*Wednesday, 11 March 2026*]

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# PARLIAMENT

**OF THE**

# REPUBLIC OF SOUTH AFRICA

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# ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

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WEDNESDAY, 11 MARCH 2026

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# TABLE OF CONTENTS

## ANNOUNCEMENTS

### National Assembly

1. Membership of Committees ..... 2

## COMMITTEE REPORTS

### National Assembly

1. Tourism..... 3
2. Communications and Digital Technologies ..... 32
3. Water and Sanitation ..... 57
4. Correctional Services..... 91

### National Council of Provinces

1. Social Services..... 112

# ANNOUNCEMENTS

## National Assembly

### The Speaker

### 1. Membership of Committees

(1) The following committee membership changes have been made:

(a) **Democratic Alliance**

**Portfolio Committee on Agriculture**

Discharged: Singh, Ms S [Alternate]
Appointed: Nhanha, Mr MA [Alternate]

*[**Please Note:** The above entry replaces item 1(1)(a) which was published under "Membership of Committees" on page 2 of the ATC, dated 10 March 2026.]*

(b) **Economic Freedom Fighters**

**Portfolio Committee on International Relations and Cooperation**

Discharged: Khoza, Mr M [Alternate]
Appointed: Pambo, Mr V [Alternate]

# COMMITTEE REPORTS

## National Assembly

### 1. REPORT OF THE PORTFOLIO COMMITTEE ON TOURISM ON THE OVERSIGHT VISIT TO WESTERN CAPE PROVINCE, DATED 3 MARCH 2026

The Portfolio Committee on Tourism (Committee), having undertaken an oversight visit on tourism infrastructure development projects, and assessing the state of township tourism in the Western Cape Province on 27 - 30 January 2026, reports as follows:

**1. Introduction**

Tourism remains one of the important economic sectors of the country with a critical role in driving economic growth, job creation, and infrastructure development. The current figures indicate that South Africa's tourism sector is recovering significantly, with 2025 arrivals exceeding pre-pandemic levels to reach 10.5 million. This is a major boost for the economy as tourism currently contributes nearly 9 per cent to the national Gross Domestic Product (GDP) and supports approximately 1.8 million direct and indirect jobs, with about one job created for every 13 international arrivals. These economic indicators show that the tourism sector is growing, not just recovering, with the growth still driven by strong international demand and strategic government initiatives. The policy position of government is that tourism must create 15 million arrivals by 2030. The oversight focus of the Committee, therefore, is premised on inclusive tourism growth that ensures that all sectors of the community benefit from this growth and government initiatives, including tourism businesses in the townships.

The Government of National Unity (GNU) also takes tourism seriously as it continued to have the Department of Tourism as a standalone functionary to drive the attainment of the government Medium-Term Development Plan (MTDP) 2024-29, with its three

strategic priorities, namely, (i) Inclusive growth and job creation, (ii) Reduce poverty and tackle the high cost of living and (iii) Build a capable, ethical & developmental state. In addition, the National Development Plan (NDP) as the blueprint of government recognises tourism as one of the main drivers of employment and economic growth which can contribute towards creating an additional 11 million jobs by 2030.

The Committee adopted a five-year strategic plan with a Whole Government Approach as its modus operandi during the tenure of the 7th Parliament. This was done as tourism is an interdepended sector that relies mainly on other sector departments fulfilling their mandate. The recommendations of the Committee in this report follow this approach, as in some issues, the Minister of Tourism is required to engage her counterparts in other government departments.

The Committee undertook an oversight visit to Western Cape. The Committee visited infrastructure projects at the Cape Agulhas Lighthouse Precinct Development, Arniston Hotel, New National Hotel, Khayelitsha look-out hill and the Langa township from 27 – 30 January 2026. The oversight visit included inspection of the infrastructure projects implemented by the Department, visits to tourist attractions, the focus on township tourism, and stakeholder engagements with various tourism role players in the Western Cape Province.

## 1.1 Background

The Committee has been included in the implementation of the Oversight Priority Plan (OPP) of Parliament. The OPP aims to ensure focused oversight over key thematic areas that intensify the realisation of the NDP goals as well as other critical developmental goals such as the Sustainable Developmental Goals (SDGs). Tourism remains one of the important economic sectors of the country with a critical role in driving economic growth, job creation, and infrastructure development.

The Committee oversees the Department of Tourism (Department) and one entity, South African Tourism (SA Tourism). The oversight work of the Committee always

look at all the nuances of the work done by these two organisations either as direct interventions, or omissions in the fulfilment of their mandate.

## 1.2 Delegation

The Committee delegation included the following members and support staff.

**Delegation list**

| **Name** | | **Political Party/ designation** |
|---|---|---|
| 1. | Ms R Nalumango (Committee Chairperson) | African National Congress |
| 2 | Ms A Hlongo | |
| 3. | Ms L Ligaraba | |
| 4. | Ms H Ismail | Democratic Alliance |
| 5. | Mr R Moodley | uMkhonto weSizwe Party |
| 6. | Ms N Buthelezi | uMkhonto weSizwe Party |
| 7. | Ms J Basson | Patriotic Alliance |
| **Support staff** | | |
| 1. | Mr D Mocumi | Committee Secretary |
| 2. | Ms Y Cele | Committee Assistant |
| 3. | Ms S Loni | Researcher |
| 4. | Dr S Khuzwayo | Content Advisor |
| 5. | Ms S Govender | Communication Officer |

## 2. Visit to Cape Agulhas Lighthouse precinct Project (Overberg District)

The Committee visited the Agulhas Lighthouse precinct project, which is one of the projects that have been funded by the Department of Tourism. The Cape Agulhas National Park located along the stretch of Overberg coast which also includes the southern-most tip of the African continent. The Cape Agulhas National Park plays a significant role in the protection & management of the unique natural and cultural environment.

## 2.1 Background

The Agulhas area also provides history of its different kind such as historical buildings and the historical Cape Agulhas Lighthouse. The Department completed Phase 1 of the Agulhas Project in 2018, which comprised of the construction of the iconic structure (map of Africa) at the Southernmost tip of Africa, paving of 1 km road, rehabilitation of the terrain and the re-alignment of the boardwalk. The project budget for Phase 1 was R15 517 635 with the Department contributing R14 107 500 and SANParks contributing R1 410 135.

The Department entered into a partnership agreement with South African National Parks for the implementation of phase 2 of the Cape Agulhas Precinct project in 2017. The Lighthouse Precinct Infrastructure development provides necessary infrastructure support such as gateway to the park which includes a restaurant, ablution facilities and Interpretation centre that will attract more tourists visiting the area and generating more revenue. The total project budget is R81.7m, the Department provided funding of R54 990 000 to complete this project and SANParks contributed R27m towards the project. The construction of the project commenced in April 2022.

### 2.1.1 Scope of the project

The scope of the project entailed the following:

- 60 seater restaurant,
- Transnet National Ports Authority (TNPA) technical support building,
- Interpretation Centre (SANParks reception & admin office , seminar room, curio shop, vendor stalls and ablution block),
- Visitor parking for motor vehicles and busses,
- New access stair-ways and wheel chair ramp structure,
- Water, sewer and electrical services.

## 2.2 Progress update

The Committee did a site visit on the building to inspect the quality of the work done in the project, these include the following buildings:

### 2.2.1 Restaurant building

- Foundation walls and supporting columns completed,
- Construction of superstructure completed,
- Concrete roof including testing completed,
- External and Internal plastering completed,
- Installation of internal services completed,
- Tiling completed,
- Installation of aluminium windows and doors completed,
- Floor coverings completed,
- Installation of wooden deck completed,
- Electrical reticulation completed,
- Final finishes in progress,
- Snag list was issued to the Contractor which will be attended to before end of February 2026.

### 2.2.2 Interpretation Centre

- Superstructure and roof completed,
- External stippled plaster completed,
- Installation of aluminium windows and doors completed,

- Internal vendor store finishes almost completed,
- Testing of roof slabs for water tightness completed,
- Internal finishes is standing at approx. 99 per cent with external finishes on approx. 99% completion,
- Floor coverings completed,
- Final finishes in progress,
- Certificates of Compliance were submitted and approved,
- Snag list was issued to the Contractor and is being attended to.

### 2.2.3 Transnet National Ports Authority Area

- Aluminium windows and doors installed,
- Roof installation and stipple plaster final coat completed,
- Internal finishes i.e. tiling, painting, ceilings completed,
- Installation of light fittings and switches, sanitary ware completed,
- Certificates of Compliance submitted and approved,
- Overall progress is 99% completed,
- Snag list was issued to the Contractor.

### 2.2.4 External works

- Construction of parking areas completed with last section of paved walkway areas completed,
- Stairway and disability ramp completed,
- Paving of additional Suiderstrand road completed (Snag list being attended to),

- Demolishing of old TNPA buildings completed,
- Prep-work for the restaurant roof planting has been completed,
- Cultural building roof planting has been completed,
- The remaining planting of trees, shrubs, and other vegetation is currently in progress,
- Overall landscaping 95 per cent completed.
- Snag list was issued to the Contractor.

## 2.3 Challenges

These are some of the challenges experienced during the project:

- Poor construction programming,
- Weak site and corporate management,
- High staff turnover,
- Contractor cash flow failure,
- Contractor's (Director) declining health.

## 2.4 Job Creation and Training

The project has employed about 117 local labourers around Agulhas, Struibaai and Bredasrdorp area. The project has appointed 09 (nine) local SMMEs / subcontractors during the implementation phase of the project. The project participants were provided with accredited training in September 2025 and were provided with accredited certificates upon completion of the training. The following training were provided to the Labourers:

- Painting (15 Labourers),
- Horticulture ( 23 Labourers).

## 3. Site visit to Arniston Hotel

The Arniston Spa Hotel is a 4-star hotel with Level-2 B-BBEE contributor status located in the small coastal village of Arniston in the Western Cape. At the time of application for support under the Green Tourism Incentive Programme (GTIP) the hotel, which has 51 per cent black, and 25 per cent women-ownership employed 108 permanent, and 23 temporary staff. The hotel was established in 1999 and offers accommodation and a range of services and activities including conferencing venues, weddings and spa that offers massages, facials, saunas and steam rooms. It has 67 guest rooms in total.

### 3.1 Green Tourism Incentive Programme (GTIP)

The Arniston Spa Hotel submitted a GTIP application towards the end of 2018 during the second application window of the programme. The GTIP covered the full costs of the energy and water audit to determine the appropriate energy and water saving opportunities at the establishment.

Based on the GTIP weighted scoring model (which considers aspects such as enterprise size, transformation level and the projected impact of efficiency solutions proposed during the audit), Arniston Spa Hotel qualified for grant funding that would cover 61% of the cost of installation. Although the audit recommended a wide range of possible efficiency solutions, the impact of loadshedding at the time compelled the client to prioritise installation of a 50 kWp solar photo-voltaic (PV) system with battery back-up.

The application was approved in July 2019 and the contract with the client was concluded in November 2019. Implementation during 2020 was somewhat delayed because of the Covid-19 pandemic. From the total investment cost of R1 427 922, the GTIP grant funding covered R868 026 (61%), while the applicant contributed R559 896 from own funds. Resultant energy and water savings from the installation was estimated to reduce utility costs by more than 20% per year with a projected payback period below 5 years.

### 3.2 Challenges

The hotel expressed appreciation for the assistance received from Government through the GTIP programme, which has helped the hotel to cut its operating costs and hence enabling it to hire more staff and improve conditions of service. However, the management of the hotel pleaded that there are more investments needed to grow the tourism industry in the area, particularly around the beach.

## 4. Site visit to the New National Hotel (Parow)

The Committee visited the New National Hotel as one of the businesses that have benefited from the Department of Tourism Green Tourism Incentive Programme. The New National Hotel is a 100 per cent black-owned and managed entity (Level-1 B-BBEE contributor) that employed 13 permanent staff at the time of its application for support under the Tourism Transformation Fund (TTF). The 3-star hotel, with 33 standard rooms and two conference facilities, was built in 1950 and after changing ownership a few times was acquired by the current owner in 2015.

A phased renovation of the property and rooms between 2015 and 2019 was financed through a commercial bank loan of approximately R6 million. More recently the New National Hotel approached National Empowerment Fund (NEF) and applied for Tourism Transformation Fund support in March 2023 to raise R3 548 515 in funding to upgrade the hotel, The planned upgrades included:

- furniture and equipment such as air conditioners, smart TVs, hair dryers, mini-fridges, laundry and tea racks, and phones for rooms as well as an internal communication system;
- a vehicle for airport transfer and shuttle services to enable the hotel to compete efficiently and at par with competitors;
- an uninterrupted power supply (UPS) system and alternative energy sources (solar PV) to ensure continued operations during loadshedding and power disruptions; and
- working capital during the time of installations and upgrades.

Based on the positive outcome of assessment and due diligence processes, the NEF in September 2023 approved R2 989 040 in TTF funding (comprising R1 494 520 in TTF grant funding (50%) and R1 494 520 in debt from NEF's Senior Loan Facility). An additional R559 475 in concessional debt was approved under the NEF's Alternative Energy Fund.

### 4.1 Challenges

The owner of the New National Hotel raised concerns regarding the red tape involved in accessing the Tourism Transformation Fund. He informed the Committee that he gave up and abandoned the first application as the red tape was a hindrance to access and the requirements were too cumbersome for small and medium enterprises**.** The property also requires assistance in terms of marketing and promoting the business.

## 5. Visit to Langa Township (Township Tourism)

The Portfolio Committee visited the township of Langa in Cape Town as part of township tourism. The purpose of the visit was to visit some of the products and tourist attractions visited by tourists in the township.

### 5.1 Visit to Khaya le Langa Centre

IKhaya Le Langa, a not-for-profit company, is a place for the young men of Langa to find mentorship, incubation for their ideas, and begin healing trauma with an on-site clinical social worker. The vision of the founder was to implement a model that can be replicated in all townships of South Africa, through the Institute for Sustainable Township Enterprise Development (instead) programme.

### 5.2 Visit to Guga S'thebe Arts and Culture Centre

The Guga S'Thebe Cultural Centre is a public space where communities can come together and enjoy art, design and performance. The centre has six active and tenanted studio spaces, a gathering space, an amphitheatre, an arts and craft shop and a multipurpose theatre. When visiting the crafters studios, the Committee was able to

browse collections of their locally sewn products, pottery, beading, and mosaic works. Ona can also enjoy drumming performances.

The multipurpose theatre was added to the centre in 2015 through shared partnerships, community participation, and social integration. The theatre represents innovative and sustainable design, as it is built out of old shipping containers, recycled wooden fruit crates and locally available building materials like straw and clay.

### 5.3 Visit to the Bridges for Music Academy

Bridges for Music is a non-profit organisation focused on empowering young talent from under-served communities to become creative change-makers, providing 21st century- tools and equipping them with the psychosocial and entrepreneurial skills to thrive in the creative industries.

Bridges Academy in Langa provides safe spaces and holistic learning programs to enhance the creative potential of young people at-risk and facilitating their access to income generating opportunities. Employing a methodology rooted in "Self Determination Theory", they develop resilient, self-aware, and self-efficacious agents of change who are able to transcend the cycles of poverty and trauma that circumscribe them and their communities. The programmes include talent development programme, studio music production and a pioneer pro DJ course. It has produced many young people who are successful in the music industry.

### 5.4 Visit to Langa Dompass Museum

The Langa Dompass Museum in Cape Town offers visitors a poignant tribute to the heroes and victims of apartheid. This historical gem is located in the heart of the township and was established to commemorate its centenary. The once-infamous offices of the Bantu Affairs Administration now serve as a testament to the resilience of the human spirit and an important reminder of the past.

The museum's exhibits cover various topics, from the history of the compass and apartheid laws to the exhaustive list of marches and protests. Upon entering the

museum, visitors find themselves in a former courtroom where individuals charged with apartheid-era crimes face trial. The next room houses a chilling array of original compasses encased in glass cabinets. Finally, walls adorned with photographs of past protests and informative displays about passed laws immerse visitors in a world of struggles and challenges faced by the African community during apartheid.

## 6. Visit to the Look-out Hill Tourism Centre (Khayelitsha)

The Committee visited the Look-out Hill precinct in Khayelitsha, the purpose of the visit was to engage the City of Cape Town and the Department of Tourism regarding the upgrades that have been made on the tourism.

The Lookout Hill Tourism Centre is based in Khayelitsha. The facility was built to be a meeting place between locals and tourists. The centre has many functional areas which include a restaurant, arts and craft hives, information centre, exhibition centre, two amphitheatres and a boardwalk. The boardwalk has 164 steps leading to the summit which is the highest point in the Cape Flats. This creates a platform for panoramic 360º views of the entire metropole. Being framed by the False Bay coastline and the Atlantic coastline, Lookout Hill offers a different view of Table Mountain, making it a valued tourist attraction.

### 6.1 Observations

The Committee made the following observations during the visit to the Centre:

6.1.1 Noted with dismay the absence of the Senior leadership of the Municipality to account and give answers to the Committee;

6.1.2 Felt undermined that the municipality opted to send junior officials without any formal presentation or detailed information on the Centre;

6.1.3 Noted that the Centre was a white elephant, that is not used by communities and tourists;

6.1.4 The arts and crafts facilities were locked and not occupied for years, the boardwalk has been out of use since 2010, and the state of infrastructure is dilapidated;

6.1.5 The roof and other upgrades that were done by the Department of Tourism are also in a state of decay, and left to deteriorate because there was no caretaker in the facility;

**6.2 Resolution**

The Committee resolved that it would convene a meeting in Parliament and invite the Western Cape Provincial government and the City of Cape Town to account on the state of tourism infrastructure in the townships.

## 7. Meeting with Stakeholders in the City of Cape Town

The stakeholders that attended the meeting were mainly tour operators from the communities of Langa, Mitchells Plain and Khayelitsha. These are small and medium enterprises operating in the business transport, accommodation and tour guides. Some of the key concerns raised by stakeholders included; lack of platforms to engage the provincial and municipality, the lack of consultation in the decision to outsource the management of Khayelitsha Look-out Hill, lack of support for small and medium enterprises in the townships, no investment in township tourism, neglect and lack of maintenance of tourism attractions in townships and lack of marketing and promotion of townships in the main tourism publications of the City of Cape Town.

## 8. Observations and findings

Having conducted oversight visits to the projects implemented by the Department of Tourism, and having assessed the state of tourism infrastructure and township tourism in the Western Cape Province, the Committee made a number of observations. With regard to enhancing township tourism, the Committee in the 7th Parliament, has prioritised tourism development in Villages, Townships and Small Dories/Towns (VTSDs).

The Committee regards township tourism as an integral part of unique tourism offerings in South Africa, albeit being neglected with regard to infrastructure development, marketing and maintenance of heritage sites in townships. The

Committee observations across various aspects of tourism development and marketing in the Western Cape are categorised as follows:

**Observations in relation to Cape Agulhas National Park**

8.1 A value for money and well implemented infrastructure project

The Committee commends the Department for a job well done in implementing the Cape Agulhas National Park. It was pleasing for the Committee to witness an infrastructure project that is perfectly implemented, justifying the value for money. The Committee can attest that the taxpayers' money was well spent on this infrastructure project. The project entailed two phases. Phase 1 entailed the enhancements at the Agulhas National Park which focussed on the construction of the iconic Map of Africa monument, construction of 1 km road, rehabilitation of the terrain and the re-alignment of the boardwalk and was completed in 2018 with a budget of R14 million. Phase 2 which was funded by R54.7 million included the Lighthouse Precinct Project which commenced in commenced in 2017, with a 60-seater ocean view restaurant, a reception area, an interpretive centre, a curio shop, vendor stalls, paving and walkways and a conference facility

8.2 A catalytic project

The Committee considers the Cape Agulhas National Park infrastructure project as a catalytic project that will attract more investors into building more infrastructure projects in this destination. If that were to happen, the investment made by the Department at Cape Agulhas would have served as a springboard for local economic development in the area. The Department is urged to ensure that future infrastructure projects are carefully selected to serve as catalysts for further local economic development opportunities in various destinations.

8.3 Community beneficiation and empowerment

It was encouraging for the Committee to learn that 88 local people were employed during the construction of phase 2 of the project and that of these, 62 were women and 52 youth. All the facilities were properly implemented and are either already being used by the tourists or ready to be operated. The Committee was also pleased to learn that the project involved transfer of skills to the local people and that these skills were of such a value that the local beneficiaries can use them in other independent infrastructure projects. This will ensure sustainable job creation and future prospects for either working as self-employed entrepreneurs or being employed in other high value infrastructure jobs. In addition, the Committee was delighted to learn that SANParks has entered into a public-private partnership with a company that will be operating the restaurant as of March 2026. All the necessary agreements have been signed, and the operating company was said to begin setting up its operation in the near future. The Committee also learned that the Minister of Tourism will officially hand over the facilities to SANParks in March. The Committee urges the Department to use the experiences and insights acquired in implementing the Cape Agulhas National Park infrastructure project in all its future endeavours of infrastructure delivery.

