

Thursday, 9 July 2026]

No 119—2026] THIRD SESSION, SEVENTH PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 9 JULY 2026

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ANNOUNCEMENTS

National Assembly

The Speaker

1. Letter from Minister of Finance on withholding of Local Government Equitable Share Allocations to selected municipalities

- (1) Letter from the Minister of Finance notifying the National Assembly of the intention of National Treasury to stop (withhold) Local Government equitable share allocations due to non-compliance with sections 18 and 65 of the Municipal Finance Management Act, 2003.

2. Membership of Committees

- (1) Dr NP Nkabane has been elected as an Acting Chairperson of the Portfolio Committee on Agriculture, with effect from 8 July 2026.

3. Referral to Committees of papers tabled

- (1) The following papers are referred to the **Portfolio Committee on Forestry, Fisheries and Environment**:

- (a) Government Notice No. 7537, published in *Government Gazette* No. 54758, dated 29 May 2026: 10th National Greenhouse Gas Inventory for public comment, in terms of the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004).
 - (b) Government Notice No. 315, published in *Government Gazette* No. 54760, dated 29 May 2026: Notice of intention to proclaim certain land situated in the Eastern Cape, Free State and Gauteng Provinces to be the Human Rights, Liberation and Reconciliation: Nelson Mandela Legacy Sites, in terms of the World Heritage Convention Act, 1999 (Act No. 49 of 1999).
 - (c) Government Notice No. 7545, published in *Government Gazette* No. 54764, dated 29 May 2026: Publication of the National Elephant Heritage Strategy for South Africa 2026–2036, in terms of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004).
- (2) The following papers are referred to the **Portfolio Committee on Forestry, Fisheries and Environment** for consideration and report. Report of the Auditor-General on the Financial Statements and Performance Information is referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Integrated Report and Financial Statements of the South African Forestry Company SOC Limited (SAFCOL) for 2024-25, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2024-25.
- (3) The following paper is referred to the **Joint Standing Committee on Defence** for consideration:
- (a) Letter from the President of the Republic of South Africa, dated 30 June 2026, informing the National Assembly of the employment of members of the South African National Defence Force (SANDF) for service in cooperation with the South African Police Service (SAPS) from 28 June 2026 to 31 July 2026 in the event of required emergency heightened security measures in all provinces in the Republic of South Africa.

National Council of Provinces

The Chairperson

1. Executive Undertakings

- (1) The following Executive Undertakings are referred to the **Select Committee on Public Petitions and Executive Undertakings** for consideration and report:
- (a) **Minister of Agriculture: During the Sitting of 2 June 2026, the Minister made the following undertakings:**

- (i) *“The national cattle population stands at roughly 14 million head. In order to vaccinate twice a year, at least 28 million vaccine doses will be procured”.*
- (ii) *“We now need to vaccinate at scale. This will now form part of the department’s wider strategy to achieve and maintain an FMD-free-with-vaccination status. This will open up South Africa’s red meat sector to over 94 countries around the world for export, markets that had been closed for 20 to 30 years”.*

2. Letter from Minister of Finance on withholding of Local Government Equitable Share Allocations to selected municipalities

- (1) A notification from the Minister of Finance, in terms of section 216(2) of the Constitution of the Republic of South Africa, 1996, of the intention to stop (withhold) Local Government Equitable Share allocations to selected municipalities due to non-compliance with sections 18 and 65 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), dated 6 July 2026.

Referred to the **Select Committee on Finance** and **Select Committee on Cooperative Governance and Public Administration** for consideration.

TABLINGS

National Assembly and National Council of Provinces

1. The Speaker and the Chairperson

- (a) Report and Financial Statements of the Electoral Commission on the Represented Political Parties Fund for 2024-25, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2024-25.

2. The Minister of Forestry, Fisheries and the Environment

- (a) Government Notice No. 7122, published in *Government Gazette* No. 54123, dated 13 February 2026: Application for Pre-Approval for the Reclamation of Land from Coastal Waters in terms of sections 7C(3), 7C(4)(a) and 53 of the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008) and Regulations 2 and 4 of the Reclamation of Land from Coastal Waters Regulations, 2018: Granger Bay, V & A Waterfront, Cape Town, Western Cape, in terms of the National Environmental Management: Integrated Coastal Management Act, 2008.
- (b) Government Notice No. 7123, published in *Government Gazette* No. 54123, dated 13 February 2026: Draft National Norms and Standards for the Recognition of Other Effective Area-based Conservation Measures, in terms of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004).

- (c) Government Notice No. 7135, published in *Government Gazette* No. 54135, dated 13 February 2026: Consultation on the draft Code of Conduct applicable to all designated Environmental Management Inspectors and Environmental Mineral and Petroleum Inspectors, in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998).
- (d) Government Notice No. 7136, published in *Government Gazette* No. 54153, dated 16 February 2026: Notice of exemptions available for application on three industrial chemicals, namely: Long-Chain perfluorocarboxylic acids (LC-PFCAs), medium chain chlorinated paraffins (MCCPs) and uV-328 under Annex A of the Stockholm Convention, in terms of The Twelfth Stockholm Convention's (SC12) Conference of the Parties (COP).
- (e) Government Notice No. 7138, published in *Government Gazette* No. 54156, dated 17 February 2026: Postponement of the need to be SANAS accredited as an Independent Assessor to verify Greenhouse Gas Emissions, in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998).
- (f) Government Notice No. 7151, published in *Government Gazette* No. 54177, dated 20 February 2026: Consolidated Environmental Implementation and Management Plan for the Department of Forestry, Fisheries and the Environment, in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998).

