipality.</p> <p>Definition: The value for this will include billed metered water use. The value will include water usage for; billed metered usage: domestic, industrial and commercial consumers, as well as municipal and government buildings.</p>	 Technical reports / financial reports / financial management systems / council reports
Total volume of bulk treated water exported (i.e. to other WSAs) (Component ID:073)	Million Kl/a	1. International Water Association (IWA) standards	<p>Purpose: to determine if the municipality undertakes external bulk treated water sales.</p> <p>Definition: The data component requires the total amount of treated water which is sold in bulk to other municipalities.</p>	
Total billed unmetered water consumption (volume) for the last financial year (Component ID:074)	Million Kl/a	1. International Water Association (IWA) standards	<p>Purpose: to determine the extent of non-revenue water generated by the municipality.</p> <p>Definition: The value for this will include billed unmetered water use. The value will include water usage for; billed unmetered: consumers charged a flat tariff or consumers below 6kl free monthly allowance</p>	
System input volume (external sources) for the last financial year (Component ID:122)	Million Kl/a	1. International Water Association (IWA) standards	<p>Purpose: The purpose of component 121 and 122 is to determine the total volume of water inputted into the water supply system.</p> <p>Definition: 122 specifically looks at the total volume treated in-house for input into the water supply system.</p>	
System input volume (own sources) for the last financial year (Component ID:121)	Million Kl/a	1. International Water Association (IWA) standards	<p>Purpose: The purpose of component 121 and 122 is to determine the total volume of water inputted into the water supply system.</p> <p>Definition: 121 specifically looks at the total volume purchased from external sources for input into the water supply system.</p>	

Additional Components

Short definition	Unit	Legislative Reference	Detailed definition	Guidance on data source...possible options of where to source the data
Number of WWTW with a current authorization (Component ID:075)	n	1.1. WSDP Guidelines v.10 – Water Services Infrastructure Profile	<p>Purpose: according to legislation all WWTW must have authorisation from DWA and this component assesses the number of authorisations received by a municipality.</p> <p>Definition: Component 075 is compared to 076 to determine the outstanding number without authorisation. In the case where municipalities manage small populations that use basic waste solutions (like wastewater ponds) and where no formal infrastructure is in place, then a full score will be given.</p>	 Technical reports / WSDP / Asset Management System
Total number of wastewater treatment works operated in the WSA area (Component ID:076)	n	1. WSDP Guidelines v.10 – Water Services Infrastructure Profile	No explanation required	