8.4 Unique location and value proposition

The Committee observed that the Cape Agulhas National Park is located in a unique location which is officially declared as a confluence of the Indian and Atlantic Oceans. In addition, this, the Cape Agulhas National Park is officially declared as the southernmost tip of Africa. The location of this national park provides a unique value proposition and unique selling point for this attraction as a tourism destination. On the day of the oversight visit, the Committee witnessed a hive of tourism activities with tourists engaging in sight-seeing and climbing the 71 steps of the 178-year-old Lighthouse that was constructed in 1848. The Committee also took time to engage in the local tourism activities such as walking on the Boardwalk that was constructed during the phase one of the project, with picturesque ocean views and climbing the Lighthouse all the way to the summit. This presented the Committee with valuable insights into the project and its potential if properly marketed. The Committee is of the view that the Cape Agulhas National Park can become a more popular attraction if

South African Tourism and SANParks were to collaborate in marketing this unique attraction.

**Observations in relation to the Arniston Spa Hotel**

8.5 Impact of the Green Tourism Incentive Programme

The Committee has taken a deliberate decision to conduct oversight on infrastructure projects, not only focussing on the Working for Tourism infrastructure projects implemented through the Development Bank of Southern Africa, but to include the entire suite of infrastructure related projects implemented through various programmes of the Department. It was therefore a pleasure for the Committee to visit the Arniston Spa Hotel which benefited from the Green Tourism Incentive Programme (GTIP). The Committee observed the impact made through the GTIP grant funding for installing energy efficiency systems at Arniston Hotel. The Committee witnessed for itself the panels installed at the hotel and the generation of electricity through these installations. The Committee was pleased to learn from the hotel owner that the GTIP installations have assisted the hotel in reducing its annual electricity utility costs, and that the hotel operates at almost full occupancy rate throughout the year. The Committee made a deliberate decision to stay overnight at Arniston as one of the departmental beneficiaries to conduct oversight on the impact of the interventions. The Committee can report that it had a pleasant stay at Arniston Spa Hotel, was highly pleased with the tourism activities at the hotel on the day of the oversight visit as the hotel was almost fully booked, and there were international and domestic tourists enjoying themselves on various facilities offered by the hotel and swimming at the pristine beach at the doorstep of this facility.

8.6 Red tape in accessing Green Tourism Incentive Programme

Despite the positive impact made by the Green Tourism Incentive Programme, Mr Robert HAarburger, the owner of the hotel painstakingly expressed to the Committee the frustrations he went through in trying to access funding. He explained that he had to make the application twice as he had given up on the first instance as the application process was onerous and not user-friendly. After making the application,

the Department kept demanding various compliance documents, the process was not seamless, and the person handling applications was not client or customer oriented. And he decided to abandon the application. He later applied and a new person handled the application. The process was still the same, but the person handling the application was more amenable. He raised an issue with the grant funding being capped at R1 million as he would have loved to install more solar panels and generate more energy for the hotel. He told the Committee that he wondered how the small players in the tourism sector were treated when he experienced such a level of red tape in accessing the fund being a relatively established hotel owner. He pleaded with the Committee to engage the Department to eliminate the red tape and increase the grant funding from R1 million.

**Observations in relation to the New National Hotel**

8.7 Mixed bag of observations

The Committee conducted an oversight visit to the New National Hotel in Parow which is a beneficiary of the Tourism Transformation Fund (TTF). The New National Hotel is hundred percent owned by Mr Carl Burger who purchased and renovated the facility in 2015 through own funding and a bank facility. The Committee heard the story of the humble beginnings and the tenacity of the owner in navigating the difficult application managed by the National Empowerment Fund (NEF).

Similar to the experience of the owner of the Arniston Hotel, Mr Burger highlighted to the Committee the negative attitude displayed by the NEF officials in processing his application. The Committee heard that the NEF behaves as if they do not want to grant applicants the Tourism Transformation Fund. The Committee learned that there is too much red tape in the application process and it is almost nearly impossible for applicants to access funding. Whilst appreciating the assistance received through the TTF, Mr Burger expressed mixed feelings about the application process. He pleaded with the Committee to engage the NEF to relax the qualifying criteria for accessing the TTF and to ensure that small tourism players are assisted through the entire application process.

8.8 Impact of the Tourism Transformation Fund

Despite misgivings about the application process, the Committee learned from Mr Burger that the Tourism Transformation Fund has assisted his business immensely. Through TTF, renovations were made to the hotel and new rooms and conference facilities were added to the facility. The hotel now has diverse offerings as it serves as a major small events and meetings venue, corporate clients, sport and leisure groups. Having been built in the 1070s, the Committee witnessed the amount of work done in renovating the hotel and the efforts to customise it for the modern markets. With the injection of the TTF, the hotel was able to increase the number of employees, thus creating sustainable job opportunities.

8.9 Tourist safety

The Committee observed that the hotel is located in a busy Voortrekker Road which might be a challenge with safety and security for tourists. However, the Committee learnt that the New National Hotel is affiliated to a local safety forum that has been instrumental in ensuring that there are no crime incidents committed against tourists.

**Observations with regard to township tourism**

8.10 There is appalling neglect of township tourism in the Western Cape townships.

8.11 In the townships visited, the Department of Tourism and South African Tourism do not provide tourism development and marketing support.

8.12 The township tourism operators, such as crafters and artists, are not fully informed about the suite of support services available at the Department of Tourism and South African Tourism.

8.13 The role of the local tour operators and the opportunities they present in tourism development in the Western Cape and Cape Town are not fully incorporated in the tourism development and marketing campaigns, websites and documentation at a local level, and are not fully optimised.

**Observations in relation to Langa Township Tourism**

8.14 A balanced township tourism experience

The Committee was amazed by the variety of township tourism activities happening at Langa township. the Committee embarked on a walkabout in Langa township to conduct oversight visit to various tourist offerings. The following were observed by the Committee:

(i) Guga S'thebe Centre as an example of good township tourism facility

The Committee observed that the Guga S'thebe Centre is a hive of arts and culture activities that anchor the tourist experience of Langa township tourism. At this Centre, the Committee interacted with various resident artists who produce authentic local art that is customised for the tourism market. There are various workshops that produce high quality artefacts, such as pottery, beadwork, paintings, clothing items and others. The Committee was encouraged by the enthusiasm and diligence that the communities place on ensuring high quality authentic products. The Committee was also afforded an opportunity to participate in a group drumming session, which is one of the popular tourist activities at Guga Sithebe.

(ii) Well-maintained historical landmarks

The Committee was impressed by the state of the Langa Heritage Museum which preserves the history of the township. The Committee was taken through the history of the township and the role played by the residents during the apartheid era. Notably, the Langa Heritage Museum is well maintained and clean, and at the time of the oversight visit, there were international tourists being taken through the tour by the

local tour operator. This was evidence of what township tourism can achieve if properly supported.

(iii) Potential for Bridges Academy as a tourist experience

One of the hidden gems of Langa tourist experience is Bridges Music Academy. The Committee learned that the Bridges Academy in Langa provides safe spaces and holistic learning programs for leaners. The Committee was informed that th ethos for the academy is that everyone is equal. The leaners are called Creatives, and they share the same meals and same spaces with their teachers. The Committee was given a tour of the facility, including the recording studio, which provided a sense of what Creatives produce. The Committee is of the view that the Bridges Academy should be supported by the Department of Sport, Arts and Culture and be incorporated into the entire Langa township tourism experience.

(iv) Need for the involvement of the Department of Sport, Art and Culture

Township Tourism in Langa is rooted in arts, culture and historical landmarks. The community is doing everything by themselves without any involvement of the Department of Tourism and the Department of Sport, Art and Culture. There is a dire need for the involvement and collaboration of these two departments in tourism infrastructure development and marketing of Langa township. The Langa Township has a huge potential if the community endeavours will be supported by targeted government interventions.

(v) Lack of government and private sector support

The Committee is cognisant that tourism in South Africa operates in model that is government-led, private sector-driven, and community based. What the Committee witnessed at Langa is that there is lack of government support at both provincial and city level to the community of Langa. The local communities are doing everything for themselves with little help from government. The Committee was also informed by the local tour operators that the established tourism private sector operators discourage tourists from coming to Langa, citing issues of safety and security for

tourists. This is a serious cause for concern for the Committee as the big private sector operators should be partnering with small township players to ensure transformation of the sector.

**Observations in relation to Khayelitsha Lookout Hill Tourism Centre**

8.15 Decline of tourism activities

The Committee observed that the Lookout Hill Tourism Centre has lost its status as a tourism hub. The centre was previously a hive of tourism activity for both international and domestic tourists. However, it was reported to the Committee that the precinct started declining around 2010 and has since become a proverbial White Elephant. The Boardwalk to the Lookout Hill was condemned and declared unsafe for tourists and local residents. The challenge of the closure of the Look-out Hill was observed as a serious challenge that has led to the area being taken off tour itineraries. This is due to neglect and lack of maintenance of the boardwalk. The heritage sites operate on government office hours, not considering tourism imperatives. The Lookout Hill was the main attraction for Khayelitsha, however, its current status has rendered this attraction unappealing to foreign and local tourists. As such, the precinct has been rendered useless to the local tour operators and thus decrease the contribution of this facility to local economic development. At the time of the oversight visit, there was only one tenant who rented the facility as a tour operator, and other spaces in the precinct are vacant. The craft stall has been closed since COVID -19 and they never returned to operate in the precinct.

8.16 Lack of facility maintenance

It was observed that the facility is not responsibly managed and maintained. There is no facility manager and on the day of the oversight visit, the manager’s office was locked. It was reported to the Committee that the precinct has been without an office

manager for some time. The Committee saw that, and the following issues were observed:

- the Boardwalk to the Lookout Hill is broken and unusable such that the Committee could not climb up as initially planned,
- the precinct is overgrown with weeds,
- the water pipes have burst and are leaking,
- the section of roof was blown away by the wind and birds are nesting inside the rented space, with bird droppings everywhere,
- there is no resident security to safeguard the precinct,
- the walls are not painted, and the place is not appealing as a tourism hub.

The Committee received conflicting information about the future maintenance of the precinct. The City of Cape Town said they intend to remove the entire roof as they deem it not a proper architectural design for the Cape Town weather conditions, especially it being prone to wind damage. On the other hand, the Department of Tourism said the roof is still under the three-year warranty since the project was completed in 2023. In this regard, the Department of Tourism will call the contractor back to the site to repair the damages caused by wind to the roof. These two contradicting commitments by the City of Cape Town and the Department of Tourism left the Committee unsure about the future structural maintenance of the precinct.

8.17 False marketing

Contrary to what was observed on site, when researching information about the Khayelitsha Lookout Tourism Hill Centre, the Committee realised that in its website page, the City of Cape Town says the following about the Khayelitsha Lookout Hill Tourism Centre:

*“ Khayelitsha Lookout Hill Tourism Centre is based in Khayelitsha. The facility was built to be a meeting place between locals and tourists. The centre has many functional areas which include a restaurant, arts and craft hives, information centre, exhibition centre, two amphitheatres and a boardwalk. The boardwalk has 164 steps leading to the summit which is the highest point in the Cape Flats. This creates a*

*platform for panoramic 360º views of the entire metropole. Being framed by the False Bay coastline and the Atlantic coastline, Lookout Hill offers a different view of Table Mountain, making it a valued tourist attraction."*

The information listed in the City of Cape Town website pages is grossly misleading as all the listed attributes of the precinct are non-existed or dysfunctional. This information may be used by potential international and domestic when considering a Cape Town holiday, only to be disappointed when arriving at the attraction. This information is not good for tourism in the City of Cape Town and for South Africa as a destination.

8.18 Poor signage and lack of proper marketing

The general acceptable norm for marketing tourist attraction is branding. The Committee observed that there is no signage in and around the Khayelitsha Tourism Lookout Centre. This makes the precinct obscure to the potential local and international tourists. The place is not branded as a tourism hub and there is nothing that is a wow factor attracting the tourists to the precinct. The precinct is also not marketed at local and international trade shows to increase the feet volume to the place. At the meeting held with the City of Cape Town officials, a destination brochure was distributed to the Committee. This brochure markets attractions offered by the City of Cape Town. However, there is nothing mentioned about the Khayelitsha Tourism Lookout Centre, nor township tourism offerings in the Western Cape, and Cape Town in particular. The Committee considered this as a serious omission given the potential of township tourism within the City of Cape Town.

8.19 Untapped benefits for good location

It was apparent to the Committee that Khayelitsha township is evolving and growing as tourist attraction for domestic market. The Khayelitsha Lookout Centre is strategically located in the middle of the Spine Road that is evolving as an important tourist attraction, with various local economic activities such as restaurants which offer local cuisine and a number of nightlife establishments. The precinct is also located as a strategic position that connects Khayelitsha with potential tourists that

enter the City of Cape Town through the main routes such as N1 and N2 which are good national roads. The precinct is also only 20 kilometres away from the Cape Town International Airport, which makes it an appealing attraction at the entrance of Cape Town. However, this potential is not fully actualised due to neglect and poor marketing.

8.20 Concerns about proposed repurposing of the precinct

The Committee learned from the officials of the City of Cape Town that plans are afoot to repurpose the Khayelitsha Tourism Lookout Hill Centre as a rented office space. Information was shared with the Committee that a company called Workshop 17 has been appointed to occupy and manage the facility according to it business model. The precinct will now be a mixed-use facility, but mainly as office space for digital nomads who want to rent working space next to the airport to avoid travelling to the city centre or to places like waterfront. The Committee was told that January was the last month for the tenants who are renting the space, including the tour operator currently on site.

In the stakeholders meeting, the tourism operators in Khayelitsha indicated that they did not approve of the model being adopted by the City of Cape Town. They indicated that they were not in favour of appointing Workshop 17 to operate the precinct, and that they would rather have the precinct renovated and revamped as a tourism hub.

The proposed operating and management model for the precinct poses a challenge for the Committee as the facility was initially built as a tourism hub and the Department of Tourism has funded this facility based on it being a tourism hub. In this context, the Committee wants to have further engagements with the City of Cape Town authorities to receive a full briefing on the proposed future plans for the Khayelitsha Tourism Lookout Hill Centre.

## 9. Recommendations

Having made various observations in the oversight visit conducted in the Western Cape province from 27 to 30 January 2026, the Committee recommends that the Minister of Tourism must:

**Generic recommendations**

9.1 Engage the Western Cape provincial government, WESGRO, the City of Cape Town, and Cape Town Tourism to include township tourism in their tourism development and marketing strategies and provide funding for township tourism in the province and City of Cape Town in particular.

9.2 Utilise the Cape Agulhas Lighthouse Project successful implementation as model for all future infrastructure projects.

9.3 Consider creating a phased approach for implementation of the Green Incentive Tourism Programme (GTIP).

9.4 Eliminate red tape and simplify the qualifying criteria for the Green Incentive Programme.

9.5 Eliminate red tape and simplify qualifying criteria for the Tourism Transformation Fund.

9.6 Increase the Green Incentive Tourism Programme grant funding from R1 million and grant phase 2 funding for the establishments that have successfully implemented the programme.

9.7 Instruct the South African Tourism Board to develop a National Township Tourism Marketing Strategy.

9.8 Develop a National Township Tourism Development Strategy and Action Plan geared towards harnessing the tourism potential of townships with a tourism destination potential.

9.9 Develop a National Cruise Tourism Strategy that accrues local tourism benefits to all major coastal cities in the country.

9.10 Conduct awareness workshops to the townships about all the departmental support programmes to increase intake by locals to funding support in programmes such as the Market Access Support Programme, Tourism Transformation Fund, Tourism Equity Fund, Grading Support Programme, Green Tourism Incentive Programme and others.

9.11 Implements the Tourism Ambassadors Programme in a balanced way and include all townships with tourist destinations through deployment of safety monitors to various tourist attractions.

9.12 Engage the Board of South African Tourism to assist township tour operators to and township tourism associations to put together viable township tour packages that are appealing to tourists and viable for small businesses.

9.13 Ensure that the Department signs a Memorandum of Agreement with all beneficiaries that receive funding for infrastructure projects with regard to maintenance and operation of facilities.

9.14 Develop a single, streamlined digital portal - a Tourism SMME Hub that consolidates all national and provincial funding applications, market access programs, and grading support into a single, accessible interface to empower small businesses and dismantle bureaucratic barriers.

9.15 Ensure that the Programme 3 of the Department: Destination Development, works closely with the Western Cape Province and City of Cape Twon on township tourism to ensure that they become tourist attractions that will serve as an anchor to tourism in the province.

9.16 Engage the Western Cape government and City of Cape Town to ensure that Municipalities maintain heritage sites that fall under their jurisdiction.

**Recommendation in relation to Cape Agulhas Lighthouse Project**

9.17 Ensure that at handover, there is a maintenance programme developed by SANParks, including the continuous maintenance of the Boardwalk constructed during Phase 1 of the project.

**Recommendations in relation to Arniston Hotel**

9.18 Fund phase 2 at Arniston Hotel to maximise the impact of the GTIP intervention.

9.19 Consider Arniston Hotel for the Market Access Programme to maximise impact of support programmes offered by the Department.

**Recommendations in relation to New National Hotel**

9.20 Consider New National Hotel for the Market Access Programme to maximise impact of support programmes offered by the Department.

**Recommendations in relation to Langa Township Tourism**

9.21 Engage the Minister of Sport, Art and Culture to collaborate with the Department of Tourism in developing tourism infrastructure at Langa township.

9.22 Instruct the South African Tourism Board to include Langa Township in their marketing campaigns.

**Recommendations in relation to Khayelitsha Township Tourism**

9.23 Engage the Western Cape government, WESGRO, City of Cape Town, Cape Twon Tourism to create conducive tourism development environment and

marketing for township tourism to ensure that tourism thrives at Khayelitsha, given that tourism is a concurrent function with roles bestowed to all levels of government by the Constitution of South Africa.

9.24 Engage the City of Cape Town about its imminent plans to hand over the operations and management of Khayelitsha Lookout Hill Tourism Centre to Workshop 17 to fully understand the future plans of the City about this facility.

9.25 Engage the City of Cape Town to develop a Sustainability Plan for the Khayelitsha Lookout Tourism Centre that ensures that the precinct does not lose its initial intended purpose as a tourism hub.

9.26 Engage the City of Cape Town to ensure that the current tour operator tenant is not evicted from the precinct by Workshop 17 and that the City sources and supports more tourism business tenants at the Khayelitsha Lookout Tourism Centre.

9.27 Engage the City of Cape Town to ensure that the Boardwalk to the Lookout Hill is immediately fixed and reopened to the tourists and residents as its' panoramic view is the major tourist attraction at Khayelitsha.

9.28 Engage the Ministers of Basic Education and Higher Education & Training to review the tourism curriculum offered at high schools. TVET colleges and universities for it to be aligned with the industry needs and ever-changing trends in the tourism sector.

9.29 Engage the Ministers of Basic Education and Higher Education & Training to consider a possibility of reintroducing school tours as this will introduce South Africans to their country at a young age and inculcate the culture of domestic tourism which is a backbone of all thriving mature destinations.

9.30 Engage the Khayelitsha Tourism Association and work with the City of Cape Town to find ways of bringing back the crafters who used to work at the Lookout Tourism Centre before COVID 19 and assist them to reopen their businesses.

9.31 Must engage the City of Cape Town to clear the confusion about whether it is the Department that will bring back the contractor or the City of Cape Town that will be responsible for the repairs and structural maintenance of the roof.

9.32 Engage the City of Cape Town to ascertain if the City intends to remove the current roof and construct a new one based on a new structural design to accommodate Workshop 17 as presented to the Committee by the officials of the City.

9.33 Ensure that the Department does not fund any further work or maintenance at the Khayelitsha Tourism Lookout Centre if the City of Cape Town will be repurposing the centre for non-tourism related functions.

9.34 Engage the City of Cape Town to appoint a Facility Manager and have permanent security staff to provide continuous maintenance and security at the Lookout Tourism Centre.

Report to be considered.

## 2. Report of the Portfolio Committee on Communications and Digital Technologies on the Oversight Visit to Gauteng Province from 27 to 29 January 2026, dated 10 March 2026

### 1. Executive Summary of the Oversight Visit

The Portfolio Committee on Communications and Digital Technologies conducted an oversight visit to Gauteng Province from 27 to 30 January 2026 to assess governance, financial management, institutional stability, and service delivery across key entities within the Department of Communications and Digital Technologies (DCDT) portfolio, namely the Media Development and Diversity Agency (MDDA), the Universal Service and Access Agency of South Africa (USAASA) and the Universal Service and Access Fund (USAF), and Broadband Infraco SOC Limited (BBI).