3. The Minister of Small Business Development

- (a) Memorandum of Understanding (MoU) between the People's Democratic Republic of Algeria and the Republic of South Africa on Cooperation in the Fields of Entrepreneurship and Innovation, tabled in terms of section 231(3) of the Constitution of the Republic of South Africa, 1996.
- (b) Memorandum of Understanding (MoU) between the People's Democratic Republic of Algeria and the Republic of South Africa on Cooperation in the Fields of Entrepreneurship and Innovation.

4. The Minister of Tourism

- (a) Memorandum of Understanding (MoU) between the Government of the Republic of South Africa and the Government of the Republic of Indonesia on Cooperation in the Field of Tourism (signed: 5 February 2026), tabled in terms of section 231(3) of the Constitution of the Republic of South Africa, 1996.

National Assembly

1. The Speaker

- (a) Reply by the Minister of Justice and Constitutional Development to *Budgetary Review and Recommendations Report of Portfolio Committee on Justice and Constitutional Development*, as adopted by the House on 13 January 2026.

Referred to **Portfolio Committee on Justice and Constitutional Development**.

National Council of Provinces

1. The Chairperson

- (a) CONSOLIDATED ANNUAL MUNICIPAL PERFORMANCE REPORT 2024/2025 FINANCIAL YEAR, NORTH WEST.

Referred to the **Select Committee on Cooperative Governance and Public Administration** for consideration.

- (b) WRITTEN NOTICE OF INTERVENTION ISSUED IN TERMS OF SECTION 139(4) AND (5) OF THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996, IN NGWATHE LOCAL MUNICIPALITY, FREE STATE.

Referral to the **Select Committee on Cooperative Governance and Public Administration** for consideration and report.

- (c) Petition by Mr O'Brien Falakhe Gcabashe, on behalf of the Qadi Community, requesting the intervention of the National Council of Provinces regarding the alleged non-payment of compensation to families displaced by the development of the Inanda Dam, and to consider matters relating to the administration of compensation funds intended for the affected families and the resolution of the community's longstanding grievances.

Referred to the **Select Committee on Public Petitions and Executive Undertakings** for consideration and report.

- (d) REPORT ON THE APPOINTMENT OF TWO MEMBERS TO THE COUNCIL OF THE ACADEMY OF SCIENCE OF SOUTH AFRICA.

Referred to the **Select Committee on Education, Sciences and Creative Industries** for information.

COMMITTEE REPORTS

National Assembly

1. Progress report of the Portfolio Committee on Communications and Digital Technologies on the filling four vacancies in the Independent Communications Authority of South Africa (ICASA) Council, dated 7 July 2026

The Portfolio Committee on Communications and Digital Technologies (the Committee), having considered the request from the Minister of Communications and Digital Technologies to initiate the process of filling four vacancies on the ICASA Council, reports as follows:

On 10 February 2026, the Committee received a letter from the Speaker of the National Assembly, Ms Thoko Didiza. The Speaker advised that she had received correspondence from the Minister of Communications and Digital Technologies regarding the impending expiry of the terms of office of four ICASA Councillors and requesting Parliament to commence the recruitment process to fill the resulting vacancies.

The terms of office of the following four ICASA Councillors will expire: namely

- a. Ms. Catherine Dikeledi Mushi (31 October 2026)
- b. Ms. Nompucuko Nontombana (31 October 2026)
- c. Ms. Ntombiza Patience Sithole (30 November 2026); and
- d. Ms. Thabisa Faye (30 November 2026)

On 20 February 2026, the Committee was briefed by the Secretariat on the impending vacancies on the ICASA Council. Following its consideration of the matter, the Committee resolved that the Secretariat should proceed with the publication of an advertisement inviting nominations for suitably qualified persons to fill the four (4) vacancies.

The advertisement was published in all eleven official South African languages and closed on 27 March 2026. Upon the closure of the nomination period, the Committee had received a total of 151 nominations.

The Committee established a seven-member Subcommittee on the Appointment of ICASA Councillors, comprising representatives from the ANC (3), DA (1), EFF (1), MK Party (1) and Smaller Parties (1) (IFP).

On 7 July 2026, the Subcommittee met to consider the nominations received and to assess the skills, expertise and competencies required to fill the four vacancies on the ICASA Council. In doing so, it considered the existing skills mix and demographic composition of the Council. Following its deliberations, the Subcommittee resolved to recommend that the Committee shortlist the following 23 candidates for interviews:

- Ms Thabisa Faye
- Ms Nompucuko Nontombana
- Ms Catherine Dikeledi Mushi
- Ms Ntombiza Patience Sithole
- Dr Sicelokuhle Ngwenya
- Mr Kgomotso Manyapetsa
- Dr Ayanda Ntanda
- Ms Ipeleng Selaledi
- Adv Anthea Platt
- Ms Selelo Ramohlala
- Dr Mzwanele Ntshwanti
- Mr Elliot Thobakgale
- Mr Azwitamisi Nthangeni
- Prof Sisanda Nkoala
- Ms Chwayita Madikizela
- Ms Nobuntu Dubazana
- Mr Suren Maharaj
- Mr Kebeditswe Medupe
- Ms Victoria Mofolo
- Mr Tinyiko Baloyi
- Mr Maele Mothiba
- Mr Ashraf Patel
- Ms Lindiwe Maepa.

The Committee considered the recommendations of the Subcommittee and deliberated on the proposed candidates. Following its deliberations, the Committee resolved to shortlist the following 23 candidates for interviews to fill the four vacancies on the ICASA Council:

- Ms Thabisa Faye
- Ms Nompucuko Nontombana
- Ms Catherine Dikeledi Mushi
- Ms Ntombiza Patience Sithole
- Dr Sicelokuhle Ngwenya
- Mr Kgomotso Manyapetsa
- Dr Ayanda Ntanda
- Ms Ipeleng Selaledi
- Adv Anthea Platt
- Ms Selelo Ramohlala
- Dr Mzwanele Ntshwanti
- Mr Elliot Thobakgale
- Mr Azwitamisi Nthangeni
- Prof Sisanda Nkoala
- Ms Chwayita Madikizela
- Ms Nobuntu Dubazana
- Mr Suren Maharaj
- Mr Kebeditswe Medupe
- Ms Victoria Mofolo
- Mr Tinyiko Baloyi
- Mr Maele Mothiba
- Mr Ashraf Patel
- Ms Lindiwe Maepa.

The names of the shortlisted candidates will be published for public comment for a period of two weeks. Following the public participation process, the Committee will schedule interviews with the shortlisted candidates on a date to be determined.

Report to be noted.

National Council of Provinces

1. Joint Report of the Select Committee on Public Infrastructure and Minister in the Presidency and the Select Committee on Cooperative Governance and Public Administration, on the Joint Oversight Visit to the City of Matlosana Local Municipality in the North West Province from 22 to 23 April 2026, dated 7 May 2026.

The Select Committee on Cooperative Governance and Public Administration together with the Select Committee on Public Infrastructure and Minister in the Presidency, having undertaken a Joint Oversight Visit to the City of Matlosana Local Municipality in the North West Province from 22 to 23 April 2026, reports as follows:

1. OVERVIEW

The Select Committee on Public Infrastructure and Minister in the Presidency, together with the Select Committee on Cooperative Governance and Public Administration (“the Delegation”) undertook a Joint Oversight Visit to assess the state of infrastructure, governance, and service delivery in the City of Matlosana Local Municipality (“the Municipality”) in the North West Province.

The Executive Mayor, Cllr F. Mahlope, welcomed the Delegation at the commencement of the Joint Oversight Visit. The Executive Mayor acknowledged ongoing Provincial and National government support in the implementation of a mandatory Financial Recovery Plan (FRP) instituted at the Municipality in terms of Section 139(5) of the Constitution of the Republic of South Africa, 1996. The implementation of the FRP through the Provincial Executive Representative (PER) was reported to have already resulted in progress in financial management and service delivery.

In introducing the Joint Oversight Visit Hon. T.M. Kaunda, the Co – Chairperson, outlined the National Council of Provinces’ (NCOP) role in promoting cooperative governance amongst the three spheres of government. Recognising the economic pressures faced by communities, businesses, and municipalities Hon. Kaunda noted that the President has directed the

Department of Cooperative Governance and Traditional Affairs (COGTA) to review the Local Government Funding Model.

The Joint Oversight Visit commenced on 22 April 2026, with briefings by National and Provincial Departments and the Municipality, on the integrated delivery of human settlements, water and sanitation and linking communities through transport networks. In a session facilitated by the Co – Chairperson, Hon. F.J. Badenhorst, stakeholders addressed the Delegation on service delivery within the Municipality. The Delegation thereafter undertook a site visit to Klerksdorp Prison where the Department of Public Works and Infrastructure (DPWI) has undertaken repairs and renovations.

On the second day of the Joint Oversight Visit, the delegation undertook site visits to the MXN Human Settlements Project in Jakaranda Section (Ward 15), Meiringspark, and the Orkney Wastewater Treatment Works (WWTWs). The objective was to evaluate the implementation of key infrastructure and human settlements projects. The visit focused on the progress of housing developments, the functionality of water and sanitation systems, and the effectiveness of institutional coordination across national, provincial, and local spheres of government. The primary objectives were to:

- Evaluate service delivery progress and project implementation timelines;
- Assess contractor performance and institutional accountability;
- Engage directly with community members and local stakeholders; and
- Identify systemic bottlenecks hindering delivery.