The oversight engagements revealed systemic governance and leadership challenges across the entities, albeit with differing underlying causes and levels of severity. While some progress has been made in improving audit outcomes and operational controls, these gains have not consistently translated into institutional stability, staff confidence, or sustained delivery on developmental mandates.

At the MDDA, the Committee found a severe breakdown in Board governance, characterised by persistent conflict, allegations of misconduct, and the destabilising conduct of a dissenting Board member. This governance dysfunction has negatively affected staff morale, organisational culture, and internal trust. Notwithstanding these challenges, the Committee observed improvements in audit outcomes and aspects of operational performance. However, the Committee concluded that the Agency's institutional stability remains at risk unless decisive interventions are undertaken to restore Board cohesion, protect executive authority, and address long-standing human resource and labour-relations weaknesses.

The engagement with USAASA and USAF highlighted chronic leadership instability, weak financial controls, and prolonged uncertainty arising from the delayed disestablishment and transition to a proposed Digital Development Fund (DDF). Recurring audit qualifications, unresolved irregular expenditure, capacity constraints, and systemic failures in the management of the Digital Migration Programme, particularly in the distribution and audit of Set-Top Boxes, were of serious concern. The Committee found that the absence of clear timelines, inadequate communication with staff, and extensive reliance on acting appointments

have undermined morale and operational effectiveness, directly impairing the Agency's ability to fulfil its universal access mandate.

The oversight visits to Broadband Infraco confirmed the entity's strategic importance to South Africa's broadband and digital inclusion objectives, supported by a strong and scalable national and international fibre network. The Committee acknowledged significant improvements in governance and audit outcomes. However, BBI remains in severe financial distress, with accumulated losses, negative equity, and structural constraints arising from policy indecision, fragmented state ownership of digital infrastructure, and an uneven competitive environment involving other state-owned entities. The Committee concluded that without urgent shareholder and Cabinet-level intervention, the sustainability of Broadband Infraco's mandate is at risk.

Overall, the Committee determined that the challenges identified across the three entities cannot be resolved solely through internal operational measures. They require decisive political, shareholder, and policy interventions, strengthened oversight, stabilised leadership, improved coordination across the state digital ecosystem, and clear communication with affected employees. The Committee emphasised that restoring governance stability and institutional credibility is essential to safeguarding public resources and ensuring the effective and urgent realisation of the developmental objectives of digital inclusion, universal access, and broadband connectivity.

## 2. Committee Delegation

The Delegation comprised ten (10) Members and six (6) Support Staff Members.

| Name | Designation | Organisation |
|---|---|---|
| Ms KLN Sangoni | Chairperson and Leader of the Delegation | African National Congress (ANC) |
| Mr SI Subrathie | Member of the Committee | |
| Mr OM Mathafa | Member of the Committee | |
| Ms TK Bodlani | Member of the Committee | Democratic Alliance (DA |
| Ms Singh | Member of the Committee | |
| Mr Ngobese | Member of the Committee | Inkatha Freedom Party (IFP) |

| | | |
|---|---|---|
| Ms S Gcilishe | Member of the Committee | Economic Freedom Front (EFF) |
| **Apologies**<br>Mr Mrara<br>Mr CV Shongwe<br>Mr A Nchabaleng | Member of the Committee | African National Congress uMkhonto we Sizwe Party (MKP) |
| **Support Staff** | | |
| Mr M Erasmus | Committee Assistant | Parliament |
| Dr J Medupe | Content Advisor | Parliament |
| Mr M Maleka | Content Advisor | Parliament |
| Mr K Xulu | Researcher | Parliament |
| Mr T Ngoma | Committee Secretary | Parliament |
| Ms H Salie | Committee Secretary | Parliament |
| Mr J Molafo | Communications Officer | Parliament |

## 3. Meeting with Media Diversity and Development Agency (MDDA)

### 3.1 Introduction

The Committee Chairperson opened the engagement by outlining the Parliament's responsibility to ensure that public entities operate within the law and uphold the highest standards of accountability and transparency. The Chairperson indicated that concerns regarding the CEO appointment, the Board's internal conflicts, the alleged irregularities raised through whistle-blowing, and the potential deterioration of MDDA's organisational culture compelled the Committee's visit. The Chairperson also reminded all at present that the engagement was not adversarial but aimed at restoring institutional stability.

The Board Chairperson welcomed the Committee and confirmed the presence of Board members, including one attending online. He acknowledged the seriousness of the issues raised and provided preliminary assurances that the Board was prepared to address them fully and transparently.

### 3.2 Presentation by the Board Chairperson

The Board Chairperson began by addressing the central controversy surrounding the CEO's appointment. He explained that the Board followed due process in line with the MDDA Act, secured ministerial concurrence and Cabinet noting, and maintained that the appointment was

lawful. While the Auditor-General raised preliminary questions during the audit management process, they were adequately addressed and did not form part of the final audit findings. The Chairperson emphasised that the matter had since escalated to court, not by MDDA's initiative, but because an external individual who had not participated in the CEO recruitment process sought to challenge the appointment. The Board stated its intention to defend the matter vigorously.

The Chairperson then described significant governance instability within the Board, attributing it primarily to the conduct of one Board member. According to the Chairperson, this individual routinely personalised governance debates, made inflammatory and racially charged remarks, openly undermined the authority of the CEO, interfered in operational matters, and frequently attacked fellow Board members. Several examples were cited, including accusations that the Agency was being "Indianised," attempts to interfere in disciplinary processes, the circulation of confidential materials, and direct intimidation of staff and management. The Chairperson explained that the Board had previously written to the Minister requesting the member's removal.

The Chairperson further addressed disciplinary matters, particularly regarding historic prepayment irregularities. He explained that two senior staff members had been disciplined, with divergent outcomes resulting from decisions by independent chairpersons. He also alleged that the same dissenting Board member had interfered in these processes, despite lacking authority to do so.

Finally, the Chairperson stressed the impact of these disputes on the Agency's image and internal climate. He indicated that, while operational performance had not collapsed, the Board's inability to function cohesively had caused ongoing reputational harm and placed the organisation under unnecessary strain.

**3.3 Submission by other Board Members**

One Board Member presented an alternative perspective on the CEO appointment. He raised concerns about the recruitment process, indicating that the criteria may have been amended during the process and that competency assessments were not conducted in a manner he considered appropriate. He further stated that a legal opinion previously obtained supported his interpretation and that this opinion had not been adequately considered. In addition, he expressed concerns about the way disciplinary processes were managed under the CEO's leadership, which he found inconsistent. He also conveyed that he had been adversely affected

by raising governance-related concerns and suggested that certain governance shortcomings had not been fully addressed.

The Board member's submission was detailed and exceeded the time allocated for the engagement. Several of the matters raised are currently subject to judicial proceedings, which have limited the Committee's ability to engage with them in detail.

Other Board members responded to the issues raised and expressed support for the Chairperson's account. They indicated that interactions within the Board had, over time, become increasingly challenging and had affected the Board's functioning. Reference was made to instances of conduct that some members regarded as inappropriate, including the use of strong language and personal remarks, and concern was expressed about the impact of these dynamics on Board cohesion. Members further noted that the focus on these matters had, in their view, detracted from the Board's core responsibilities and posed risks to the institution. Several Board members stated that they did not share the view that the CEO lacked competence.

### 3.4 Input from the CEO

The CEO acknowledged the strain caused by the persistent conflict within the Board. She stated that certain interactions with the dissenting member had been deeply uncomfortable, inappropriate, and at times intimidating. She confirmed that despite these tensions, the MDDA had strengthened its audit performance and improved operational delivery. However, she noted that staff morale had been significantly affected by the ongoing instability and that persistent interference in management processes hampered her ability to exercise her delegated authority effectively.

### 3.5 Engagement with the MDDA Staff

The Committee held extensive engagement with MDDA staff, deliberately excluding Board members and executives to create a safe environment in which employees could speak freely without fear of victimisation. During this session, staff expressed deep-seated concerns about the organisation's state. Many described a sustained breakdown in internal communication and a pervasive sense of mistrust between staff, management, and the Board. They highlighted what they viewed as an inconsistent application of human resources policies, particularly regarding job evaluation processes, remuneration adjustments, and the allocation of acting appointments.

Several employees spoke of perceived favouritism and fragmented leadership practices that, in their view, had contributed to a decline in morale and left parts of the organisation feeling

divided. Others raised concerns about the Agency's increasing reliance on outsourcing functions that staff believed could be competently performed internally, arguing that this practice not only created financial inefficiencies but also diminished internal capacity.

Several staff members described experiences they regarded as unfair labour practices, including allegations of victimisation, questionable suspensions, and dismissals later overturned at the Commission for Conciliation, Mediation and Arbitration (CCMA) or in the labour court. They also pointed to long-standing, unresolved human resources matter, including pension fund administration, medical aid contributions, and delays in addressing employee grievances.

Underlying many of these concerns was a deeper anxiety about the broader governance instability within the Agency. Staff indicated that internal factionalism and persistent Board-level disputes were filtering down into the organisation, directly affecting their day-to-day work and overall well-being.

The Committee noted the depth of staff's frustration and recognised that these issues collectively pointed to systemic management and governance failures that required urgent and decisive intervention.

**3.6 Conclusion from Engagements with MDDA**

The oversight engagement revealed deep-seated governance challenges within the MDDA, driven largely by a breakdown in Board relations and allegations of serious misconduct. Although the Agency's operational and audit performance shows signs of improvement, its institutional stability remains under significant threat. The Committee is committed to ensuring that appropriate corrective action is taken and that the MDDA is supported in restoring an environment conducive to fulfilling its mandate to advance media development and diversity.

The staff engagement provided the Committee with an unfiltered, critical perspective on the internal climate at the MDDA. It became evident that many of the employees' frustrations stem from long-standing weaknesses in leadership, governance, and human resources that have compounded over several years. While individual grievances varied, the overarching theme was a pervasive sense of mistrust, instability, and inconsistent management practices that have impaired staff morale and affected the Agency's overall functionality.

The Committee concluded that the issues raised by staff are neither isolated nor superficial; rather, they reflect deeper structural shortcomings that require urgent and coordinated

intervention. The testimonies provided a valuable counterbalance to the presentations by management and the Board, enabling the Committee to build a fuller, more accurate understanding of the challenges facing the MDDA.

Importantly, the engagement reaffirmed the critical need to restore confidence in leadership, strengthen communication channels, rebuild internal cohesion, and ensure that the Agency's working environment supports rather than hinders its mandate. The Committee underscores that stabilising the MDDA will require not only technical corrective measures but also a deliberate effort to address organisational culture and repair damaged relationships across all levels of the institutions.

**3.7 Committee Observations**

The Committee noted that:

- a severe breakdown in governance within the MDDA Board, marked by persistent conflict and the Board's inability to function cohesively;
- the legality of the CEO's appointment had been addressed through the proper processes and that the matter now rests with the courts for final determination;
- allegations of racism, sexism, intimidation and personalised attacks among Board members to be deeply troubling and indicative of conduct unbecoming of a public entity's governance structure;
- staff morale had deteriorated significantly as a direct result of the Board's and Executive management's instability and ongoing disputes;
- despite the governance challenges, the Committee observed that the MDDA had demonstrated improvements in operational delivery and audit outcomes;
- a significant trust gap exists between staff and leadership, caused by prolonged unresolved HR conflicts and irregular management approaches;
- a pattern of high litigation costs, repeated disciplinary actions, and CCMA overturns suggests systemic weaknesses in internal HR processes;
- staff reported feeling unsafe, unsupported, and marginalised, especially when raising concerns, contributing to a toxic organisational culture;
- outsourcing functions that could be performed internally has weakened institutional capacity and caused resentment among qualified employees; and
- instances of staff dissatisfaction have been identified and are having an observable effect on the organisation's working environment.

### 3.8 Recommendations

The Committee recommends that the Minister should:

- provide an independent intervention to restore stability and improve cohesion between the Board, Executive Management and Staff Members, and report progress to the Committee within 6 months of the adoption of this report;
- ensure that the Board undertake a mandatory governance refresher course focused on fiduciary responsibilities, ethical conduct, and adherence to governance boundaries, and report to the Committee within 90 days of the report's adoption;
- ensure that the Board takes formal measures to prevent interference and intimidation of the CEO and ensure she can effectively perform her duties and report back to the Committee within 30 days of the adoption of this report;
- ensure that the MDDA submit a comprehensive breakdown of all legal costs incurred over the past 3 years and expedite the resolution of ongoing litigation to limit financial exposure, with a report to be provided within 30 days of the adoption of this report;
- ensure that the MDDA commissions an independent organisational climate assessment to evaluate staff morale, identify corrective actions, and report to the Committee within 90 days of the adoption of this report;
- ensure that the Board submit a comprehensive governance improvement plan within 90 days, with quarterly progress reports to the Committee on governance reforms, audit implementation, operational matters, and litigation;
- appoint an independent labour-relations expert to review all outstanding HR grievances, suspensions, dismissals, and CCMA matters from the last five years and report back to the Committee within 6 months of the adoption of this report;
- ensure that the MDDA formalises a structured internal communication plan to rebuild trust and transparency between staff and management and report back to the Committee within 6 months of the adoption of this report;
- ensure that an external change-management intervention is prioritised to stabilise organisational culture and rebuild cohesion and report back to the Committee within 6 months of the adoption of this report;
- ensure that the MDDA urgently reviews all outsourced functions to determine which can be reintegrated internally to build long-term capacity and report back to the Committee within 90 days of the adoption of this report; and

- ensure that a full audit of HR policies, acting appointments, and recruitment processes is conducted to ensure consistency, fairness, and compliance, and report back to the Committee within 6 months of the adoption of this report.

## 4. Meeting with Universal Service and Access Agency of South Africa and Universal Service and Access Fund (USAASA/USAF)

### 4.1 Introduction

The Portfolio Committee on Communications and Digital Technologies undertook an oversight visit to the Universal Service and Access Agency of South Africa (USAASA) and the Universal Service and Access Fund (USAF) on 28 July 2026. The purpose of the engagement was to evaluate the state of governance, financial management, organisational capacity, programme performance, and overall institutional stability of the Agency and the Fund. The Committee also aimed to assess progress on the long-standing restructuring and disestablishment process initiated in 2016, in alignment with the National Integrated ICT White Paper. The meeting was attended by members of the Board, senior management, officials from the DCDT, and the Committee.

### 4.2 Opening Remarks and Background

The Chairperson opened the session by highlighting the Committee's ongoing oversight work focused on governance breakdowns, leadership instability, and systemic weaknesses across several state entities within the communications portfolio. USAASA and USAF were identified as priority entities due to repeated governance failures, operational disruptions, and unresolved audit findings. The Board and management were invited to present an overview of the Agency's performance, current challenges, and future.

The Department contextualised the ongoing uncertainty caused by delays in the disestablishment of USAASA and the transformation of the USAF into a new Digital Development Fund (DDF). Although the process began in 2016, the draft legislation has been repeatedly delayed due to requirements for further cabinet consultations, cross-departmental engagements and alignment with the Public Service and National Treasury frameworks. This prolonged transition has negatively affected staff morale, recruitment, and operational continuity.

### 4.3 Governance and Institutional Stability

The Board reported extensive instability stemming from multiple resignations in 2025, leaving it operating below optimal capacity. The Board currently comprises six members, both executive and non-executive, and is considered interim pending the finalisation of the restructuring process. The Agency inherited an outdated and inefficient Delegation of Authority framework, leading the Board to become overly involved in operational decisions. This created delays, bottlenecks, and confusion over roles and responsibilities. A revised delegation framework is under development to restore the appropriate separation between governance and management.

The Agency's overall institutional performance has declined over recent financial years, with target achievement falling from 100 per cent in 2022/23 to 80 per cent in 2023/24 and 60 per cent in 2024/25. This decline is attributed to leadership instability, staff turnover, and weak administrative capacity. High levels of anxiety among staff were reported, driven primarily by the uncertainty surrounding the future of the Agency and their employment security. The lack of clear communication from management and the Department regarding the disestablishment process has further undermined confidence and organisational cohesion.

### 4.4 Financial Management and Audit Outcomes

The Committee received a detailed account of significant weaknesses in financial management. USAASA received a qualified audit opinion due to its inability to verify travel expenditure, primarily because critical reconciliations were not performed for an extended period. Attempts to obtain confirmations from the travel management company and the Agency's bankers were unsuccessful, revealing long-standing breakdowns in internal financial controls. The Agency's financial environment was further weakened by historic suspensions within the finance unit and by the prolonged use of acting personnel, including instances in which the CFO was available only part-time.

USAF has recorded recurring audit qualifications since 2018. The major cause is the failure of inventory management systems for the Broadcasting Digital Migration (BDM) project, in which the USAF was unable to verify large quantities of set-top boxes (STBs). During recent counts, approximately 70,767 STBs could not be located. These weaknesses were exacerbated by poor oversight of implementing agents, inadequate record keeping and a lack of contract enforcement over several years.

Internal audit functions across both USAASA and USAF have been severely constrained by capacity shortages. Risk-based audits were not executed as required, and IT audit capacity had to be sourced externally. The audit action plan for USAASA shows a low-resolution rate, with only 10 per cent of findings closed, largely due to insufficient personnel. There are outstanding cases of irregular, fruitless, and wasteful expenditure that remain not investigated, further demonstrating systemic weaknesses in consequence management.

**4.5 Programme and Service Delivery Performance**

The Committee received updates on the USAF's programme implementation, particularly the manufacturing and distribution of the STBs project and broadband deployment initiatives. USAF acknowledged long-standing failures in STBs inventory management, including lost boxes, incomplete installations, and poor contract oversight. The Agency indicated that significant write-offs are expected and that new verification processes with Sentech are underway. The Committee expressed deep concern that a project of such national importance had been so poorly managed.

Regarding broadband rollout, the Committee was informed that connectivity progress varied across districts, with inconsistent follow-through on impact measurement. Members raised concerns about the lack of a national connectivity gap analysis, unclear coverage reporting, and the sustainability of networks established in rural communities. These gaps undermine the core mandate of universal access and service provision.

**4.6 Disestablishment and Transition to the New Digital Development Fund**

Substantial discussion focused on the status of the disestablishment of USAASA and the establishment of the DDF. The Department acknowledged that progress has been significantly slower than anticipated due to extensive consultations with Treasury, Department of Public Service and Administration (DPSA), and other stakeholders, as well as alignment between the bill, the business case, and budgetary implications. The Department also confirmed that earlier projections provided to Parliament may have given the impression that the process was further advanced than it truly was.

The Committee noted that the prolonged transition has severely affected operations, staff morale, recruitment, and long-term planning. Members indicated that clear timelines, decisive communication, and a coherent change management framework were necessary to stabilise the Agency while legislative processes are being finalised.

### 4.7 Engagement with the USAASA/USAF Staff

The Portfolio Committee met with USAASA staff as part of its oversight engagement to gain insight into institutional challenges beyond formal reports. The Committee highlighted its responsibility to assess governance, working conditions, and the lived experiences of staff operating within the organisation. Members expressed concern about persistent governance instability, including frequent leadership changes, prolonged acting appointments in senior positions, qualified audit outcomes, and uncertainty surrounding discussions on the possible disestablishment or restructuring of the entity. This uncertainty was acknowledged as having a significant impact on staff morale, recruitment, operational continuity, and decision-making.

Staff members, representing both unionised and non-unionised employees, raised several challenges affecting their ability to perform their duties effectively. These included the absence of stable executive leadership, delays in filling vacancies, extended acting appointments that created unrealistic expectations of permanency, and a lack of clarity in performance management processes. Staff indicated that projects were often delayed or restarted due to leadership changes, resulting in inefficiencies and missed targets. Concerns were also raised about limited communication from management and the Board, with many staff indicating they had never formally engaged with Board members.

Serious labour relations issues were brought to the Committee's attention, including prolonged suspensions lasting several years, allegations of malicious or unfounded disciplinary actions, and high legal costs incurred without apparent consequences for management. Affected employees described the emotional and professional impact of these processes, including the lack of support for wellness, rehabilitation, or reintegration upon returning to work. In addition, staff highlighted chronic underinvestment in ICT infrastructure, outdated equipment, and constrained budgets, which undermined the organisation's ability to fulfil its mandate as an ICT-focused agency.

Committee members acknowledged the seriousness of the issues raised and commended staff for continuing to deliver services under difficult and uncertain conditions. The Chairperson provided clarity on the legislative realities of any potential de-establishment process, noting that such processes are lengthy and should not impede the institution's normal functioning in the interim. The Committee reaffirmed that USAASA remains a legally established entity and must continue to operate under its existing mandate until any legislative changes are concluded. Board members later joined the meeting, introduced themselves, and committed to improved

engagement with staff. The meeting concluded with assurances that the Committee would pursue the matters raised with the Department and relevant authorities.

**4.8 Conclusion from the Engagement with USAASA/USAF**

The Committee concluded that USAASA and USAF remain severely constrained by governance instability, financial management weaknesses, human resource shortages and lack of strategic clarity due to the stalled disestablishment process. These challenges have directly undermined the Agency's ability to deliver on its mandate of universal access and digital inclusion. The Committee emphasised the urgent need for improved oversight, strengthened internal controls, decisive leadership, and transparent communication as South Africa transitions toward the establishment of the Digital Development Fund. The Committee reaffirmed its commitment to closely monitoring progress and ensuring accountability for actions taken to stabilise the Agency and improve service delivery to underserved communities.

The engagement provided the Committee with valuable insights into the operational, governance, and human resource challenges confronting USAASA and its staff. It underscored the extent to which prolonged leadership instability, policy uncertainty, and weak communication have affected staff morale and institutional performance. Despite these challenges, the Committee noted the continued commitment of staff to delivering on the organisation's mandate under difficult conditions. The engagement reaffirmed the Committee's oversight role and its intention to pursue the matters raised with the Department and relevant authorities, with a view to promoting stability, accountability, and improved working conditions within the institution.

**4.9 Committee Observations**

The Committee noted that:

- there is persistent leadership, governance, and management instability within USAASA and USAF, exacerbated by Board resignations, executive vacancies, and unclear delegations of authority;
- financial management remains deeply compromised, with recurring audit findings, weak reconciliations, poor internal controls, unresolved irregular expenditure, and inadequate consequence management;

- organisational structure is outdated, and the Agency is operating with insufficient staff capacity, leading to inefficiencies and burnout among remaining employees;
- management of STBs displays systemic failures in inventory management, contract management and oversight, resulting in missing assets and anticipated write-offs;
- broadband rollout suffers from the absence of a unified national plan, precise coverage mapping, and clear measurable goals, which restricts its effectiveness in promoting digital inclusion;
- prolonged delay in finalising the disestablishment legislation has created uncertainty, contributing to high turnover, recruitment difficulties and organisational paralysis;
- communication to staff regarding the future of the Agency has been insufficient, causing anxiety and diminishing morale;
- coordination between USAASA, USAF, Sentech, BBI, ICASA and other key stakeholders remains weak, leading to duplication, inefficiencies and inconsistencies;
- prolonged instability in executive leadership and the extensive use of acting appointments have weakened governance, accountability, and staff morale;
- uncertainty regarding the proposed de-establishment or restructuring of USAASA has resulted in operational paralysis, high vacancy rates, and challenges in attracting and retaining skilled personnel;
- there is an inadequate communication between management, the Board, and staff, including limited visibility and engagement by the Board within the organisation; and
- there is serious concern about labour relations practices, particularly prolonged suspensions, unresolved disciplinary matters, and the absence of consequence management for fruitless and wasteful expenditure.

### 4.10 Recommendations

The Committee recommends that the Minister should:

- ensure that the revised Delegation of Authority must be finalised urgently to restore clarity between governance and operational functions, with a report to be provided within 30 days of the adoption of this report;
- ensure that USAASA institutionalise compulsory exit interviews for all resigning executives and senior staff to identify systemic organisational issues, and a report is to be provided within 30 days of the adoption of this report;

- ensure that the Agency urgently clear all outstanding reconciliations and strengthens monthly financial controls across travel, bank accounts and payables, and a report is to be provided within 30 days of the adoption of this report;
- ensure a dedicated internal capacity for consequence management must be established, with quarterly reporting to the Committee on disciplinary outcomes, and a report to be provided within 60 days of the adoption of this report;
- ensure that critical executive posts, including CEO, CFO, ICT, HR and Internal Audit, are filled urgently using recruitment agencies, digital screening tools and possible DPSA secondments, and a report to be provided within 60 days of the adoption of this report;
- ensure that the Board develops a new organisational structure aligned to the current and future mandate, and a report is to be provided within 90 days of the adoption of this report;
- ensure that the USAF produce a verified national inventory of set-top boxes, including installation status, obsolete units and proposed write-off plans, and a report to be provided within 60 days of the adoption of this report;
- ensure that the Agency streamline the broadband programme to be supported by district-level connectivity maps, sustainability frameworks and clear reporting on community impact, and a report to be provided within 90 days of the adoption of this report;
- ensure that the Department provide a detailed transition roadmap within 30 days after the adoption of this report, including timelines, staffing measures, legislative milestones and a communication plan for employees;
- ensure that there is clear communication to all staff on addressing employment security and the implications of the transition process, with a report to be provided within 30 days of the adoption of this report.
- ensure that there is a structured coordination mechanism developed between USAASA, Sentech, BBI, and other relevant institutions to eliminate duplication and improve programme implementation, and a report must be provided within 90 days of the adoption of this report;
- ensure that until any new legislation is enacted, USAASA is fully normalised and allowed to operate in accordance with its existing legislative mandate, and a report should be provided within 90 days of the adoption of this report;

- ensure that the Board establish a mechanism for regular and structured communication with staff, including consistent engagement by the Board and management on the strategic direction and future of the institution, and a report to be provided within 90 days of the adoption of this report; and
- ensure that the Agency expedite resolution of outstanding labour disputes, preferably outside of protracted litigation, and the provision of appropriate employee wellness and rehabilitation support, and a report to be provided within 60 days of the adoption of this report.

## 5. Meeting with Broadband Infraco (BBI)

### 5.1 Introduction

The Portfolio Committee on Communications and Digital Technologies undertook an oversight engagement with Broadband Infraco SOC Limited (BBI) as part of its constitutional mandate to exercise oversight over public entities within the portfolio. The engagement formed part of the Committee's broader focus on entities experiencing operational, governance, and financial distress, particularly those central to the delivery of South Africa's digital development and universal access objectives.

BBI was prioritised due to its strategic role as the State's wholesale broadband infrastructure provider, its persistent financial challenges, and its position in ongoing discussions on the rationalisation of state-owned digital and broadband infrastructure. The engagement sought to obtain a first-hand understanding of BBI's governance arrangements, financial sustainability, operational challenges, turnaround strategy, and human resource conditions, as well as the status of broader policy processes impacting the Entity.

The engagement comprised formal presentations by the BBI Board and Executive Management, a presentation by DCDT on the rationalisation framework, interactions with BBI employees, and an open engagement session with Members of Parliament.

The Chairperson of the Portfolio Committee emphasised that the oversight visit was intended to move beyond standard portfolio committee briefings and enable deeper engagement on systemic challenges facing BBI. Emphasis was placed on sustainability, the impact of prolonged policy uncertainty, and the absence of decisive implementation regarding the State Digital Infrastructure Company (SDIC) concept and broadband infrastructure rationalisation.

BBI management presented an overview of the company's mandate, governance framework, network footprint, and regional operations. It was noted that BBI operates approximately 15 000 kilometres of fibre, predominantly deployed along Eskom and Transnet servitudes, with a presence across all provinces and international connectivity links to neighbouring countries. The Entity highlighted its role in regional integration and in providing wholesale connectivity to public- and private-sector clients.

**5.2 Governance and Audit Outcomes**

The Board outlined the governance framework governing BBI, namely the Broadband Infraco Act 33 of 2007, including compliance with the Companies Act, the Electronic Communications Act, its Memorandum of Incorporation, and the Public Finance Management Act. The structure and functioning of Board subcommittees were outlined, including audit, social and ethics, technology, human resources, and investment committees.

Management reported a notable improvement in audit outcomes, indicating that BBI had moved from a qualified to an unqualified audit opinion after nearly a decade. The number of audit findings had been significantly reduced, and progress had been made in addressing historical weaknesses in asset management, internal controls, and compliance processes. The automation of asset verification processes was cited as a key intervention to improve governance and audit assurance.

The Committee, however, expressed concern that governance improvements have not translated into financial sustainability and that improved audit outcomes alone are insufficient to address the Entity's existential risks.

**5.3 Financial Position and Sustainability**

BBI management presented a detailed overview of the company's financial position, confirming that the entity is operating under severe financial strain, including accumulated losses, negative equity, and cash flow constraints. The business's fixed cost structure, largely driven by leased infrastructure and maintenance costs payable to other state-owned entities such as Eskom and Transnet, was identified as a critical challenge.

Despite cost-containment measures and reduced expenditure, declining revenue and the loss of anchor clients have placed the entity in a precarious position. Management conceded that BBI is effectively trading under pressure and that, without structural intervention, the entity's long-term viability remains doubtful.

The turnaround strategy presented by management was structured around revenue growth, cost optimisation, debt collection, productivity improvements, and strategic partnerships. While the Committee acknowledged the strategy's intent, Members raised concerns about the absence of urgent short-term interventions capable of materially stabilising the entity, as well as the reliance on future policy and structural reforms that remain uncertain.

**5.4 Operational Challenges and Market Position**

Significant operational challenges were highlighted during the engagement. Central among these was BBI's dependence on infrastructure owned by other state-owned entities, which, at the same time, compete with BBI in the market. The Committee expressed serious concern that this creates an uneven playing field and undermines the sustainability of a state-owned entity mandated to drive broadband access and digital inclusion.

BBI further highlighted challenges related to spectrum access, licensing constraints, and limited flexibility in deploying wireless solutions in underserved areas. Management emphasised that the inability to access spectrum constrains the entity's capacity to provide cost-effective last-mile connectivity, particularly in rural and remote areas.

The Committee also engaged extensively on SA Connect and universal service obligations, noting concerns about fragmentation, duplication of infrastructure, and inconsistent quality of service across schools, clinics, and communities.

**5.5 Human Resources and Staff Matters**

Management acknowledged that staff morale was low but reported that regular engagement mechanisms were in place, including staff briefings, surveys, and internal communication sessions. The primary concerns were job security, morale, and the uncertainty arising from prolonged financial stress and repeated discussions about mergers, rationalisation, and restructuring. The Committee nevertheless emphasised the risk of skills attrition and the long-term consequences of underinvestment in training, exposure, and professional development in a highly technical sector.

Members stressed that cost-containment measures should not result in deskilling employees or compromise the future competitiveness of the workforce.

**5.6 Policy, Rationalisation, and Intergovernmental Coordination**

The Department of Communications and Digital Technologies provided an update on the infrastructure rationalisation framework, outlining steps taken to revive the process through a

new tender for advisory services. The Department acknowledged past weaknesses, including fragmented implementation, incomplete due diligence, and inconsistent coordination among shareholders.

The Committee expressed strong dissatisfaction with the prolonged delays in implementing decisions first contemplated more than a decade ago and emphasised that the continued absence of a coherent state digital infrastructure model is directly contributing to BBI's distress.

There was broad agreement during the engagement that rationalisation, whether through merger, asset pooling, or coordinated access arrangements, is unavoidable and urgent, but must be guided by a clear business case and decisive political leadership.

**5.7 Demonstration of the BBI network**

BBI briefed the Portfolio Committee on Communications on its national broadband network infrastructure, technology capabilities, coverage footprint, and contribution to South Africa's digital connectivity agenda. The presentation focused on fibre-optic infrastructure, national and international connectivity, rural access challenges, and public-sector broadband delivery.

BBI explained that fibre technology offers virtually unlimited bandwidth, with capacity improvements driven by technological advances rather than physical cable replacement. The evolution from 2.5 Gbps in 1994 to current capabilities of up to 800 Gbps was highlighted, with scalability enabled through software upgrades using Dense Wavelength Division Multiplexing (DWDM). It was also noted that most fibre cables used in South Africa are locally manufactured.

The committee was informed that BBI's infrastructure is heavily intertwined with Eskom and Transnet, which together own approximately 85 per cent of the national fibre network. This interdependence underscores the importance of rationalisation and coordinated infrastructure planning. BBI also operates alongside Dark Fibre Africa (DFA) as part of an open-access national network.

South Africa's strategic position as a digital gateway into Africa was emphasised, particularly through international submarine cable landings and traffic processing at the Terraco data centre. In this context, BBI's role as a key investor (10% shareholding) in the 14,000 km West Africa Cable System (WACS), linking South Africa to the United Kingdom (UK), was outlined. The cable has a total capacity of 57.3 terabytes and supports national strategic projects

such as the Square Kilometre Array (SKA). BBI also provides maintenance services for WACS under contract to Tata Communications.

On domestic connectivity, BBI indicated that Mobile Network Operators (MNOs) procure backhaul connectivity from BBI and other providers. Members raised concerns regarding limited visible rural connectivity on coverage maps, which appeared inconsistent with BBI's universal access mandate. BBI responded that last-mile connectivity can be addressed through wireless solutions from existing points of presence and proposed partnerships with entities such as Sentech, leveraging high sites for more efficient coverage.

Provincial and district coverage updates were provided. KwaZulu-Natal is largely covered, except for the Harry Gwala District. Significant connectivity has been achieved in the Dr Ruth Segomotsi Mompati District in the Northwest, particularly for schools, clinics, and libraries.

BBI reported that approximately 5,000 of the 5,982 targeted public facilities have been connected. However, duplication in school allocations was identified as a challenge. While connectivity is provided free of charge to schools, clinics, and libraries, concerns were raised about service quality, as current policy limits speeds to a maximum of 10 Mbps. BBI confirmed that its Phase 3 funding submission to the National Treasury is based on a revised minimum speed of 100 Mbps.

The Committee also noted that many connected users still rely on low-bandwidth technologies such as 2G and 3G, with limited access to smartphones, which constrains the effective utilisation of broadband infrastructure.

**5.8 Conclusion from Engagement with BBI**

The oversight engagement with Broadband Infraco provided the Portfolio Committee on Communications and Digital Technologies with a comprehensive and candid understanding of the structural, financial, operational, and policy-related challenges confronting the entity. The proceedings affirmed that Broadband Infraco (BBI) continues to play a strategically indispensable role in advancing South Africa's objectives for broadband connectivity, digital inclusion, and regional integration. However, the engagement also made clear that the sustainability of this mandate is severely compromised by long-standing policy inaction, fragmented state ownership of digital infrastructure, and an uneven competitive environment within the public sector itself.

The Committee noted that while notable progress has been achieved in stabilising governance arrangements and improving audit outcomes, these improvements have not been matched by corresponding financial resilience. Broadband Infraco remains constrained by fixed cost structures linked to state-owned infrastructure over which it exercises limited control, declining revenues, and the absence of decisive shareholder and Cabinet-level interventions that could structurally alter its operating conditions. The entity's financial distress, if left unresolved, poses a direct risk to the State's capacity to deliver affordable and inclusive broadband services, particularly to underserved and rural communities.

The proceedings further underscored the human impact of prolonged uncertainty on employees, whose commitment to the organisation persists despite heightened anxiety about job security, skills obsolescence, and the entity's future positioning. The Committee is of the view that continued indecision regarding rationalisation and capital support undermines not only institutional stability but also the morale and effectiveness of a highly specialised workforce critical to the digital economy.

Importantly, the engagement reinforced the Committee's concern that delays in implementing broadband infrastructure rationalisation—first contemplated more than a decade ago—have resulted in duplication, inefficient use of public assets, inter-entity competition, and escalating costs to the fiscus. The absence of a clearly articulated and implemented State Digital Infrastructure framework has left Broadband Infraco exposed while simultaneously weakening the State's collective capacity to meet universal access targets.

The engagement further highlighted BBI critical role in strengthening South Africa's national broadband infrastructure and positioning the country as a strategic digital gateway into Africa. The demonstration underscored the scalability and longevity of fibre technology, BBI's extensive national footprint, and its contribution to international connectivity through investments such as the West Africa Cable System. Members acknowledged the progress made in connecting schools, clinics, and libraries, as well as the efficiencies gained through shared infrastructure and modern technologies like DWDM. However, key concerns were raised regarding limited rural coverage, duplication in connectivity rollout, and the quality and speed of services currently provided to public institutions. The engagement concluded with a clear need for stronger partnerships, regulatory alignment, policy review on minimum bandwidth standards, and focused investment to ensure universal, high-quality connectivity that supports socio-economic development and digital inclusion across the country.

In conclusion, the Committee is firmly of the view that Broadband Infraco's challenges cannot be resolved through internal operational measures alone. They require urgent, coordinated, and decisive intervention at political, shareholder, and policy levels. The Committee will, therefore, engage further with the Department, shareholders, and Cabinet processes to ensure that its recommendations are acted upon and that the strategic intent underpinning Broadband Infraco's establishment is realised in practice. The Committee remains committed to rigorous follow-up oversight to ensure that governance stability is preserved, public resources are optimally utilised, and the developmental promise of broadband connectivity is delivered with urgency, quality, and dignity to the people of South Africa.

### 5.9 Committee Observations

The Committee noted:

- that Broadband Infraco remains strategically central to the State's broadband and digital inclusion agenda but is structurally constrained by historical policy indecision and fragmented infrastructure ownership;
- improvements in governance and audit outcomes; however, these gains have not translated into financial sustainability or market competitiveness;
- that BBI operates within an uneven market environment where other state-owned entities simultaneously act as infrastructure providers and competitors;
- with concern about the entity's negative equity position, accumulated losses, and ongoing going concern risks;
- a lack of urgent, short-term revenue and cash-flow stabilisation measures within the turnaround strategy;
- a prolonged uncertainty regarding rationalisation and the SDIC has negatively impacted staff morale, retention, and organisational stability;
- ongoing duplication of infrastructure and a lack of coordination among state entities involved in broadband rollout and universal service delivery;
- that the quality, sustainability, and dignity of connectivity in underserved areas remain inconsistent and inadequately monitored;
- insufficient intergovernmental and shareholder coordination, particularly between DCDT, National Treasury, IDC, and other infrastructure-owning SOEs;

- Broadband Infraco has established a strong and scalable national and international fibre backbone; however, this capability has not been fully translated into universal access, particularly in rural and remote areas where last-mile connectivity remains limited and uneven.
- that there is a noticeable gap between the policy objective of universal connectivity and the actual coverage footprint observed by committee members, especially in underserved districts;
- that advanced fibre infrastructure is underutilised at the end-user level due to low access speeds, continued reliance on legacy 2G and 3G technologies, and limited access to smart devices;
- that while connectivity to schools, clinics, and libraries is provided free of charge, the quality and the internet speed are often insufficient to support modern digital education, healthcare, and administrative needs;
- duplication in school connectivity allocations points to a weakness in coordination, planning, and data management across government programmes and stakeholders; and
- governance and transparency concerns were raised regarding the developmental benefits and dividend flows arising from Broadband Infraco's investment in international cable systems, and how these translate into the liquidity of BBI.

### 5.10 Recommendations

The Committee recommends that the Minister should:

- urgently finalise and communicate a clear, time-bound decision on broadband infrastructure rationalisation, including the future role of Broadband Infraco within the State Digital Infrastructure Company, and a report to be provided within 60 days of the adoption of this report;
- ensure that relevant shareholder departments intervene decisively to address the conflict of interest arising from infrastructure-owning SOEs simultaneously competing with BBI, and a report is to be provided within 90 days of the adoption of this report;
- ensure enhanced intergovernmental coordination to eliminate duplication of broadband infrastructure and optimise the use of existing public assets, and a report to be provided within 60 days of the adoption of this report;

- ensure that National Treasury, in consultation with DCDT, consider transitional funding or capital support mechanisms aligned to BBI's developmental mandate, pending finalisation of rationalisation, and a report to be provided within 30 days of the adoption of this report;
- ensure that BBI develop and presents to the Committee a set of urgent short-term financial stabilisation interventions, including improved utilisation of existing infrastructure assets, and a report to be provided within 30 days of the adoption of this report;
- ensure that DCDT strengthen oversight of SA Connect implementation to ensure consistent quality, sustainability, and value for money, and a report to be provided within 90 days of the adoption of this report;
- ensure that BBI implement measures to protect skills retention, staff morale, and continuous professional development, notwithstanding cost-containment pressures, and a report to be provided within 30 days of the adoption of this report;
- strengthen last-mile connectivity by formalising partnerships between Sentech, municipalities, and other infrastructure owners, and by leveraging broadcasting high sites and wireless technologies to extend coverage to rural and hard-to-reach areas, and a report to be provided within 90 days of the adoption of this report;
- accelerate the review and implementation of broadband policy to increase minimum connectivity speeds for public institutions, aligning service levels with contemporary digital service requirements, and a report to be provided within 90 days of the adoption of this report;
- establish a centralised, verified, and regularly updated database of connected public facilities to eliminate duplication, improve planning, and ensure efficient use of public resources, and a report to be provided within 60 days of the adoption of this report;
- enhance transparency to support Parliament oversight by providing clear and regular reporting on returns from strategic investments such as WACS and their contribution to national development objectives, and a report to be provided within 60 days of the adoption of this report; and
- complement infrastructure rollout with demand-side interventions, including improved access to affordable smart devices and digital skills programmes, to ensure that connectivity delivers meaningful socio-economic impact, and a report to be provided within 90 days of the adoption of this report.