1.1. Delegation

Name of Member	Political Party	Province
Badenhorst, Mr FJ	DA (Co - Chairperson)	Western Cape
Kaunda, Mr TM	ANC (Co – Chairperson)	Kwazulu-Natal
Scheurkogel, Dr I	DA	Free State
Makesini, Ms M	EFF	Free State
Ceza, Mr K	EFF	Mpumalanga

Mabebo, Mr BS	ANC	North West
Peter, Mr MM	UDM	Eastern Cape
Molokomme, Ms KR	ANC	Limpopo
Nzimande, Mr E	MKP	Gauteng

2. BRIEFING SESSION AND STAKEHOLDER ENGAGEMENTS

Co – Operative Governance

- 2.1. The revised District Development Model (DDM) One Plan as presented by the Dr Kenneth Kaunda District Municipality, was adopted on 7 April 2026. A number of One Plan Catalytic projects falls within the Matlosana Area. These include, amongst, Witpoort Dam Resort development, mining infrastructure repurposing and new landfill sites and solid waste cells.
- 2.2. COGTA provided its assessment of administrative and financial governance at the Municipality. Governance weaknesses identified include a vacancy in the position of Chief Financial Officer (CFO) which has resulted in leadership instability, regression in audit outcomes, an increase in audit findings and a partially functioning Municipal Public Accounts Committee (MPAC).
- 2.3. The Municipal Infrastructure Support Agent (MISA) provides technical support for Municipal Infrastructure Grant (MIG), Water Services Infrastructure Grant (WSIG), Neighbourhood Development Partnership Grant (NDPG) and Integrated National Electrification Programme (INEP) funded projects through project initiation, planning, implementation and contract management support.

Water and Sanitation

- 2.4. The Municipality faces significant water and sanitation infrastructure and service delivery challenges evidenced by sewer spillages, ageing infrastructure, poor maintenance, vandalism, compliance failures, and an underperforming wastewater management system. Serious deficiencies have been identified across the four (Klerksdorp, Hartebeesfontein, Orkney, and Stilfontein) WWTW within the

Municipality. These deficiencies include poor effluent quality, inadequate sludge management, insufficient flow monitoring and inadequate maintenance of networks and treatment works. In addition, some of these systems discharge into river systems that ultimately feed the Vaal River, thereby posing environmental and public health risks beyond the Municipality itself.

- 2.5. WSIG funded projects earmarked or undertaken by the Municipality include the following:
- i. Construction of a new 26Ml concrete reservoir as an alternative source of water supply in Jouberton at the budget cost of R80.5 million. Construction has not yet commenced on this project which has a targeted completion date of August 2027.
 - ii. Reconstruction of outside water borne toilets in Kanana Township (2650 standard toilets and 50 disability accessible toilets) at the budgeted cost of R48.3 million. The project is at 48% completion.
 - iii. Construction of a 20Ml concrete reservoir, pump station, pressure tower and supply line in Kanana, at a budgeted cost of R112.2 million with a completion date of 30 June 2028. Construction has not yet commenced on this project.
- 2.6. Formal enforcement interventions have been initiated against the Municipality by the Department of Water and Sanitation (DWS). These include multiple non-compliance letters issued in relation to Orkney, Stilfontein, and Hartebeesfontein WWTW and their associated sewer networks. At the time of the Joint Oversight Visit, the City had not yet submitted the required corrective action plans.

Road and Transport Network

- 2.7. The road network condition in the Municipality is characterised by inadequate routine and scheduled maintenance, inadequate storm water drainage systems, the absence of Roads – and - Stormwater Masterplans. Traffic planning is also inadequate and engineering norms and standards are not adhered to in new developments, resulting in adverse traffic conditions.

- 2.8. SANRAL projects located within the Matlosana area includes the Buckle Street - Von Wiellig project at a budgeted cost of R68.7million and which is currently at the planning stage. The Klersdorp to Buffelsvallei project is currently at the design stage with an estimated budget of R950 million.
- 2.9. An 8.59km stretch on Road P32-1 and 2 on Route R30-7 between Klerskdorp and Ventersdorp was declared a national road in February 2025. Maintenance works done to date includes to guardrails, pothole patching, road marking, road studs and road signs.
- 2.10. Project implemented within the Municipality by the North West Department of Public Works and Roads (NW: DPWR) are tabulated below:

PROJECT DESCRIPTION	PROJECT STATUS	PROJECT COST '000
Rehabilitation of Road and investigation of sinkhole of Road P137/1 from N12 to Orkney (Phase 1)	Completed (2024/25 FY)	R 91 461
Rehabilitation of Road P117/1 from Ottosdal (P13/2) to Hartbeesfontein, (Phase 2) Rehabilitation section from R503 in Hartbeesfontein(16km) and Maintenance Section from Ottosdal towards Delareyville (17km)	Completed (2025/26 FY)	R 153 239
Patch, Fogspray, Reseal of Road P23/2 from Orkney to Leeudoringstad (15km)	Completed (2025/26 FY)	R 22 965
Repairs and refurbishments to Vaal River bridges: P89/2; D642; D836 and D860.	New Project (Disaster)	R 8 500

Human Settlements

- 2.11. Hon. G.O. Molapisi, the MEC for Co-Operative Governance, Human Settlements and Traditional Affairs introduced the Matlosana N12 West Catalytic Human Settlements Project, a flagship integrated development funded through the Human Settlements Development Grant. Due to governance and contractual challenges, particularly the municipality's lack of accreditation to construct top structures, the Department assumed responsibility for the construction of 1 667 housing units. Progress in respect

of on top structures has been slow, with only 263 (16%) units completed to date. Financial expenditure stands at approximately R79.9 million (23%). Underperformance by the contractor has resulted in the Department deciding to scale down the current contractor's scope to 501 units and to appoint an additional service provider to complete the remaining work.