The Democratic Alliance (DA) reserved its rights on the report.

The Economic Freedom Fighters reserved its right on the report.

Report to be considered

# 3. REPORT OF THE PORTFOLIO COMMITTEE WATER AND SANITATION ON THE OVERSIGHT VISIT TO THE FREE STATE AND NORTHERN CAPE PROVINCES, DATED 10 MARCH 2026

## 1. Background

The Strategic Plan for 2024-2029 and the Annual Performance Plan 2025/26 of the Portfolio Committee on Water and Sanitation adopted outlines priorities and strategic objectives for the committee, which include the strategic objective (7.2) relating to monitoring and evaluation of mega water infrastructure development projects in line with the Oversight Priority Plan (OPP) of the 7th Parliament, among other objectives.

The oversight programme responds to the Strategic Outcomes and Priorities of Parliament, as set out in its Strategic Plan 2024-2029, in general, and Outcome 2, which relates to increased government responsiveness and accountability by strengthening oversight over the executive, in particular. It also contributes to the parliamentary target relating to the implementation of the Oversight Priority Plan (OPP) with respect to the Infrastructure Development (water and sanitation infrastructure) and Social Services (water and sanitation) focus areas for the 2025-2026 financial year.

The National Development Plan Vision 2030 prioritises investment in water and sanitation infrastructure for socioeconomic development and improved productivity. The oversight programme enables the Portfolio Committee to engage the Department of Water and Sanitation at a project level to ascertain whether current water and sanitation interventions and initiatives are budgeted for and implemented within projected timeframes to ensure water security and sustainability of water resources. It also ensures the tracking and constant monitoring of water and sanitation infrastructure projects, including related costs and timeframes, to ensure the prudent implementation and expenditure of the Bulk Water Infrastructure Grant (RBIG) in line with the Legacy Report.

The 2026 State of the Nation Address (SONA) delivered by President Cyril Ramaphosa places water and sanitation at the centre of South Africa’s service delivery and developmental agenda.

The President identifies water as *"the single most important issue for many people in South Africa"*, affecting metropolitan cities, smaller towns, and rural communities alike. This heightened prioritisation stems from widespread service delivery failures, visible in persistent water outages, community protests, deteriorating infrastructure, and governance weaknesses across municipalities. This work will be championed by the Department of Water and Sanitation through its water resources management programme. SONA 2026 builds on its predecessor in as far as key bulk water infrastructure development projects are concerned. For example, Lesotho Highlands Water Project (supplying water to Gauteng), Umzimvubu, Hazelmere Dam, uMkhomazi Water Project, Clanwilliam Dam, Tzaneen Dam, Loskop, Mandlakazi, a pipeline from Jozini Dam, Giyani, a pipeline from Nandoni Dam to Nsami Dam, Pilanesberg Water, Vaal Gamagara and a pipeline from the Vaal River to Hothazel.

The Portfolio Committee on Water and Sanitation resolved to undertake an oversight visit to the Matjhabeng Local Municipality and Mangaung Metropolitan Municipality in the Free State (FS), and Sol Plaatjie Local Municipality in the Northern Cape (NC) Province from 26-29 January 2026.

## 2. Objectives of the Oversight Programme

- Assessment of mega water and sanitation infrastructure development to enhance water service delivery.
- To follow up on the parliamentary intervention programme on municipal water debts to water boards.

## 3. Multiparty Delegation

Hon. Leon Basson (DA) (Chairperson of the Committee)

Hon. Sello Leon Dithebe (ANC)

Hon. Malebo Patricia Kobe (ActionSA)

Hon. Betty Motebele Kegakilwe (ANC)

Hon. Keamotseng Stanley Ramaila (ANC)

Hon. Betty Diale (EFF)

Hon. Mluleki Dlelanga (ANC)

Hon. Stephen James Moore (DA)

Hon. Visvin Reddy (MKP)

**4. Committee Support Staff**

Ms T Bavuma (Committee Secretary)

Mr T Sibisi (Committee Assistant)

Mr T Manungufala (Content Advisor)

The delegation included officials from the Department of Water and Sanitation, Free State Department of Cooperative Governance and Traditional Affairs, the National Treasury, Vaal Central Water Board, Matjhabeng and Sol Plaatjie Local Municipalities, Mangaung Metropolitan Municipality, and their service providers. *A detailed attendance register and copies of presentations are obtainable from the Committee Secretary.*

## PART A

**5. Oversight Visit Report on Matjhabeng Local Municipality**

### 5.1. Overview of the Presentation by the Free State Department of Cooperative Governance and Traditional Affairs on the Implementation of the Financial Recovery Plan

The Free State Department of Cooperative Governance and Traditional Affairs (FSCOGTA) presented a comprehensive overview of the circumstances that led to the imposition of a mandatory Financial Recovery Plan (FRP) on Matjhabeng Local Municipality. The administrator (FSCOGTA) explained that the intervention followed a High Court directive and a resolution of the Free State Executive Council, triggered by severe and persistent financial distress, institutional instability and service delivery failures within the municipality. (FSCOGTA) described the FRP as a binding instrument developed under Chapter 13 of the Municipal Finance Management Act 56 of 2003 (MFMA), intended to stabilise governance, restore the municipality's financial discipline and rebuild its ability to deliver essential services. The Department emphasised that the

intervention was not punitive, but a constitutionally mandated corrective measure required to restore functionality in a municipality that had lost the capacity to meet its legal and financial obligations.

Moreover, the FSCOGTA presentation provided a detailed overview of the implementation of the FRP in Matjhabeng Local Municipality. The Department reported that Matjhabeng is currently in the rescue phase of the FRP and that 172 priority activities were identified to stabilise the municipality across financial management, governance, institutional capacity and service delivery. The Department indicated that the municipality remains in severe financial distress, characterised by poor revenue collection, significant outstanding debt, extremely high water and electricity losses, and a persistent failure to comply with basic financial management prescripts. In governance, FSCOGTA highlighted the dysfunction of the disciplinary board, the absence of consequence management, outdated organisational structures, and long-outstanding disciplinary cases. Institutional systems were described as weak, with non-compliance in HR processes and high employee costs.

The Department further reported that service delivery has deteriorated severely due to collapsing infrastructure, insufficient maintenance budgets and obsolete master plans. While the FRP requires consistent monitoring and documentation, FSCOGTA reported that progress has been limited. Out of all the activities assessed in November, only a small number had been fully completed, while the majority showed either no progress or lacked any supporting evidence. FSCOGTA emphasised that the poor performance of the FRP is directly linked to the municipality's unwillingness to cooperate, including failure to attend meetings, failure to submit documentation, and persistent parallel internal processes that contradict the FRP.

The Department expressed concern that the municipality continues to undermine the authority of the provincial representative despite a court-ordered intervention. As a result, FSCOGTA conveyed that the intervention has not yet achieved its intended stabilisation outcomes and that the continuation of non-cooperation may ultimately require escalation to a stronger form of intervention.

The presentation concluded that although the legal framework for the intervention was in place and the oversight structures were functioning, actual implementation within Matjhabeng remained inconsistent. The municipality's dispute with the Vaal Central Water Board was presented as a

major risk factor, given its implications for liquidity, budgeting, and service continuity. FSCOGTA cautioned that while the foundations for recovery had been established, the stabilisation of the municipality depended on disciplined execution, credible internal controls and continued collaboration between the municipality, the province and national departments.

## 5.2. Overview of the Presentation by Vaal Central Water Board on Matjhabeng Water Debt and RBIG Projects

The Vaal Central Water Board (VCW) provided an extensive account of the financial, operational and institutional challenges it faces as a result of long-standing non-payment by municipalities, with Matjhabeng being the single largest contributor to its revenue risk. VCW began by outlining its formation following the disestablishment of Sedibeng Water and explained that it inherited significant liabilities, infrastructure backlogs and a growing municipal debt burden. The VCW noted that municipal debt had escalated dramatically after the amalgamation, increasing from approximately R6 billion to R11 billion in the absence of consistent payments from major customers. Matjhabeng alone accounts for 30 to 40 per cent of VCW's total bulk water sales, making its non-payment a substantial threat to the Board's financial sustainability.

The presentation highlighted that Matjhabeng's monthly payments—usually around R12 million—are far below the average monthly account of roughly R70 million, excluding interest. VCW demonstrated how the municipality's monthly shortfalls accumulate and compound interest, leading to a growing outstanding balance that exceeded R9.1 billion by the end of 2025. The Board indicated that the municipality had neither applied for debt relief nor concluded a payment plan and that the expired service level agreement, which lapsed in 2013, leaves the relationship without a regulatory framework. VCW also detailed its own financial pressures, including its inability to settle raw water accounts owed to the Department of Water and Sanitation and several water user associations, and described this as a direct consequence of municipal defaults.

VCW further discussed its credit control measures, including intergovernmental dispute resolution efforts, legal processes, section 4(5) restriction notices and attempts to institute payment plans. These measures have been consistently undermined by court interdicts, inadequate municipal

payments and unresolved disputes over metering accuracy. The Board expressed concern that Matjhabeng infrastructure losses—estimated at more than 50 per cent—place an additional burden on supply and billing. It argued that the municipality must urgently implement a non-revenue water strategy, upgrade its metering systems, adopt prepaid water metering and address internal inefficiencies to ensure future ability to pay. VCW concluded by warning that without intervention and behavioural change at Matjhabeng, the Board risks short-term insolvency, which may compromise water provision across multiple provinces.

### 5.3. Briefing by the Executive Mayor and Presentation by the Acting Municipal Manager of Matjhabeng Local Municipality

The Executive Mayor (the mayor) of Matjhabeng Local Municipality presented the municipality's perspective on its state of governance and financial challenges. He explained that when the current administration assumed office in November 2021, it found the municipality "technically bankrupt," with municipal services excessively outsourced to service providers. He reported that up to 95 per cent of core municipal functions—including grass-cutting, waste collection, road patching, electricity disconnections, financial statements and meter reading—had previously been performed by external contractors despite the municipality having a full complement of paid staff. According to the mayor, these outsourcing practices created both financial strain and an inactive workforce.

The mayor stated that his administration began reversing these trends by insourcing certain functions, appointing engineers, electricians, plumbers and qualified finance staff, and writing financial statements internally rather than relying on consultants. He reported that the overtime bill had been reduced from R12 million per month to approximately R1.5–2 million. The mayor emphasised that the municipality has restructured its maintenance budget from 3 per cent to 20 per cent of the total budget to address chronic infrastructure failures.

He acknowledged that infrastructure had collapsed to alarming levels. Out of fifty-seven sewer pump stations, only four were functional, and only two out of thirteen wastewater treatment plants were operating. He confirmed widespread sewage spillages, vandalism, and complete failure of

underground water and sewer networks. He further stated that the municipality lacks the financial capacity to rehabilitate these systems and relies on national intervention. The mayor reported that the national government has committed approximately R4.4 billion over the next three to five years to assist with pump station and wastewater treatment plant rehabilitation.

On revenue, the mayor explained that although the municipality bills are approximately R50 million per month, it collects only between R11 million and R13 million. He stated that the municipality has significant outstanding debt—R9.5 billion owed by residents, businesses, mines, government departments, employees and councilors. The mayor explained that Matjhabeng is pursuing prepaid metering and has applied to the National Treasury for support in funding prepaid water meters, estimating the need at approximately R400 million.

The mayor disputed claims of non-cooperation with COGTA's provincial representative. He argued that disputes relate primarily to unresolved matters in terms of reference and that the municipality remains committed to cooperative governance processes facilitated by the Premier and the Minister of Water and Sanitation. He maintained that all political parties in council have agreed to support the FRP and that the municipality is working towards full compliance.

The Matjhabeng Local Municipality presentation offered a detailed narrative of its service delivery challenges, progress achieved through the ministerial sanitation intervention, and its financial and legal disputes with Vaal Central Water. The municipality described a significant deterioration in sanitation infrastructure prior to 2022, noting that almost all pump stations and wastewater treatment plants had collapsed. It reported that through the ministerial intervention, 23 pump stations had been refurbished, and four wastewater treatment works had been rehabilitated, although only two were fully operational. The Municipality highlighted that additional plants in Thabong and Kutlwanong were expected to resume operations during the first half of 2026. Despite these improvements, it acknowledged that sewer spillages remained a major problem due to slow progress on sewer network projects, vandalism and the age of the infrastructure. It also reported that it had initiated its own parallel repairs to collapsed sewer lines to supplement intervention efforts.

A substantial portion of the presentation addressed the municipality's dispute with Vaal Central Water. Matjhabeng argued that the debt claimed by VCW was significantly inflated due to retrospective interest charges, uncalibrated bulk meters, inaccurate billing and inconsistent

invoicing practices. It stated that an assessment had revealed numerous non-functional or vandalised meters, as well as questionable billing patterns in which identical invoice amounts appeared over consecutive months. The municipality insisted that such irregularities undermined the credibility of VCW's charges and made it impossible to verify water consumption. It further argued that VCW had imposed unlawful water restrictions even when court orders prohibited such action, and that these disruptions had caused pipe bursts and increased maintenance costs due to pressure fluctuations.

The municipality provided details on its efforts to improve revenue collection and correct the water losses that contribute to its financial challenges. It outlined several water conservation and demand management projects, including major pipeline replacements and a planned smart metering programme valued at more than R370 million. It also highlighted long-term infrastructure plans that rely on a blended finance model involving grants, DBSA co-funding and private-sector support. The municipality concluded that while bulk billing inaccuracies and infrastructure failures have placed it under considerable financial strain, its recovery strategy—if funded—can restore accurate billing, increase revenue, and improve its capacity to meet payment obligations to bulk suppliers.

### 5.4. Deliberations, Questions and Answers

Members of Parliament interrogated the Executive Mayor, the Acting Municipal Manager, COGTA and Vaal Central Water on a range of issues.

Members first asked why Matjhabeng should not be dissolved under section 139(1)(c) of the Constitution, given the extreme levels of dysfunction. The Executive Mayor responded that dissolution was unnecessary because the administration had initiated corrective measures, including insourcing, reducing overtime expenditure, appointing technical professionals and collaborating with national departments on major infrastructure rehabilitation. He insisted that the municipality was committed to implementing the FRP and that dissolution would disrupt progress.

Members raised questions regarding the alleged R35 monthly flat rate for water. The Acting Municipal Manager confirmed that there was no such flat rate in force. He clarified that the

municipality's tariff schedule is volumetric and block-based, and that fixed charges apply only to certain unmetered connections in informal settlements. He explained that in those areas, fixed amounts—approximately R97 or R162 per month—reflect the cost of providing unmetered basic water connections. He committed to submitting a written confirmation of the correct tariff codes.

Members queried the National Treasury's indication that up to 50 per cent of customers may be unmetered or unbilled. The Acting Municipal Manager stated that the municipality was not aware of such a figure and committed to verifying the accuracy of the billing database and providing a reconciliation of metered versus unmetered customers. The Acting Municipal Manager stated that the verification would be submitted in writing.

Members expressed concern that Matjhabeng bills are far below the cost of bulk water supplied by Vaal Central Water. The Acting Municipal Manager agreed that this was the case and explained that the mismatch results from chronic water losses caused by ageing asbestos pipelines and non-functional infrastructure. He stated that pipeline replacement would require R2.4 billion and that Infrastructure South Africa had indicated willingness to fund a significant portion of this. He added that the Development Bank of Southern Africa was exploring front loading of municipal infrastructure grants to close the funding gap.

Members questioned Vaal Central Water on why no service level agreement (SLA) had been signed with Matjhabeng since 2013. The water board explained that an SLA had lapsed and that multiple attempts to conclude a new one had stalled due to unresolved issues concerning the contract period, dispute processes and surcharges. The Committee directed that the SLA must be signed by the 06 February 2026 as the VCW and Matjhabeng reported.

Members also asked why Matjhabeng continues to pay only R12 million per month for bulk water despite an arbitration ruling requiring R62 million. Vaal Central Water confirmed that the arbitration award was binding. The Committee instructed that the National Treasury's equitable share top-slicing (withholding) mechanism be used immediately to prevent further arrears accumulation.

Members asked the municipality to confirm compliance with Regulation 3630 regarding process controllers at wastewater treatment plants. The municipality committed to submitting a written confirmation of compliance and any corrective plans.

Concerns were also raised about the reported unauthorised refurbishment expenditure during the intervention period. The municipality undertook to provide documentation within the directed period.

Members instructed that Matjhabeng must produce a revised SDBIP showing alignment with the FRP, DWS directives and National Treasury requirements. The Executive Mayor agreed.

Members insisted that future reports to Parliament be presented jointly by COGTA and the municipality, given the breakdown in cooperation. COGTA also reported ongoing frustration due to the municipality's refusal to implement directives and its submission of unverified information.

## 5.5. Physical Assessment of the Refurbishment of the Thabong Wastewater Treatment Works

During the onsite assessment, the project management team delivered a comprehensive briefing on the progress of the Thabong Wastewater Treatment Works (WWTW) refurbishment project. The managers emphasised that the project is one of the most significant sanitation interventions in Matjhabeng, aimed at reversing years of infrastructure collapse, reducing sewer spillages, restoring environmental quality, and reinstating compliance with national wastewater treatment standards.

The managers confirmed that the refurbishment is a key element of the broader sanitation stabilisation programme across the municipality and is expected to create lasting operational resilience once completed.

***Project Timeline Overview***

The project managers outlined the official project dates as follows:

- Project Start Date: 18 September 2023
- Original Completion Date: 31 March 2025
- Anticipated Practical Completion Date: 28 February 2026
- Anticipated Final Completion Date: 31 March 2026

They explained to Members that although the project had experienced delays—primarily due to the poor condition of inherited infrastructure, vandalism, and the need to redesign certain collapsed elements—the project remained firmly on track for final completion by March 2026.

***Budget and Expenditure***

The project managers provided the financial status of the refurbishment:

- Total Approved Project Value: R128,448,901.09
- Expenditure to Date: R87,937,284.97

They noted that the expenditure reflects substantial physical progress, with most major civil, mechanical, and electrical components already completed or nearing completion. Remaining expenditure will cover final installations, testing and commissioning, operational readiness preparations, and handover processes.

***Project Description (Technical Scope)***

The project managers provided Members with a detailed breakdown of the refurbishment activities. The scope includes:

- Mechanical refurbishment (screens, blowers, pumps, motors).
- Electrical upgrades (new switchgear, panels, wiring, cabling, and motor-control centers).
- Civil reconstruction of tanks, channels, walkways, and structural support.
- Rehabilitation of sludge management systems and drying beds.
- Reinstatement of aeration basins, clarifiers, and tertiary treatment components.
- System-wide testing, commissioning, and recalibration of operational controls.

They explained that the works are being completed in phased sequences to ensure structural safety and technical integrity, especially in areas where infrastructure had collapsed or deteriorated beyond repair.

***Achievements to Date (As Presented Onsite)***

Members were informed that by January 2026, the project had recorded significant achievements across all core process units of the wastewater treatment system. Key works completed includes some of the following, which members assessed:

- Restoration of inlet works, screening and grit-removal equipment.
- Rehabilitation of aeration systems and biological reactors—critical for secondary treatment.
- Refurbishment of clarifiers and sludge handling units, many of which were previously non-functional.
- Resurfacing civil structures and reinstatement of hydraulic flow pathways.
- Replacement of pumps, motors, electrical panels, and control units.

***Socio-Economic Benefits***

The project team highlighted several socio-economic gains that would arise from the refurbishment. Restored wastewater treatment capacity would improve public health conditions by reducing pollution and eliminating frequent overflows in residential areas. Cleaner surroundings contribute directly to improved quality of life. The project also generated employment opportunities for local residents and created business opportunities for local SMMEs subcontracted for various work packages. The managers emphasised that the refurbishment strengthens the foundation for future industrial development by ensuring that wastewater handling capacity can support economic expansion.

***Future Planned Innovations***

The project managers shared upcoming innovations designed to enhance the plant's long-term sustainability: *Biogas Energy Generation*: Plans are underway to convert sludge into biogas, reducing reliance on grid power. *Use of Treated Sludge as Fertiliser*: Treated sludge will be processed into usable agricultural fertiliser, supporting local farming and reducing waste. *Automation and Digital Monitoring*: The plant will transition to more sophisticated monitoring and control systems, improving efficiency and compliance. These innovations are expected to

reduce operating costs, increase environmental sustainability, and ensure the plant remains functional beyond the completion date.

### 5.6. Conclusions

In conclusion, the project managers reaffirmed that the Thabong Wastewater Treatment Works refurbishment project is progressing according to the revised timelines, with substantial engineering and civil restoration already completed. The plant is expected to reach practical completion by 28 February 2026 and final completion by 31 March 2026. With R87.9 million already expended out of a total project value of R128.4 million, the oversight team observed clear evidence of physical progress.

Members raised a serious concern regarding the handover of the plant once the refurbishment is completed. Members noted that the Matjhabeng Local Municipality currently lacks the necessary technical capacity, including the specialised process-controller workforce required to safely operate the plant, as well as the financial capacity to sustain long-term operation and maintenance of a complex wastewater treatment system. Members emphasised that without appropriate operational safeguards, the refurbished plant may deteriorate again shortly after handover, risking the loss of the substantial public investment made through the Water Services Infrastructure Grant (WSIG) from the Department of Water and Sanitation.

The Committee concluded by reaffirming the importance of strong intergovernmental coordination among VCWB, DWS, and the municipality. Continued oversight and disciplined implementation remain central to ensuring that the refurbished Thabong Wastewater Treatment Works delivers reliable, safe and sustainable sanitation services to the community for years to come.

# PART B

## 6. Oversight Visit Report: Mangaung Metropolitan Municipality (MMM)

### 6.1. Introduction

The Committee received briefings from the Executive Director for Water Services from Mangaung Metropolitan Municipality and the Executive for Operations and Maintenance from the Vaal Central Water Board. The purpose of the engagement was to obtain detailed insight into Mangaung's Water Services Development Plan (WSDP), its Water Conservation and Water Demand Management Plan (WCWDMP), and the status of bulk water projects essential for stabilising the region's water supply.

### 6.2. Presentation by the Executive Director for Water Services (MMM)

The Executive Director reported that Mangaung Metropolitan Municipality acts simultaneously as the Water Services Authority and the Water Services Provider for Bloemfontein, Botshabelo, Thaba Nchu and the outlying towns of Dewetsdorp, Wepener, Van Stadensrus and Soutpan. He emphasised that the metro's water supply system is heavily dependent on four major water treatment works: Welbedacht, Rustfontein, Maselspoort and Groothoek.

He noted that several of these treatment works are operating under severe pressure. The Maselspoort Water Treatment Works, although designed to treat up to 110 megalitres per day, currently produces significantly less due to maintenance backlogs and deteriorating water quality in the Modder River system. Refurbishment works are underway with the intention of restoring the plant to its full operational capacity.

The Executive Director explained that water demand in the metro has continued to rise over the past two decades as a result of urbanisation, population growth and the progressive replacement of VIPs and bucket systems with full waterborne sanitation. This increase in demand, combined with erratic rainfall in the Caledon and Modder River catchments, has resulted in a persistent deficit between supply and projected demand.

To address these operational challenges, Mangaung has adopted the Mangaung Bulk Water Augmentation Programme (MBWAP). Key components of the programme include a long-term water reuse initiative, a comprehensive 10-year Water Conservation and Water Demand Management Strategy, and the proposed Gariep Bulk Water Augmentation Project, which is considered crucial to ensuring long-term water security given the limitations of the current catchment.

The Executive Director briefed the Committee on the water and sanitation infrastructure backlogs across the metro. Each town requires substantial investment over the short, medium and long term to stabilise its water systems. He further explained that although most households have access to waterborne sanitation, the capacity of the metro's 13 wastewater treatment works is almost fully exhausted. Connecting all currently unserved households would require the construction of an additional 54 to 64 megalitres per day of wastewater treatment capacity.

A major focus of his presentation was the municipality's extremely high level of non-revenue water, currently exceeding 50 per cent. This means that more than half of all water entering the system is lost before reaching consumers. He attributed this to widespread leaks, aged infrastructure, non-functional meters and poor network control. The updated Water Conservation and Demand Management Plan outlines 18 long-term strategies aimed at reducing non-revenue water to acceptable national benchmarks. These include meter replacement programmes, automated meter reading installations, pressure management zones and the expansion of the "War on Leaks" programme, implemented with EPWP support. He reported that early interventions have resulted in measurable daily water savings but noted that more than R6 billion in long-term investment will be required to achieve sustainable reductions.

### 6.3. Presentation by the Executive for Operations and Maintenance (VCW)

The Executive for Operations and Maintenance from Vaal Central Water presented on the state of bulk water supply infrastructure and the progress of major capital projects supporting Mangaung's water system. He reminded the Committee that Mangaung relies primarily on the Welbedacht Dam system and the associated pipeline network, much of which is more than 50 years old and has

reached or exceeded its design lifespan. This has resulted in frequent bursts, leaks and structural failures, causing widespread service interruptions.

He reported on several major CAPEX projects in the Modder region, including the proposed upgrade of the Rustfontein Water Treatment Works, which will expand capacity from 100 to 150 megalitres per day. He provided an update on the Rustfontein–Leeukop parallel pipeline project designed to improve water conveyance to Bloemfontein. He confirmed that the Rustfontein–Lesaka pipeline, completed in 2019, has improved supply reliability to Botshabelo and Thaba Nchu. He also noted that designs and authorisations for the Tabali– OK pipeline (10km, 600mm) have been completed, but the project cannot proceed due to funding constraints.

In the Caledon region, the Committee was informed that Phase 1 of the Welbedacht Pipeline Replacement Project, a 33.7-kilometre steel pipeline, has been completed and commissioned. Phase 2, covering an additional 71.3 kilometers, remains in the planning and design phase and has experienced long delays due to extended approval timeframes. The Executive also outlined progress on the pre-treatment sedimentation works at Welbedacht, intended to address recurring siltation challenges, as well as the planned Knellpoort–Welbedacht pipeline to enable dam scouring and protect water quality.

Throughout his presentation, he highlighted several cross-cutting challenges, including funding limitations, prolonged approval processes at the national level, difficulties in securing land access from private landowners and recurring vandalism of key infrastructure components. These issues, he warned, threaten to delay the completion of essential bulk water supply projects and prolong Mangaung's vulnerability to water supply disruptions.

### 6.4. Physical Assessment of the Welbedact Bulk Pipeline Phase 1

The Committee was briefed on the Welbedacht Pipeline Phase 1 project at the Vaal Central Water Board Head Office. Members were also told about the Brandkop reservoir, which was once a biggest reservoir in South Africa before Rand Water completed its Station 5A water purification plant at Zuikerbosh near Three Rivers in Gauteng Province. Station 5A itself is a major Rand Water purification complex. In other words, Station 5A's scale is expressed through treatment, coverage

area, and distribution output, while Brandkop's scale is expressed through storage and hydraulic control.

Members also learned that Bloem Water (now incorporated into the newly established Vaal Central Water) was the first water board to implement the 96kW Conduit Hydro Power in the country on 31 March 2015, which is still operational and in use. The total cost for the project was R3.5 million. The hydropower plant has sufficient capacity to meet the electricity demand of the head office, which is situated at the same place as Brandkop Reservoir, in Bloemfontein. The turbine and generator are housed in a turbine room, located next to the Brandkop Reservoir. Approximately 30% on average of the water supplied via the Caledon-Bloemfontein pipeline is diverted through the turbine (350 L/s at 40 m pressure head).

***Project Overview***

VCW briefed Members on the completion and commissioning of Welbedacht Pipeline Phase 1, a 33.7 km steel replacement from Lieuwkop Chamber to Brandkop Reservoir. The project addressed end-of-life pre-stressed concrete pipe (PCP) sections that had been failing through joint leakage, reinforcement corrosion and catastrophic bursts, causing recurrent service interruptions to Mangaung. Phase 1 reached practical completion and was commissioned on 8 May 2024. Funding was provided through the Regional Bulk Infrastructure Grant (RBIG), with total cost of R595.7 million.

***Technical Scope***

The renewal comprised steel pipe installation with cathodic protection, air and scour valves, and six horizontal directional drilling (HDD) crossings beneath major roads, including the N1. Hydrostatic testing confirmed integrity, and a handover pack including Operation and Maintenance plans (O&M), as-built drawings and risk registers was delivered to VCW at close-out.

***Service and Socioeconomic Impacts***

The new main is expected to stabilise supply to approximately 81,236 households, arresting water losses and reducing unplanned outages tied to bursts and leak-related shutdowns. During delivery,

the project created about 170 jobs with an estimated R40 million in payroll and included practical and theoretical training for six local subcontractors.

***Delivery Challenges and Mitigation***

The project experienced COVID-19 delays, land-access disputes, community disruptions and incidents of vandalism (notably to cathodic protection assets). These were mitigated through rerouting in sensitive areas, establishment of a project steering committee with ward councillor involvement, security and concrete hardening of exposed equipment.

***Conclusions***

The onsite briefing confirmed that the Brandkop–Welbedacht corridor is a living system that has benefited materially from recent reinvestment. Brandkop continues to provide indispensable buffering and pressure stability to Mangaung; the conduit hydropower plant at Brandkop is a proven, durable mechanism for energy cost mitigation; and Welbedacht Phase 1 has arrested a long-standing failure mode by replacing end-of-life PCP with a protected steel main, thereby reducing bursts and improving service continuity to tens of thousands of households.

## 6.5. Deliberations, Questions and Answers

The Portfolio Committee's engagements with Mangaung Metropolitan Municipality and the VCW Water Board revealed a governance environment that is markedly more stable, cooperative, and technically aligned than what has been observed in several other municipalities under constitutional interventions such as Matjhabeng. The deliberations centred on institutional improvements, financial recovery efforts, technical performance, non-revenue water, tariff structures, sanitation backlogs, and the state of major bulk water infrastructure.

Members noted that Mangaung's leadership demonstrated a willingness to confront historical challenges and institutional weaknesses and presented evidence of strengthened internal systems. The Executive Mayor and senior officials provided detailed accounts of ongoing infrastructure programmes, water loss reduction strategies, meter replacement efforts, and revenue enhancement initiatives. The Committee commended the municipality's technical details, coherence of strategy,

and the level of institutional strengthening displayed, particularly when compared with the municipality seen the previous day.

Key questions from Members focused on the municipality's collection rate, financial sustainability, the impact of unmetered properties, the backlog of broken or obsolete water meters, the validity and accuracy of reported non-revenue water trends, and the extent to which savings generated through pressure management had been reflected in measurable performance indicators. Mangaung confirmed a collection rate of approximately 78 percent and acknowledged that dysfunctional and unmetered connections continue to depress revenue. Officials also explained that pressure management estimates reflect avoided losses rather than absolute reductions, which accounts for the continued high non-revenue water percentages despite technical interventions.

Members interrogated the relationship between Mangaung and the VCW Water Board, particularly in light of the financial distress affecting other municipalities dependent on VCW. Mangaung is currently the most reliable paying customer of the water board, and both entities described a cooperative and constructive working relationship. This was seen as a stabilising factor for the broader regional water supply system.

The Committee further engaged the Department of Water and Sanitation (DWS) on the progress of major augmentation projects, including the Gariep pipeline and associated feasibility studies. While approvals have moved forward, Members expressed concern about delays caused by communication breakdowns, land access disputes with farmers, and outdated information being presented. The Department acknowledged these weaknesses and committed to tightening planning coordination.

Sanitation backlogs, particularly the ongoing use of non-waterborne toilets in informal settlements, formed a significant portion of the deliberations. Mangaung explained that many informal settlements lack formal land tenure and therefore cannot yet be serviced with permanent infrastructure. The municipality is working on relocation plans, interim rudimentary services, and modernised sanitation technologies, and welcomed the Committee's advice to consult the Water Research Commission on alternative systems used internationally.

Members emphasised the constitutional and human rights dimensions of water and sanitation service delivery, urging the municipality to accelerate the finalisation of sanitation strategies and align them with the 2030 Sustainable Development Goals. They also highlighted the importance

of fully updated Water Services Development Plans, sanitation master plans, and accurate performance reporting.

Overall, the questions and answers session demonstrated a positive shift in Mangaung's governance culture, characterised by transparency, responsiveness, and an evident grasp of both the technical and financial levers required to reverse service delivery decline. The Committee expressed appreciation for the clarity, detail and practical nature of the responses provided.

### 6.6. Conclusions

The Committee concludes that Mangaung Metropolitan Municipality has made substantial progress in institutional strengthening, technical planning, and revenue management. The municipality demonstrated a clear understanding of the systemic causes of water losses, infrastructure collapse, and declining revenue, and presented a suite of interventions that align well with national policy and good engineering practice. While significant challenges remain, particularly in non-revenue water, sanitation backlogs, and financial sustainability, the Committee recognises Mangaung as a positive case of recovery within a broader provincial context of municipal instability.

At the same time, the VCW Water Board remains financially vulnerable due to widespread non-payment among its municipal customers. Mangaung's stable payment record is currently sustaining the system, but this poses systemic risk. VCW requires strengthened credit control, diversified revenue strategies, and improved collaboration with DWS to unlock funding for capital projects.

# PART C

## 7. Oversight Report: Sol Plaatjie Local Municipality

### 7.1. Overview of the Presentation by the Department of Water and Sanitation on RBIG-Funded Projects in Sol Plaatjie Local Municipality

The Department of Water and Sanitation (DWS) provided a detailed briefing on the roll-out of the Regional Bulk Infrastructure Grant (RBIG)–funded water-supply interventions in Sol Plaatjie Local Municipality. These projects form part of a coordinated intervention funded through the National Treasury's Budget Facility for Infrastructure (BFI), aimed at stabilising, refurbishing and modernising the Municipality's bulk-water system over a seven-year horizon. The RBIG allocation for the 2025/26 financial year amounts to R574 million, which is part of the broader R2.5 billion BFI portfolio for Sol Plaatje.

DWS highlighted that the implementation approach is phased to ensure that emergency, medium-term and long-term challenges are addressed in a coordinated manner. The Emergency Phase (24 months) has been critical in addressing immediate risks that jeopardised supply security—such as repairing major bulk pipeline failures, addressing leaks at key reservoir sites, stabilising operations at the water-treatment works (WTW), and installing bulk meters to improve system visibility and allow for accurate water-loss diagnostics. Work at the WTW included water-quality improvements, emergency refurbishment of dosing systems, leak repairs within the plant, and improvements to operational control, including power-supply upgrades and improved access-control measures.

The Medium-Term Phase (36 months) entails major engineering upgrades to restore system integrity and reduce long-term water losses. These works include large-scale refurbishment and replacement of bulk supply pipelines, establishing zonal metering points, carrying out night-flow analysis, introducing pressure-management valves, and applying advanced leak-detection technologies. The Municipality has also begun linking metering infrastructure to digital water-balance dashboards, enabling daily monitoring of system input volumes (SIV), authorised and unauthorised consumption, and leak-related losses.

The Long-Term Phase (36 months) focuses on expanding storage capacity, modernising key pumpstations, refurbishing the Newton Reservoir and Tower Pumpstation, upgrading the Ritchie bulk-water treatment and supply system, and implementing water-resource diversification measures—including wastewater-reuse options that form part of the Municipality's long-term water-security planning.

DWS reported strong financial and implementation performance. By December 2025, the Municipality had exceeded all RBIG spending thresholds necessary for continued tranche releases. Actual expenditure of just under R300 million represented more than 50% of the annual allocation, with only half the financial year elapsed. Design development across the BFI portfolio stands at 83%, with major construction packages already in the market or nearing award. To accelerate delivery—especially on long-lead components—DWS has authorised strategic advance-payment guarantees to reduce procurement bottlenecks.

Progress on the ground includes: a 15% reduction in real water losses; a downward trend in non-revenue water; commissioning of pressure-management zones; installation of thousands of new bulk- and consumer-metering points; completion of 966 leak repairs; and visible construction progress on bulk pipelines, WTW clarifiers, filter galleries, wash water-recovery systems, reservoir desludging, chemical-dosing upgrades, electrical switchgear installations and reservoir-site security infrastructure. DWS emphasised that the cumulative impact of these interventions is beginning to stabilise water supply patterns that were previously deteriorating.

### 7.2. Overview of the Presentation by Sol Plaatjie Local Municipality on its Budget Facility, Infrastructure, Water Supply Interventions, and its Water Services Development Plan

Sol Plaatjie Local Municipality delivered an extensive presentation detailing its BFI implementation progress as well as the outcomes of its updated Water Services Development Plan (WSDP). The WSDP provides the strategic framework underpinning the Municipality's capital-investment and operational interventions, drawing on national water-security priorities and localised technical assessments.

The Municipality reported that its water services environment remains under severe pressure, driven by high levels of system losses, ageing infrastructure, and escalating demand patterns. Non-revenue water (NRW) stands at 63%, with real losses alone accounting for 48.5%. The demand model in the WSDP projects that, unless losses are substantially reduced, total daily water demand could reach 158 Ml/day by 2050—far exceeding the system's sustainable supply capacity. The Municipality also reported that its current unit consumption of 339 litres per capita per day is significantly above best-practice levels, underscoring the need for aggressive demand-management interventions.

The WSDP integrates demographic data reflecting 74,330 households and a population of approximately 275,000 people. Despite improvements, several thousand households still fall below basic water-supply or sanitation standards. The WSDP also includes detailed asset-management inventories covering boreholes, abstraction points, WTWs, pumpstations, pipelines, reservoirs and wastewater facilities, as well as institutional assessments that highlight capacity vulnerabilities in operations, maintenance, financial management, revenue collection and technical skills.

Within the BFI programme, the Municipality outlined its Emergency Phase interventions, which have included large-scale leak repairs across the bulk and reticulation networks, major repairs at the Newton Reservoir site, stabilisation of the WTW through refurbishment of filters, clarifiers, backwash systems, and chemical-dosing equipment, and installation of new transformers and electrical infrastructure to ensure a reliable power supply for treatment operations.

Medium-Term interventions include refurbishment of bulk pipelines across several corridors, implementation of pressure-management zones, installation of advanced controllers, examination of flow anomalies across consumer and zonal meters, and extension of the water-balance dashboard to enable real-time performance monitoring. The Municipality has installed 5,828 new or replaced meters to date, which has already resulted in significant increases in billed authorised consumption. The replacement programme directly responds to audit findings identifying thousands of unmetered or inaccurately metered connections.

Long-Term interventions being planned include major storage expansions, comprehensive pumpstation upgrades, and wastewater-reuse schemes to diversify the water-supply mix.

The Municipality presented measurable performance improvements achieved to date. A 23% reduction in system input volume (SIV) following a major shutdown demonstrated improved control and reduction in unnecessary losses. Pressure-management zones have yielded substantial volumetric and monetary savings, with more than 1.2 billion litres saved through zonal interventions alone. The leak-repair campaigns, accelerated in partnership with contractors, have resulted in nearly a thousand leaks being repaired within months. Reservoirs have been desludged, removing over 11,800 cubic metres of silt, improving storage capacity and water quality. Construction images presented by the Municipality show tangible progress on clarifier reconstruction, filter-gallery refurbishment, new chemical-dosing rooms, new power-supply installations, and perimeter-security works at treatment facilities.

In terms of socio-economic impact, the Municipality reported that 324 labourers have been appointed to date, representing 32 per cent of the targeted 1,000 jobs under the BFI programme. Youth participation stands at 48 per cent, although the Municipality acknowledged the need to increase the participation of women. Local SMMEs have also benefited from contract participation commitments across pipeline refurbishment, meter installation, plant upgrades, and leak-repair operations.

Overall, the Municipality's presentation demonstrated a significant shift toward systems-based water management, with improved data analytics, targeted interventions, and strengthened financial and operational planning underpinning the broader BFI delivery programme. While challenges remain—particularly around NRW, technical capacity constraints, and ageing infrastructure, the combination of targeted capital works, refined operations and maintenance strategies, and strengthened monitoring systems is beginning to show measurable impact on water-supply reliability and demand management.

### 7.3. Physical Assessment of the Refurbishment of Riverton Water Treatment Works

The Committee's visit to the Riverton Water Treatment Works provided a detailed view of the ongoing refurbishment programme and the operational environment within which the municipality delivers potable water to residents. Officials from Sol Plaatjie Local Municipality and Vaal Central Water walked the Committee through the plant, explaining that the upgrade seeks to restore the

plant to its original design capacity while modernising key components that have deteriorated over decades. They indicated that the replacement of asbestos pipes with new PVC systems was essential, as the former posed both health risks and structural weaknesses. They further explained that filtration units were being rebuilt, complete with new pipelines, nozzles and sand layers, to improve filtration at source.

A central component of the upgrade involved the transformation of the plant's electrical capacity. Previously, Riverton operated with two outdated 5 MVA (Megavolt-Amperes) transformers that had to run simultaneously despite being designed for a duty–standby configuration. Officials noted that the demand had long exceeded this capacity and that the transformers ran continuously without redundancy. With the arrival of a new 10 MVA transformer already installed and another 10 MVA unit scheduled for commissioning within days, the plant would finally be able to operate optimally with sufficient standby capability. This improvement would allow more pumps to operate simultaneously, significantly increasing daily production.