2.12. In the 2026/2027 financial year, the North West Department of Human Settlement (NW: DOHS) will be implementing sixteen housing projects within the Municipality. These projects focus on Breaking New Ground (BNG) housing delivery, the revival of blocked developments, and the completion houses abandoned during previous implementation phases, particularly following the COVID-19 lockdown. These projects include, amongst other, the following:

- i. Kanana Extension 13, which involves the unblocking of a previously abandoned project where only 112 of 390 units had been completed. The current contractor's scope includes completing houses on vacant and foundation level sites and demolition and reconstruction of defective foundations.
- ii. Jouberton Infills Extensions 2, 3 and 7, together with Tigane Extensions 5 and 6, which comprises a total of 300 units. Due to financial constraints caused by construction price escalations, the subsidy quantum was increased and the developer entered into a cession agreement with a more experienced contractor. The project is now targeted for completion in September 2026.
- iii. Alabama Extension 5 (BNG), which is a large project of 755 units where approved variation orders and subsidy adjustments were implemented to address extraordinary geotechnical requirements and post-COVID cost escalations.
- iv. Matlosana Military Veterans Housing Project which provides 10 houses across Tigane, Jouberton, and Kanana. Construction expenditure is complete, with electricity installation underway and bulk water and sewer services nearing completion.

2.12.1. On 5 August 2014, an earthquake struck Klerksdorp, with significant impact on the mining town of Orkney. Due to continued reports from community members whose houses were said to be damaged but not initially assessed, the Department commissioned the National Home Builders Registration Council (NHBRC) and the

South African Council for Geoscience to conduct further structural assessments. Projects to repair damaged houses cover multiple areas within the Municipality including Jouberton, Kanana, and Khuma extensions. One of the Phase II projects, covering Khuma Extensions 6 and 8, involves the repair of 2 000 houses, with a contract value of R85.7 million. To date 1 482 houses have been repaired however, project implementation has been adversely affected by beneficiaries not being resident.

3. Stakeholder Engagements

- 3.1. Stakeholder engagements reflected a broad range of perspectives on governance, service delivery, socio-economic development and institutional capacity within the Municipality. Political parties generally acknowledged recent improvements but highlighted persistent structural challenges. The Patriotic Alliance noted visible improvements in the functioning of Council and its Oversight Committees, attributing this progress to a stronger shared vision within the Municipality.
- 3.2. Both the Democratic Alliance (DA) and the African National Congress (ANC) expressed support for the Section 139 intervention, citing long-standing governance and financial management failures. The DA emphasised the deterioration of the sewerage network, recurring sewage spills, and broader service delivery backlogs affecting water, sanitation, and roads. The ANC reinforced these concerns, pointing to historical financial mismanagement and the Municipality's inability to adopt a funded budget, and stressed the need for continued technical support to address service delivery deficiencies.
- 3.3. The Economic Freedom Fighters (EFF) raised concerns about the Municipality's heavy reliance on consultants and the absence of consequence management when consultants or contractors abandon projects. While critical of these weaknesses, the EFF acknowledged recent improvements in pothole patching, street cleaning, and park maintenance. The party also called on SANRAL to address safety challenges at the N12 traffic circle in Matlosana, where poor visibility contributes to frequent accidents.

- 3.4. Civil society and community-based groupings focused primarily on inclusive development and social support. The Disability Forum requested targeted support for business development and employment opportunities for persons with disabilities, as well as access to housing that meets their specific needs. Similarly, the Youth Forum appealed for expanded business and employment opportunities for young people, the establishment of Technical and Vocational Education and Training institutions, access to youth centres, and social interventions aimed at reducing school drop-out rates, substance abuse, and teenage pregnancy. The Women's and Children's Desk requested the Municipality to assign dedicated budget for the Desk to be permanently based at the Municipality to assist with day – to – day administration and institutional hand – over.
- 3.5. The Business Forum requested municipal support to help local enterprises grow into sustainable businesses, while the South African National Civic Organisation called for accelerated efforts to reduce the human settlements backlog.
- 3.6. Organised labour, represented jointly by the South African Municipal Workers' Union and the Independent Municipal and Allied Trade Union, raised concerns about the lack of clarity on which outsourced services would be reduced. They recommended reviving the internal municipal garage and petrol depot and attributed service delivery backlogs to high vacancies in technical and maintenance positions, a lack of essential tools of trade, and political interference in recruitment processes.
- 3.7. **Observations**
 - 3.7.1. Implementation of the FRP was described as in a stabilisation phase, with priority given to restoring financial disciplines, improving cash-flow management, reviewing outdated policies, and engaging major creditors, in particular Eskom and Rand Water, to curb the escalation of historic debt. While Members acknowledged these administrative steps, they noted that the intervention had yet to translate into visible and sustained improvements in service delivery on the ground, particularly in water, sanitation, roads and electricity services.