The Committee questioned whether the quality of the treated water still met regulatory standards, given changes in raw water quality from the Vaal River, where pollution has increased in recent years. The plant management explained that while the water chemistry has indeed changed over time, the refurbishments were restoring Riverton to a condition capable of treating current levels of turbidity and contamination. They emphasised that both internal laboratory testing and weekly independent sampling ensured consistent compliance with safety standards. When asked whether the system could adapt to more advanced contaminants such as chemicals of emerging concerns (CECs), such as microplastics, pharmaceuticals, etc., the municipality explained that while the long-term design anticipates potential future upgrades, the present phase focuses strictly on reinstating the original treatment processes and infrastructure.

The Committee also examined issues of system reliability and storage capacity. Officials confirmed that the Newton Reservoir Complex—which receives bulk water from Riverton—had undergone cleaning and desludging, as some reservoirs contained up to 400 millimetres of sludge. The municipality reported that reservoir performance had already stabilised, with more consistent levels being maintained throughout the day. The oversight team raised concerns about illegal connections along the pipeline, especially where farmers illegally tap into the system. The

municipality responded that they were negotiating formal metered off-takes to prevent future vandalism and improve accountability.

The Committee raised questions about maintenance planning, especially the sustainability of the infrastructure once the refurbishment concludes. Officials assured the Committee that the National Treasury required the municipality to reinvest savings generated by the upgrade back into maintenance. A long-term asset management strategy was already under development and would align maintenance schedules with the upgraded system.

The Committee also took an interest in the socio-economic commitments attached to the project. The municipality confirmed that the Riverton upgrade was expected to create over 1,000 job opportunities, with approximately 100 to 150 workers already employed. These opportunities would continue to expand as additional phases of construction commenced.

### 7.4. Discussions, Questions and Answers at Sol Plaatjie Local Municipality

During the engagement with Sol Plaatjie officials, the Committee focused particularly on governance, financial health, water losses, revenue collection and the state of sanitation infrastructure. When asked to explain the financial standing of the municipality, the Chief Financial Officer (CFO) acknowledged that Sol Plaatjie had received qualified audit opinions for more than five consecutive years. Key recurring issues included weaknesses in revenue management, asset accounting and persistent water and electricity losses. The CFO added that one of the previous material misstatements related to debtors had already been corrected, and work continued on addressing the qualifications relating to property, plant and equipment.

The Committee then turned to the question of non-revenue water, which had featured prominently in both the Auditor-General's findings and in the municipality’s own reporting. Municipal officials presented what they described as major progress: more than 6,000 of the 7,000 faulty meters identified by the Auditor-General had been replaced, and the city had already established 17 pressure management zones equipped with pressure-reducing valves and bulk flow meters. The Committee queried whether these interventions had yielded measurable improvements. The representatives from the Department of Water and Sanitation confirmed that real water losses had

decreased by an estimated 15 percent, a significant improvement, particularly for a project still in progress.

Questions then shifted to sanitation, where the Committee expressed serious concern after learning that the Homevale Wastewater Treatment Works was treating only half of its inflow and discharging the remaining untreated effluent into wetlands. Committee members challenged the municipality about why the situation had been allowed to deteriorate to this extent and what immediate steps were being taken to stop environmental harm. Technical officials explained that mechanical failures, vandalism and the collapse of ageing components had left portions of the plant non-functional. They reported that R5 million had been allocated internally to begin urgent refurbishment, and that a larger 20-year upgrade programme—estimated at R3 billion—had been submitted to National Treasury. The municipality added that it was exploring alternative sludge-management options such as thermal hydrolysis, as well as effluent reuse technologies to reduce raw water extraction from the Vaal River.

Committee members also scrutinised the municipality's human resource capacity, especially the availability of qualified process controllers. The municipal manager reported that operators had recently been upskilled to Class III and IV levels in accordance with Regulations 3630 of the National Water Act 36 of 1998, to ensure that the plant complies with national competency standards.

The Committee questioned whether Sol Plaatjie should be placed under Section 139 intervention. The Acting Municipal Manager argued firmly against administration, stating that all governance structures were functional, statutory reports were submitted on time and the current leadership had demonstrated both willingness and capacity to cooperate with DWS, Vaal Central Water and National Treasury. The Committee acknowledged the progress but warned that the persistent environmental risks posed by untreated sewage could force future intervention if immediate improvements were not made.

When asked when the adjustment budget would be finalised, the CFO stated that the adjusted budget would be presented to Council on 24 February 2026, after which revised procurement plans and the updated Service Delivery and Budget Implementation Plan would be submitted to oversight bodies. The Committee emphasised the importance of synchronising all planning instruments with the financial recovery plan and National Treasury directives.

The municipality was also questioned on gender equity in subcontracting, after it was noted that only 23 percent of BFI-funded work involved women. The municipality conceded that this required improvement and confirmed that a meeting with Project Management Unit partners was scheduled to ensure greater participation of women, youth and local enterprises.

### 7.5. Conclusions

The Committee concluded that the Riverton Water Treatment Works upgrade is broadly on track, with clear evidence of improved stability, modernisation and operational capacity. The technical teams demonstrated a solid understanding of the system’s weaknesses and were able to show where the investments were already yielding measurable results. The Committee found this encouraging and noted that, if sustained, Riverton could become a model for other municipalities grappling with ageing infrastructure.

The Committee appreciated the efforts and plans presented aimed at reducing water losses, upgrading meters and restoring operational discipline in the water value chain. The Committee acknowledged the strong working relationship between the municipality, VCW and the DWS, which contributed to the improvements already observed. However, the Committee remained deeply concerned about the state of sanitation infrastructure, particularly at Homevale Wastewater Treatment Works, and stressed that ongoing discharge of untreated effluent cannot continue without severe environmental and regulatory consequences.

# PART D

## 8. Recommendations

### 8.1. Recommendations on Matjhabeng Local Municipality

The Committee recommends that Matjhabeng Local Municipality comply fully and immediately with all requirements of the Financial Recovery Plan. The municipality must, within 14 days, submit a detailed compliance matrix setting out all outstanding FRP requirements, the responsible officials and updated deadlines. Should Matjhabeng fail to meet this deadline, the Committee will consider recommending escalation to a more intensive intervention, including dissolution under section 139(1)(c).

8.1.1. Members recommended that Vaal Central Water (VCW) should consider operating the Thabong WWTW for at least five years after completion, while simultaneously supporting a structured capacity-building programme within Matjhabeng Local Municipality. This transitional operational arrangement would ensure the protection of the infrastructure investment, guarantee compliance with environmental standards, and allow sufficient time for the municipality to develop competent internal technical teams to eventually take full responsibility for the plant. Members stressed that this approach is essential to safeguarding the long-term sustainability of the facility and preventing a recurrence of the historical failures that necessitated the current intervention. The VCW and Matjhabeng Local Municipality should sign a service level agreement (SLA) to formalise this arrangement well in advance of the completion of refurbishments, which are scheduled for 31 March 2026. VCW should submit a copy to the Committee by 15 March 2026.

8.1.2. The VCW informed the Committee that they have reached an agreement to sign an SLA for the provision of water services, which will be finalised on 06 February 2026. The Committee recommends that a copy of the signed SLA must be submitted by 09 February 2026. However, if this does not occur, both parties must submit a joint memorandum within 14 days setting out reasons for the delay and provide a revised date for the signing of the SLA.

8.1.3. The Committee further recommends that the municipality submit, within 14 days, a verified customer register reconciling metered and unmetered connections, a full account of unbilled customers, and an explanation of the exact tariff structure applicable to unmeasured water consumption in informal settlements.

8.1.4. The Committee recommends that the municipality submit, within 14 days, a written confirmation addressing the alleged R35 tariff, clarifying the correct tariff codes and the amounts applicable to unmetered connections, and presenting a plan for migration to metered prepaid systems.

8.1.5. The Committee recommends that Matjhabeng, Free State COGTA and VCW conduct joint technical verification of bulk and consumer meters within 14 days and submit a signed verification report with corrective actions.

8.1.6. The Committee recommends that the municipality confirm, within 14 days, compliance with Regulation 3630 regarding wastewater process controllers and provide documentation addressing the alleged unauthorised refurbishment expenditure.

8.1.7. The Committee instructs the municipality to submit, within 14 days, a revised Service Delivery and Budget Implementation Plan (SDBIP) fully integrating FRP, National Treasury and DWS directives, including the updated maintenance budget and a plan for addressing critical infrastructure failures. Thereafter, Free State COGTA and the municipality must submit a joint monthly progress report on the 15th of each month.

8.1.8. The Committee recommends that a joint payment plan be submitted by Matjhabeng and Vaal Central Water within 14 days, outlining how the municipality will comply with the arbitration-determined R62 million monthly requirement and how top-slicing of the equitable share will be implemented. If Matjhabeng and VCW fail to reach an agreement, the Committee recommends that the National Treasury’s equitable share top-slicing (withholding) mechanism be implemented immediately to prevent further arrears accumulation.

8.1.9. The Committee recommends that Matjhabeng submit, within 14 days, a complete report on insourcing and outsourcing, detailing all services that have been insourced, all remaining outsourced services, legal statuses of contracts, and associated financial implications.

8.1.10. The Committee observed with concern the continued outsourcing of the Municipality's core revenue-collection functions to Ntiyiso Consulting and Ideals (Pty) Ltd. Evidence presented during the oversight visit indicated that these services were historically performed by municipal finance officials and interns, raising questions about the necessity and rationale for externalising functions central to municipal financial management. It was reported that both companies operate from within municipal premises and utilise municipal resources at no cost, despite the critical requirement—under the Financial Recovery Plan—for the Municipality to rebuild and strengthen internal capacity.

8.1.11. The Committee further noted that the financial arrangements associated with these contracts appear to impose a substantial burden on the Municipality and its residents. Ntiyiso Consulting reportedly retains 11% of monthly revenue collections, while Ideals (Pty) Ltd deducts 10% from prepaid resident sales, contributing to higher service costs for residents. Additionally, the Municipality allocates significant operational time and resources—including daily Operation Patala meetings and communication-related expenditure—to support the activities of these service providers. These factors raise serious concerns relating to value for money, duplication of work ordinarily performed by municipal staff, and the overall impact of the arrangements on municipal finances and community affordability.

8.1.12. In light of these matters, the Committee recommends that Matjhabeng Municipality submit, within 14 days, a comprehensive written report providing a full justification for the appointment of Ntiyiso Consulting and Ideals (Pty) Ltd. The report should include the procurement basis, legal compliance, cost-benefit analysis, performance outcomes, total costs incurred (inclusive of commissions and municipal resources utilised), and comparative revenue-collection data before and after outsourcing. The Municipality must further outline measures to restore and strengthen its internal revenue collection capacity.

## 8.2. Recommendations on Mangaung Metropolitan Municipality

8.2.1. The municipality must continue to implement its non-revenue water strategy with urgency, integrating pressure management, active leak detection, metering, billing accuracy,

informal settlement servicing, and demand management into a consolidated programme with measurable milestones.

8.2.2. The municipality must submit an updated Water Services Development Plan, Sanitation Master Plan, and Revenue Enhancement Strategy that are aligned with the financial recovery plan, Department of Water and Sanitation directives and the 2030 Sustainable Development Goals by 30th June 2026.

8.2.3. A detailed Sanitation Backlog Eradication Plan must be provided, outlining timelines, costing, interim measures and long-term solutions for informal settlements and all remaining non-waterborne toilets by 30 April 2026.

8.2.4. The municipality must accelerate the formalisation of informal settlements, including the issuing of Permission to Occupy certificates where appropriate, to enable legal billing and service upgrading.

8.2.5. The Committee urges Mangaung to expand its engagement with the Water Research Commission to explore modern sanitation and water efficient technologies suitable for informal and high-density areas.

8.2.6. The Executive Mayor must ensure that budget allocations to water infrastructure maintenance, operations and refurbishment are progressively increased to bring the city closer to national norms for maintenance and operations.

8.2.7. VCW must refine its credit control measures to mitigate its financial exposure while balancing constitutional obligations and water supply security.

8.2.8. VCW must fast-track negotiations with landowners on access for the Gariep pipeline and future phases. And ensure that compensation methodologies for servitudes are standardised, transparent and legally sound. The VCW must submit its servitude acquisition strategy, including the current servitude payment report for its infrastructure in its area of operation (service area), by 30 March 2026.

8.2.9. VCW should formalise mechanisms to reinvest a defined percentage of Mangaung-related revenue into infrastructure upgrades within the same scheme, to maximise system stability and improve water service delivery. This reinvestment process and outcomes should be reported in the annual report that is tabled in Parliament.

8.2.10. The Committee commends Mangaung and VCW for the improved governance posture displayed during the oversight visit and urges both institutions to maintain this momentum.

The success of these interventions is critical not only for the metro and the Free State province but for the broader stability of the regional water supply system.

8.2.11. The Committee recommends that the National Treasury and the Department of Water and Sanitation assist Mangaung with the business plan for the Budget Facility for Infrastructure (BFI) funding application, considering noticeable governance improvement in the municipality and several projects that are implementation ready with all approvals in place but lacks funding such as Construction of Tabali - OK Pipeline (10 km, 600mm). National Treasury should provide a report on Mangaung BFI business plan to the Committee by 30 April 2026, while the DWS must provide a report, within 14 days, on BFI-funded projects across the country, including the ones that are still in the pipeline and elaborate on its efforts towards assisting entities and municipalities to access BFI funding.

### 8.3. Recommendations on Sol Plaatjie Local Municipality

8.3.1. The Committee recommends that Sol Plaatjie Local Municipality, immediately after adoption of its adjustment budget, should submit its revised Procurement Plan, its updated Water Services Development Plan and a revised Service Delivery and Budget Implementation Plan to the Committee.

8.3.2. The municipality must also accelerate repairs at the Homevale Wastewater Treatment Works, with weekly progress reports submitted to DWS until the plant is capable of treating its full inflow. The Committee further recommends that DWS expedite its assessment of the municipality's major sanitation upgrade proposals and facilitate technical support to bring the wastewater treatment systems back into compliance. DWS must submit quarterly compliance reports on Homevale Wastewater Treatment Works, which should include, among others, remedial actions if noncompliance persists, starting from 30 March 2026.

8.3.3. Given the measurable improvements in the water sector, the Committee advises National Treasury to give fair consideration to Sol Plaatjie's large-scale infrastructure funding applications, provided the municipality continues to demonstrate sound project execution and financial discipline. The Committee also recommends that Sol Plaatjie integrate women, youth and local contractors more deliberately into its procurement practices, both to promote equity and to broaden the local economic impact of major public investments.

8.3.4. The committee will conduct a follow-up visit within six months to assess whether water loss reductions have been sustained, whether wastewater treatment has improved, and whether the municipality is complying with the planning and reporting obligations outlined during the oversight engagement. The Committee notes that failure to correct the ongoing environmental risks at Homevale Wastewater Treatment Works may necessitate consideration of targeted intervention under Section 139 of the Constitution, although such intervention would be considered only if cooperative approaches fail.

**Report to be considered.**

# 4. Report of the Portfolio Committee on Correctional Services on its oversight visit to various correctional centres in Limpopo Province from 26-30 January 2026, dated 10 March 2026.

The Portfolio Committee on Correctional Services undertook its oversight visit to various correctional centres in Limpopo Province from 26-30 January 2026 and reports as follows:

1. **Introduction**

1.1 The Portfolio Committee on Correctional Services (the Committee) undertook an oversight visit to Limpopo Province between 26-30 January 2026.

1.2. The focus area for the oversight visit was on Juveniles, Female Offender, Remand detainees, Rehabilitation and Skills development for sentenced offenders as well as infrastructure.

1.3. The following Members and Support Staff were part of the oversight visit:

- Hon KA Ramolobeng
- Hon M Sokopo
- Hon EA Cloete
- Hon MS Moela
- Hon E Hendricks
- Hon N Nolutshungu
- Hon MM Gasa
- Hon LG Shangase.

Staff members

- Mr S Mthonjeni
- Mr M Mathabathe
- Mr S Makaleni
- Ms S Sowazi.

## PART I

2. **Correctional Centers visited**

2.1 The Committee conducted announced visit on seven (7) correctional centers namely, Thohoyandou Medium A; Thohoyandou Medium B; Thohoyandou Female & Juvenile; Kutama-Sinthumule CC; Makhado CC; Tzaneen CC; Polokwane CC. In Addition, the Committee conducted unannounced visit to Modimolle Correctional Centre.

2.2 The Committee also invited the Department of Public Works and Infrastructure to their oversight visits to correctional centers as well as the Judicial Inspectorate for Correctional Services.

3. **THOHOYANDOU MEDIUM A CORRECTIONAL CENTRE**

3.1. Thohoyandou Management Medium A CC is one of the four (4) Correctional Centre, in Thohoyandou Management Area. This is a mixed facility for Maximum Sentenced offenders and Remand Detainees.

3.2. The approved bed space for Thohoyandou Medium A is 685 while the current offender population is 1 183. The total population consists of 894 RDs and 279 Sentenced Offenders. The overcrowding rate of this facility is 171.24%.

3.3. The post establishment for Medium A is 225 while 205 positions are filled and 20 are vacant resulting in the vacancy rate of 8.88%. Majority (16) of the vacant positions are under Security and Case Officers.

3.4. The structure of Medium A is said to be poor and requires total revamp. Management reported that recent rain has worsened the situation with ceiling board falling and paint peeling off on walls.

3.5. The following projects are planned for Medium A CC:

- Repairs and Renovations WCS (050324)
- Upgrade of Medium A Kitchen WCS (050734).

3.6. There are 33 sentenced and 163 remand foreign national inmates at Medium A Correctional Centre of which majority in both categories are from Zimbabwe (141) followed by Mozambique (41).

3.7. The period of RDs spent in detention varies. There are 97 RDs who have been detained for more than 2 years and the longest period spent in detention is 7 years 11 months years for murder case.

3.8. In terms of Bail Review (Sec 63 (1) and 62A), a total of 23 applications were made, and none was successful. For Sec 49G on the other hand, there were 105 submissions made in the same period, and none was successful.

3.9. In terms of Lifers, Medium A has a total of 59 of which 1 is under Van Wyk Judgement and 58 are those who committed crime after 01 October 2004.

3.10. The following challenges and possible interventions were highlighted for Medium A:

- Dilapidated building infrastructure – Provision of funding of the repair and maintenance of the building and infrastructure
- Inadequate supply of water in the correctional facility – Intergovernmental engagements between the Municipality and the Management Area are required
- Insufficient budget – Allocation of budget to be reviewed to support the basic needs of the correctional centre and strategic objectives of the Department
- Shortage of staff caused by the departmental shift patterns which created division A and B – The Department need to establish the shift pattern that will fuse division A and B into a single division which shall work from Monday to Friday & 46% of the total staff compliment shall be placed to work on weekend.

## 4. THOHOYANDOU MEDIUM B CORRECTIONAL CENTRE

4.1 Thohoyandou Medium B Correctional Centre is one of the Centres within Thohoyandou Management Area in LMN Region. This is a medium facility housing sentenced male adult offenders.

4.2 The approved bed space of the centre is 225 while there are 629 sentenced offenders resulting in overcrowding rate of 279.55%.

4.3 The post establishment of the centre is 76 and all positions are currently filled.

4.4 The facility houses a total of 170 lifers of which 45 fall under Van Wyk Judgement, 14 under Phaahla and 111 are those who committed crime after 01 October 2004.

4.5 There are 118 sentenced foreign nationals in Thohoyandou Medium B.

4.6 A total of 35 offenders participate in both skills and educational programmes.

47 The following Self-Sufficiency & Sustainability Projects were identified:

- Repair of damaged ceiling
- Installation of window louvers
- Manufacturing of Siloam hospital pyjamas
- Manufacturing of offender uniform.

48 Thohoyandou Medium B is reported to have four projects namely beef, piggery, vegetable and orchards. The farm is about 323 hectares of which 250 hectares is agriculture soil. Vegetable is about 5 hectares, piggery 32 sow unit, Beef 17 cow unit and orchard 4 hectares.

## 5. THOHOYANDOU FEMALE AND JUVENILE CORRECTIONAL CENTRE

5.1 Thohoyandou Female and Juvenile is a mixed facility with five units accommodating both sentenced and remand detainees. The approved bed space of the facility is 140 and there are 314 inmates consisting of 132 RDs and 182 sentenced offenders resulting in overcrowding rate of 224%.

5.2 The facility has a post establishment of 80 while there are 79 filled positions resulting in vacancy rate of 1.25%.

5.3 There are 119 foreign nationals in the facility of which 87 are sentenced and 32 are remand detainees. Majority (101) are from Zimbabwe followed by Mozambique (15). The prevalent crimes committed by foreign nationals includes Theft, Contravention of immigration law, Illegal mining, Assault and Rape.