- 3.7.2. Members expressed dissatisfaction with the slow pace of accountability, the apparent absence of criminal and civil recoveries, and the continued failure of the Municipal Public Accounts Committee (MPAC) to meet its statutory oversight obligations. The Speaker of Council confirmed that certain disciplinary processes had been completed, including the dismissal of the CFO. Council further took a decision to place the Municipal Manager on precautionary suspension, which was subsequently challenged in Court by the Municipal Manager.
- 3.7.3. Members interrogated the persistent under-expenditure of conditional grants, despite acute infrastructure backlogs. The Municipality's MIG expenditure as of 31 December 2025 stood at 38%, below the required 45% threshold. This resulted in National Treasury withholding portions of grant allocations. Based on the revised 2025/26 allocation of R78 171 000, the municipality has spent R59 539 000 (55,35%) as at the end of March 2026.
- 3.7.4. Members pointed out that compliance with water and sanitation standards remained poor and that stronger regulatory intervention appeared necessary to address non-compliance. Concern was raised that repeated notices had not prevented continued pollution of river systems and residential areas. DWS reported that forthcoming legislative reform to the National Water Services Act, 108 of 1999, will strengthen remedial action where successive notices are issued.
- 3.7.5. With regard to the DDM, members enquired about tangible impact to date. COGTA reported that political structures were moderately functional, but technical coordination structures were weak and inconsistent. Funding for DDM projects continues to be sector-driven, limiting integrated implementation. Members warned that without measurable outcomes, the DDM risked becoming a planning exercise rather than a driver of delivery.
- 3.7.6. Revenue collection and financial sustainability was also scrutinised. COGTA briefed Members on a data-cleansing initiative aimed at correcting billing inaccuracies and addressing approximately 23 5000 so-called "ghost accounts" where the account cannot be linked to a property on the Municipality's valuation role. The Municipality reported the phased introduction of smart meters, prioritising large power users.

Members highlighted that despite these initiatives, collection rates remained low and that high technical and non-technical losses, vandalism and illegal connections continued to undermine financial recovery efforts.

- 3.7.7. Political instability within the municipal council was raised in several inputs. The Speaker stated that while Council and Committees were formally functional, they were deeply divided, with frequent voting replacing consensus decision-making. Members noted that political interference in administrative matters, particularly appointments and procurement, had weakened governance and eroded public trust. It was emphasised that no intervention would succeed without the separation between political influences and the administration.
- 3.7.8. The Municipality described coordinated attacks on pump stations and power infrastructure by armed groups, significantly disrupting service delivery and forcing the diversion of limited resources to security. Members expressed alarm that security costs were increasingly crowding out infrastructure maintenance and called for stronger intergovernmental cooperation, including national support, to protect critical assets. The Municipality reported that the PER had engaged the Provincial Head of the State Security Agency on the matter. Intergovernmental structures in the form of a National Security Cluster Combined Strategy and Provincial Extortion Committee have also been established.
- 3.7.9. The Municipality does not have a functional Financial Misconduct Disciplinary Board, despite it being a requirement under the Municipal Finance Management Act, 56 of 2003 and the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014 (GN R430 of 30 May 2014). The Municipality responded that the Board could not be constituted as the term of the Audit Committee has come to an end in March 2026. The Municipality is participating in a shared service model in the District and the appointment of an Audit Committee is being finalised.
- 3.7.10. During the 2025/2026 financial year, COGTA allocated R22.9million from the Municipal Disaster Recovery Grant to support the reconstruction and rehabilitation of infrastructure damaged by floods within the municipality. The funds were transferred

to the Municipality in February 2026 for implementation of interventions over a 12-month period, concluding in February 2027.

- 3.7.11. The South Africa Human Rights Commission (SAHRC) Report in November 2025 released a Report into The State of Municipal Service Delivery in the North West. The Report found chronic sewage spillages, particularly in areas such as Orkney and Alabama, exposing residents to raw sewage and severe health risks. It concluded that the Municipality's failure to maintain wastewater infrastructure and ensure safe sanitation violates residents' rights to dignity, health, life, access to sufficient water, and an environment that is not harmful to well-being. The SAHRC described these failures as systemic and long-standing and called for urgent remedial action and stronger oversight to prevent ongoing constitutional violations.

3.8. **Recommendations**

- 3.8.1. That the Executive Mayor and Speaker of the Municipality ensure that the Municipality -
- i. By 31 August 2026, submit the corrective action plans required by the non – compliance notices issued by the DWS.
 - ii. By 31 August 2026, provide training to MPAC on its powers and functions and stabilise MPAC functionality (measured through compliance to its legislative functions and responsibilities).
 - iii. Submit its draft budget for each financial year to Provincial Treasury before adoption in Council, to verify that the budget is properly costed and fully funded.
 - iv. Refer underperforming contractors and consultants to National Treasury's Register of Tender Defaulters, with all contractors who have abandoned or defaulted on projects to date, being referred to National Treasury by 31 August 2026.
 - v. Formally constitute the Financial Misconduct Board within the requirements of the Municipal Finance Management Act, 56 of 2003 and the Municipal

Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014 (GN R430 of 30 May 2014) within the 2026/27 financial year.

- 3.8.2. That Political Party caucuses withing the Municipality address the underlying causes of political conflicts and interference in the Municipality.
- 3.8.3. That the Minister for Co – Operative Governance and Traditional Affairs ensure that MISA assess all grant funded projects in the Municipality through front-loaded planning principles by 31 October 2026. Front – loaded planning is a project management approach that invests significant time, resources, and engineering effort early in a project’s lifecycle (pre-construction) to define scope, mitigate risks, and minimise costly changes later. The MISA assessment is to be submitted to the Select Committee on Cooperative Governance and Public Administration within one month of its completion.

4. SITE VISIT TO THE DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE REPAIR AND RENOVATION OF THE KLERKSDORP PRISON

4.1. Project Information

- 4.1.1. The scope of the Klerksdorp Correctional Centre covers approximately 45 463 m² of built infrastructure and includes the refurbishment of inmate accommodation blocks, hospital facilities, parole board offices, training centres and residential accommodation for staff.
- 4.1.2. The project is executed under a Joint Building Contracts Committee (JBCC) Principal Building Agreement and work commenced in August 2022. The original contract value was approximately R94.4 million however due to delays, contractor financial constraints affecting supplier payments and subcontractor performance, approved variations, scope growth, and escalation, the projected contract value has increased to approximately R118.9 million.

4.2. **Observations**

- 4.2.1. At the time of reporting, certified payments total approximately R88.5 million, representing over 93% of the original contract value, despite only 74% physical completion being achieved. Numerous buildings and facilities have been finalised and handed over in phases, including residential flats, the clubhouse, the parole board offices, gymnasium, and various administrative and support facilities. The facility continued operations during the repairs and renovations.
- 4.2.2. DPWI guided the Delegation on a tour to sections of the facility. The Delegation observed the quality of repairs and renovations, in line with the project scope. This included houses, hospital sections, single quarters, visitation section and inmate accommodation blocks. The Delegation was accompanied by officials from the Department of Correctional Services who relayed that the project scope meets its needs as a client department.
- 4.2.3. The inmate accommodation block cannot currently be utilised as a leak has developed in the roof and a variation order has been submitted to cover repairs to the roof into the project scope.
- 4.2.4. The project has significantly exceeded its contractual completion period. Construction time lapsed stands at approximately 115% of the approved contract period, with the current anticipated completion date of 30 October 2026.

4.3. **Recommendations**

- 4.3.1. That the Minister for Correctional Services ensure that the Department of Correctional Services include the following critical risks, that are outside the original scope but are essential to the functioning of the facility, into the facilities User Asset Management Plan for the 2026/27 financial year:
 - i. The need for upgraded bulk water supply infrastructure;
 - ii. Replacement of the main standby generator due to unreliable municipal power supply;

- iii. Systematic cleaning and upgrading of stormwater drainage to prevent basement flooding; and
- iv. Replacement of cell lockers that cannot be economically repaired.

5. MXN Project in Jakaranda Section (Ward 15), Meiringspark

5.1. Observations

- 5.1.1. In the MXN Housing Project in the Jakaranda section of Ward 15, Meiringspark, the contractor has consistently failed to honour contractual obligations, with reports of site abandonment for extended periods. These performance failures resulted in the project missing its initial targeted completion date of March 2026. A fundamental weakness in project planning was the decision to allocate a large-scale development of approximately 1 600 housing units to a single contractor despite evident capacity limitations. Compounding this, weak oversight, monitoring, and enforcement mechanisms failed to trigger timely corrective action, allowing underperformance to persist without consequence and significantly undermining delivery outcomes. Contractor failure is the primary driver of project stagnation.
- 5.1.2. Progress on housing construction remains limited and uneven. While some incremental milestones have been achieved, namely the completion of 501 foundations, 384 wall plates, and 374 roof structures, only 263 units have been fully completed. Several units have been abandoned by beneficiaries who have left the province whilst others remain incomplete, some for more than six years. Poor workmanship, specifically leaking roofs, was frequently cited. Oversight engagements further revealed widespread concerns regarding poor workmanship, compliance with building standards, and the long-term sustainability of the delivered units.
- 5.1.3. The slow pace of delivery and recurring stoppages have generated deep-seated frustration regarding contractor withdrawal and halted progress. Residents expressed profound dissatisfaction with the apparent stagnation of the project and the provision of housing structures without connections to water and electricity services and without the provision of waste removal services. Concerns were also raised regarding irregular

occupancy, with reports that certain housing units are occupied by individuals who are neither residents nor vetted beneficiaries. In addition, community members are exposed to significant environmental and public health risks arising from sewer spillages, open trenches, and unrehabilitated soil heaps. These conditions have created unsafe living environments, attracting vermin and snakes and pose continuous health and safety threats.

- 5.1.4. A significant disconnect exists between municipal leadership and the community members which has further exacerbated tensions, leaving residents inadequately informed about project status, timelines, and accountability.
- 5.1.5. Water and sanitation infrastructure constraints continue to present a critical risk to the viability of housing development. Bulk services (water/electricity) provision and planning is not synchronised with housing delivery. The current water supply is insufficient to meet existing and projected demand, with the expansion of the bulk reservoir system still outstanding. Improvements were observed in wastewater management following recent interventions, particularly the repair of mechanical systems such as screw conveyors and improvements in water quality. Persistent challenges linked to vandalism, theft, and inadequate infrastructure capacity, coupled with population growth pressures however persist and threaten the sustainability of both current and future service provision.
- 5.1.6. From a governance perspective, the project is characterised by fragmented coordination across National, Provincial, and Local government spheres, which undermines service delivery. Weak implementation of the DDM has limited its effectiveness as a coordinating mechanism, resulting in disconnected planning and execution processes. Delays have been amplified by budget misalignment and slow handover procedures between stakeholders, further constraining project momentum and undermining accountability.
- 5.1.7. Financial oversight represents a significant concern as oversight has been reactive rather than proactive and site based. Questions remain unresolved regarding the utilisation of nearly R1 billion associated with the project and related infrastructure investments. There is limited transparency regarding value for money achieved, and

oversight gaps have raised the risk of financial leakages within the system. The absence of robust, proactive expenditure tracking and monitoring mechanisms has weakened accountability and diminished confidence in the project's financial governance.

5.2. Recommendations

5.2.1. It is recommended that the MEC for Co-Operative Governance, Human Settlements and Traditional Affairs and the Speaker and Executive Mayor of the Municipality ensure that the NW: DOHS together with the Municipality -

- i. Conduct an immediate performance review; terminate non-performing contracts.
- ii. Subdivide large contracts to mitigate risk.
- iii. Refer underperforming contactors and consultants to National Treasury's Register of Tender Defaulters.
- iv. Implement a revised completion plan with strict, non-negotiable timelines.
- v. Fast-track bulk infrastructure to support existing housing units.
- vi. Conduct an audit of unoccupied and irregularly occupied houses for reallocation.
- vii. Conduct a comprehensive financial audit to track fund flows and eliminate fiscal leakages.
- viii. Enhance the District Development Model (DDM) to ensure budget and planning integration across all spheres of government.

5.2.2. It is recommended that the Executive Mayor of the Municipality ensures that the Municipality:

- i. Orders the immediate closure of open trenches and repair of sewer leaks.
- ii. Fortify internal controls by modernizing Risk, Finance, and Human Resources policies.
- iii. Coordinate a public meeting within 14 days of the adoption of this Report. The meeting must specifically address community grievances regarding the current

state of housing and the persistent underperformance of the appointed contractor. The Office of the Executive Mayor to keep a clear record of resolutions from this meeting which must be shared with the Committee.

- iv. Within 14 days of the adoption of this Report, submit a report on contractor project performance and expenditure including the reasons for site abandonment and compliance to building and construction standards.
 - v. Implement a project for the removal of asbestos in all housing units within the Municipality within the 2026/27 financial year.
- 5.3. That the MEC for Co-Operative Governance, Human Settlements and Traditional Affairs and the Speaker and Executive Mayor of the Municipality report on the implementation of the above recommendations to the Select Committees by 30 September 2026.

6. Wastewater Treatment Plant in Orkney

6.1. Observations

- 6.1.1. The Municipality provided an update on the financial and implementation status of the wastewater infrastructure intervention, which is part of a broader municipal support programme. The intervention was initiated following a provisional funding and oversight mechanism introduced by the Provincial Treasury approximately two years prior. It targets municipalities experiencing service delivery and infrastructure performance challenges of which the Municipality was a beneficiary.
- 6.1.2. The first phase of the project is scheduled for contractual conclusion in the current reporting period. A performance-based implementation agreement has been established between the Department, Matlosana Municipality, and City Corporation, the appointed implementing agent. The agreement is intended to strengthen accountability, accelerate project delivery, and improve operational outcomes, particularly in relation to wastewater treatment performance and infrastructure reliability.
- 6.1.3. The intervention is funded through a Provincial Treasury mechanism, aimed at addressing infrastructure backlogs and operational inefficiencies. While detailed

financial figures were not presented during this engagement, it is noted that the funding model is structured to support phased implementation, with a focus on sustainability and long-term value. The investment is expected to contribute to the improved municipal service delivery, which enhances the economic attractiveness of the area.

- 6.1.4. Progress has been observed in the escalation and execution of planned activities, although earlier phases of implementation were characterised by delays and performance constraints. The oversight visit revealed systemic failures in contractor management and intergovernmental coordination, despite progress in wastewater treatment infrastructure. Ensuring long-term, sustainable service delivery requires enforced accountability, robust oversight, and a commitment to delivering tangible community benefits. Current efforts are focused on accelerating delivery, stabilising operations, and ensuring alignment with regulatory and performance standards for wastewater treatment.
- 6.1.5. Significant risks include historical delays which impact on the overall project timelines and delivery targets and risks to investor confidence due to a failure to demonstrate consistent progress. A further risk is continued reliance on interim measures without full system optimisation which may limit long-term effectiveness.
- 6.1.6. Despite initial challenges, there is cautious optimism that the current interventions will result in measurable improvements in wastewater treatment performance, infrastructure reliability, and overall service delivery. Continued monitoring, stakeholder coordination, and adherence to implementation timelines will be essential to achieving the intended outcomes.

6.2. **Recommendations**

- 6.2.1. That all stakeholders ensure the timely submission of all outstanding technical and financial reports to enable effective oversight. These reports are critical for assessing compliance with applicable standards, including effluent quality

requirements, financial management frameworks, and infrastructure performance benchmarks.

Report to be considered