5.4 In terms of court referrals under Sec 49G, 6 applications were made and none were successful. Under Sec 63(1) and 62(A) there were 4 applications made and none were successful also.

5.5 In terms of RDs with Bail, there are 8 RDs with Bail of which 2 had been granted bail of less than R500 and 4 with Bail of between R500 and R1000 and 2 with bail of between R1000 and R5000.

5.6 Periods spent in detention varies with the longest person being detained for 5 years and 1 month for murder and conspiracy to commit murder, robbery with aggravating circumstances case.

5.7 The following challenges and proposed interventions were identified:

- Dilapidated building infrastructure – Provision of funding of the repair and maintenance of building and infrastructure
- Inadequete supply of water in correctional facilities – intergovernmental engagements between the Municipality and the Management Area are required

- Insufficient budget – allocation of budget to support the basic needs of the correctional centres and strategic objectives of the Department.
- Shortage of staff caused by the departmental shift patterns which created division A and B – The Department need to establish the shift pattern that will fuse division A and B into a single division which shall work from Monday to Friday, 46 % of the total staff compliment shall then be placed to work on weekend.

## 6. KUTAMA-SINTHUMULE CORRECTIONAL CENTRE

6.1 Kutama-Sinthumule Correctional Centre is a Maximum facility for sentenced male offenders. The approved bed space of the centre is 3 024 and there are 3 024 offenders. The facility is always 100% occupied.

6.2 The are 2086 lifers of which 01 falls under the category of Van Wyk Judgement and 2085 were sentenced after 01 October 2004.

6.3 The post establishment for the facility is 485 and only 463 positions are filled and 22 are vacant resulting in a vacancy rate of 4,75%.

6.4 The facility houses a total of 384 foreign offenders and majority are from Zimbabwe (184) followed by Mozambique (78) and Lesotho (49).

6.5 The facility houses 14 female foreign nationals and majority (9) are from Lesotho. Prevalent crime committed by female foreign nationals include House breaking with intent to rob and robbery, murder and Immigration Act.

6.6 A total of 728 offenders participate in various skills programmes while 1 107 participate in educational programmes.

6.7 In terms of Self-Sufficiency & Sustainability, the facility bakes 1200 loaves of bread per day and keep 2 400 loaves of bread in store for 2 days.

6.8 In terms of infrastructure status, the following was reported:

- Annual Maintenance Survey Report done by external provider
- Bi-Annual Conditional Survey done by an external service provider
- Dilapidation Survey conducted from 23-27 June by the DCS Technical Team
- Whole facility is in a good and operational condition.

6.9 The following achievements were recorded:

- 7 Day establishment and equivalent of 40.25-hour work week
- 100% in line with the White Paper on Corrections in SA
- Best ABET results in the Limpopo Province
- Health Care – one of the best clinics in the Limpopo Province in TB Program.

## 7. MAKHADO CORRECTIONAL CENTRE

7.1 Makhado Correctional Centre falls under Thohoyandou Management Area as a mixed facility for medium offenders and Remand Detainees. The approved bed space of the facility is 305 and there are 918 inmates of which 544 are remand detainees and 374 are sentenced offenders. The overcrowding rate is 300.98%.

7.2 The Centre has an approved post establishment of 165 while only 144 positions are filled resulting in a vacancy rate of 14.54%.

7.3 Between April and December 2025 a total of 49 cell-phones were confiscated during security operations in the facility.

7.4 The facility houses a total of 348 foreign inmates of which 190 are remand detainees and 158 are sentenced offenders.

7.5 In terms of court referrals (Sec 49G), a total of 19 applications were made, and none were successful. On the other hand, the Bail Review (S63(1) and S62A) application saw only 2 successful applications out of 17 applications made.

7.6 A total of 23 remand detainees had bail of which 07 had bail of less than R500, 9 had bail of between R500-R1 000 and 7 had bail of between R1 000 and R5 000. The

longest period spent in detention is 4 years and 6 months for case of tempering with essential infrastructure.

7.7 The facility provides various skills and educational programmes to offenders. A total of 38 offenders participate in those skills.

7.8 In terms of Self-Sufficiency & Sustainability, the facility has 0,66HA and produces Cabbage, Spinach, Mustard, Butternut and Carrots.

7.9 The following own-resources projects were identified:

- Reinforcement of three corrugated iron cells
- Repair of Ceiling at B Unit Dining Hall and Logistic Stores
- Renovation of Makhado Correctional Centre Clubhouse.

7.10 The following challenges and proposed interventions were identified:

- Dilapidated building infrastructure – Provision of funding of the repair and maintenance of the building and infrastructure
- Inadequate supply of water in the correctional facility – Intergovernmental engagements between the Municipality and the Management Area are required
- Insufficient budget – Allocation of budget to be reviewed to support the basic needs of the correctional centre and strategic objectives of the Department
- Shortage of staff caused by the departmental shift which created division A and B – Need to establish the shift pattern that will fuse division A and B into a single division which shall work from Monday to Friday and 46% of the total staff compliment shall then be placed to work on weekend.

## 8. TZANEEN CORRECTIONAL CENTRE

8.1 Tzaneen Correctional Centre is both a Medium and Minimum Correctional Centre under Polokwane Management Area. The facility houses sentenced Juvenile, Youth, Adult and Elderly Offenders. There are only four units in the correctional centre and with an approved bed space of 501 and currently 94.81% occupied.

8.2 There are 6 lifers and all of them were sentenced after 01 October 2004.

8.3 In terms of foreign nationals, there are 57 sentenced males and majority are from Zimbabwe (39) followed by Mozambique (9) and Lesotho (3). The prevalent crimes committed includes Illegal immigration, house breaking and burglary, robbery with aggravating circumstances and aggressive crimes.

8.4 The facility provides different skills and educational programmes to offenders. A total of 157 offenders participated in different skills (90) and educational (67) programmes.

8.5 The post establishment of Tzaneen is 194 and only 174 positions are filled and 20 are vacant resulting in the vacancy rate of 10.31%.

8.6 Tzaneen Correctional Centre has 918 people under the system of Community Corrections of which 471 are parolees, 39 are probationers, 28 absconders (post 2004) and another 380 pre-2004 absconders.

8.7 The following challenges and proposed interventions under community corrections were identified:

- Cabling of computers and printers – Need for funding to be registered to cable offices and provide network connectivity
- Shortage of vehicles – To purchase more vehicles as we monitor uphill and mountainous areas that need bakkies and it becomes a challenge to reach those areas on monthly basis
- Shortage of staff – Review the current post establishment structure.

8.8 In terms of Self-Sufficiency & Sustainability, the facility has a farm with a total of 44.325 hectares which produce Onions, Tomatoes, Spinach, Carrots, Cabbage, Butternut, Beetroot, Bananas and Mangoes amongst other things.

8.9 The following general challenges facing the centre were identified:

- The washing machine and dryer are not working
- Structural crack and leakage in one of the cells in Dayroom 4
- There is a leakage at the clinic
- Shortage of water from the municipality’s supply
- Shortage of official’s accommodation.

## 9 POLOKWANE CORRECTIONAL CENTRE

9.1 Polokwane Correctional Centres falls under Polokwane Management Area. There are three (3) Correctional Centres under this Management Area. This facility consists of Maximum, Medium and Minimum sentenced and remand inmates.

9.2 The approved bed space of Polokwane CC is 504 and there are 1 874 inmates of which 412 are sentenced Offenders, 13 are state patients and the remaining 1 449 are remand detainees.

9.3 The post establishment of Polokwane CC is 195 and only 185 positions are vacant resulting in 5.12% vacancy rate.

9.4 In terms of Lifers, the facility has a total of 28 sentenced lifers of which 03 fall under Van Wyk Judgement, 03 under Phaahla Judgement and 22 are those who committed crime after 01 October 2004.

9.5 There are 470 foreign national inmates in Polokwane CC of which 363 are remand detainees and 107 are sentenced offenders. Majority are from Zimbabwe (331) followed by Mozambique (60) and Lesotho (31).

9.6 In terms of Sec 49G, a total of 39 referrals were made, and none were successful. Again, with regard to Bail Review, a total 113 applications were made and only 10 were successful.

9.7 Out of 108 RD with bail, 46 were granted bail of below R500 and 34 between R500 and R1000.

9.8 The period spend in detention varies between 1 day to 8 years. The longest period spend in detention is 8 years for a crime of murder.

9.9 The facility provides both skills and educational programmes to offenders including Adult Education and Training, long and short skills.

9.10 The following challenges and proposed interventions were identified under Community Corrections:

- Cabling for computers and printers – Need for funding to be registered to cable offices and provide network connectivity

- Shortage of vehicles – to purchase more vehicles as we monitor uphill and mountainous areas that need bakkies
- Shortage of staff – Review the current post establishment structure.

9.11 The following status of infrastructure were highlighted:

- Polokwane Centre is an old centre and does not effectively cater for the Unit Management approach
- Two units require roof reinforcement to detain inmates
- Plumbing infrastructure is old and rusty, and pipes are leaking inside the walls
- The kitchen is old and small to cater to the current offender population
- The standby generator, which provides alternative electricity during loadshedding is broken and economically irreparable
- Community Corrections needs offices as the current structures are overloaded
- The offices need strong rooms, maintenance of air conditioners, sanitation facilities and water supply from pressure pumps.

9.12 The following general challenges and proposed interventions were identified:

- Insufficient security personnel – Improve turnaround time on recruitment strategy
- Insufficient budget – Improved budget allocation
- Officials are not trained to handle and manage inmates – Dept of Health must place state patients in designated mental health facilities.

9.13 The following achievements were recorded:

- Zero (0) escape for the past 10 years
- Purchased two 300L cooking pots and one tilting pan
- Re-arrested 30 absconders between April and December 2005
- Initiated three (3) Imbizos which were held within Capricorn District
- Participated in Seven (7) Crime Prevention Programmes with the JCPS cluster at Mookgophong, Mankweng, Lebowakgomo, Mokopane, Masemola and Polokwane

## 10. MODIMOLLE CORRECTIONAL CENTRE (UNANNOUNCED)

10.1 Modimolle Correctional Centre is one of the centres under Polokwane Management Area. The centre is classified to house Minimum and Medium offenders, however, there are maximums and juveniles who are to be transferred to the nearest maximum/juvenile centres should they have space.

10.2 The approved bed space of the centre is 318 but there are 735 sentenced offenders resulting in overcrowding rate of 231.13%.

10.3 The post establishment of Modimolle CC is 122 and only 103 positions are filled resulting in vacancy rate of 15.57%.

10.4 In terms of lifers, there are 62 lifers of those, 4 falls under category of Van Wvk Judgement, 17 under Van Vuuren Judgement and 41 are those who committed crime after 01 October 2004.

10.5 Modimolle CC has a total of 257 foreign national inmates and majority are from Zimbabwe (176) followed by Malawi (36) and Lesotho (15).

10.6 The facility provides a number of skills and educational programmes for offenders. A total of 128 offenders participate in programmes of which 78 are participating in skills programmes and 50 are participating in educational programmes.

10.7 The following challenges and proposed intervention were identified under Community Corrections:

- Cabling of computers and printers – Need for funding to be registered to cable offices and provide network connectivity
- Shortage of vehicles – To purchase more vehicles as areas that are monitored are mountainous and require bakkies.
- Shortage of staff – Review of the current post establishment structure.

10.8 The following general challenges and proposed interventions were highlighted:

- A high influx of foreign nationals contributes to overcrowding in the centre which impacts on the budget expenditure and increased potential of staff

burnout. Officials are required to guard more offenders than the prescribed official-to-offender ratio – Review legislation to limit prolonged detention of illegal foreign nationals once criminal processes have been finalized, the offender should be directly handed over to the Department of Home-Affairs for deportation

- Budget constraints – Allocation of budget according to the needs
- Need a tractor for tilling the land – Provision of budget to buy a tractor.

10.9 The Modimolle CC has also recorded the following achievements:

- Purchase of 3 x 200L cooking pots
- Built three toilets and a shower room at the agriculture unit
- Also built an office for the officials at the dog unit
- Two greenhouse structures at Agriculture
- Produced 71 458kg of vegetables from April - December 2025
- Zero escape.

**PART II**

## 11 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

### MODIMOLLE CORRECTIONAL CENTRE

11.1 The Committee conducted an unannounced visit to Modimolle Correctional Centre and took a walk-about in the following areas of the Centre:

- Kitchen
- Hospital
- A unit
- School
- Computer Lab.

11.2 **Kitchen**: The Committee noted that 4 (Four) Freezers were not functioning at Modimolle Correctional Centre and they were reported to the Department of Public Works & Infrastructure in December 2025. The Department of Correctional Services is urged to update the Committee monthly on this.

11.3 **Journal of tasting food**: The Committee has noted with concern that the tasting of food was not done in compliance with standard practice as the last entry on the journal was made on 1 January 2026. The Department of Correctional Services is requested to ensure that all correctional centres comply with the SOPs on tasting food.

11.4 **Ratio of officials to inmates**: The Committee was worried about the ratio of officials to offenders. In A-Unit, the Committee found only 3 officials responsible for 341 inmates, while in B-Unit, there were only 2 officials responsible for 313 inmates. The Committee believes, this put the lives of officials at risk and request the Department to ensure that funded vacancies are filled.

**THOHOYANDOU CORRECTIONAL CENTRES (MED A, Female and Juvenile, and MED B)**

11.5 The Committee took a walk-about in the following areas of Thohoyandou Correctional Centre:

- Female section
- Mother-and-Baby Unit
- Kitchen
- Temporary Kicthen for Med B
- Hospital
- Textile at female
- Production workshops.

11.6 **Kitchen**: The Committee noted that at Medium A CC, out of 8 pots only 1 was not functioning and the cold room was not functioning since October 2025. The Committee was informed that a service provider is currently on site and by April 2026 the cold room including the pot will be fully functional. The Committee requests the Department to submit a report at the end of April 2026.

11.7 **Infrastructure:** The Committee was seriously concerned about the long delay in the kitchen project at Medium B CC. Public Works has committed that the Kitchen

will be completed on 26 February 2026. The Committee request a report on the completion of the Kitchen on the 2nd of March 2026.

11.8 **Laundry Machines**: The Committee was worried to see female inmates doing laundry by hands because the laundry machines were not fully functional. The Department reported that a maintenance person from Kutama -Sinthumule will come to attend to laundry machines. The Committee request the Department to submit a monthly progress report until all machines are fixed starting from March 2026.

11.9 **Roof of Textile workshop**: The Committee also noted that the roof at textile workshop was not in a good state and requested the Department of Correctional Services together with Public Works to find ways to fix it.

11.10 **Ratio of officials to inmates**: The Committee was worried about the ratio of officials to offenders given the overcrowding and the vacancies that are available especially under security. The Committee requested the Department of Correctional Services to ensure that funded vacancies are filled.

11.11 **Water shortage:** The Committee noted the issue of water shortage and acknowledged that it is generally a challenge in the Vhembe District. The Department is requested to look for long term solution to address this challenge including more bore holes and Jojo tanks.

11.12 **Contraband**: The Committee was pleased to hear that both female and Juvenile centres are contraband free, especially cellphones. Management is encouraged to ensure that all centres within the Management Area benchmark with Female and Juvenile Centres in becoming contraband free including cellphones, dagga and drugs.

11.13 **Vacancies**: Unfilled vacancies are a concern for the Committee, and the Committee requests the Department to ensure that funded vacancies are filled.

11.14 **Overcrowding:** The Committee acknowledges that overcrowding is a national problem, and it does not only affect Thohoyandou. DCS should give a serious look

at implementation of the Electronic Monitoring as raised by the Area Commissioner.

11.15 **Plugs in cells**: The Committee received complaints from inmates pertaining to absence of functioning plugs in their cells. The Department is requested to reprioritize their budget to include repair and maintenance of plugs.

11.16 **Discipline of offenders**: The Committee noted with concern the practice of offender discipline known as 'Hang-Pal". The Committee views this as an inhumane way of disciplining inmates and believe that there are ways to discipline inmates in correctional centres including loss of privileges and segregation depending on the kind of infringement committed.

**KUTAMA-SINTHUMULE CORRECTIONAL CENTRE**

11.17 The Committee took a walk-about in the following areas:

- Kitchen
- Workshops
- Health Care
- Blue Prison (O-block and E-block)
- Green Prison.

11.18 **Infrastructure and Management of the Centre**: The Committee has commended the management of the facility for keeping the facility clean and well-maintained. The Committee was also impressed with the operations of the centre.

11.19 **DCS takeover**: The Committee has requested DCS and DPW&I to ensure that the status quo of the current infrastructure remains after taking over at the end of the contract in 2027. The Committee was concerned that the discussions on labour matters for take-over has not started (This issue will be included in the Committee programme).

11.20 **Reclassification:** The DCS was encouraged to ensure that those inmates who meet the criteria of reclassification to medium centres are attended to timeously.

11.21 **Cellphones:** The Committee was impressed to hear that there are no cellphones in possession of offenders in Kutama-Sinthumule. This was largely ascribed to the availability of what is known as "the Boss chair". DCS is encouraged to look at the possibility of procuring such chairs especially for "Big Five" Centres.

**MAKHADO CORRECTIONAL CENTRE**

11.22 The Committee took a walk-about in the following areas of the Correctional Centre:

- Kitchen
- Remand Detention Unit
- Hospital
- Sentenced section.

11.23 **Kitchen:** The Committee noted that out of 6 pots only four were functioning, and the steamer was not functioning because the motor was not working. The Committee was informed that the order of the element has been placed and by the end of February these equipment will be attended to. The Committee request the Department to submit a report by Monday 16 March 2026.

11.24 **Water shortage:** The Committee acknowledged that the shortage of water was not only affecting Makhado Correctional Centre but it was a general problem in the municipality. The Department is requested to look at long term solutions to address water shortage.

11.25 **Overcrowding**: The Committee noted the levels of overcrowding in the facility and ascribed this, amongst others, to the closure of three cells that are being renovated. The Department is encouraged to prioritize the renovation projects to ease overcrowding in the facility. The Department is further requested to submit a report at the end of March 2026 with regard to completion of this project.

11.26 **Infrastructure:** The Committee noted that the correctional centre structure was fairly in good condition but needed to be maintained before it becomes dilapidated.

11.27 **Cleaning materials:** The Committee was concerned about the smell in communal cells and requested the Department to ensure that they should use strong cleaning detergents to kill the smell.

11.28 **Vacancies**: The Committee encouraged the Department to ensure that funded vacancies are filled urgently

11.29 **Ratio of inmates to officials:** The Committee was also concerned about the ratio between inmates and officials in Makhado as this can put the lives of officials at risk.

11.30 **Pharmacy:** The Centre's pharmacy is commended for achieving position one in Vhembe region on TEAR.NET and achieving position 3 in Vhembe region

11.31 **Monkeys:** The Department reported that they had a problem with monkeys destroying their produce on the farm. The Committee encourages the Department to find creative ways to address this.

**TZANEEN CORRECTIONAL CENTRE**

11.32 The Committee took a walk-about in the following areas of the centre:

- Kitchen
- Hospital
- K1 and K2 Units
- Skills workshop
- School
- Control room.

11.33 **Kitchen:** The Committee noted that out of 3 pots, only 2 were functioning and two of the three cold rooms were not functioning. The Department reported that the

order for the element has been placed and by the week of the 2 February 2026 the freezer should be functioning. The Department further committed that the cracks on the walls in the kitchen will be fixed by the end of February 2026. The Committee requests that a report to be submitted in this regard on the 16th of March 2026.

11.34 **Deviation from the meal plan**: The Committee was concerned about the deviation from the meal plan and requested the Department to ensure that they move away from planned menus. The menu plan must be informed by what is in stock.

11.35 **Vacancies**: The Department is encouraged to ensure that funded vacancies are filled to ease pressure of officials doing additional work.

11.36 **Smoking of Dagga:** The Committee is concerned about too much consumption of dagga in the cells and that contributes to the smell in the cells. DCS should ensure they prevent dagga from entering the centre and in addition, ensure continuous monitoring of offenders in cells to ensure they do not smoke dagga.

11.37 **Compliance certificate:** The Committee acknowledges that municipalities in the regions/provinces do not operate the same. However, the Department is encouraged to ensure that when inspectors arrive, they should atleast sign on a journal to show that they did inspect the kitchen.

11.38 **Management of the centre and cleanliness:** The Committee commends the management of the centre for keeping the centre clean and how the centre is managed.

11.39 **Regional management:** The Committee commends the Regional Commissioner and his management team in the region on how they manage their management areas.

11.40 **Officials of the centre**: The Committee also commends the officials of the centre on their work and in ensuring that the centre is contraband free.

11.41 **Maintenance**: The Department is requested to ensure that minor maintenance is attended to immediately.

**POLOKWANE CORRECTIONAL CENTRE**

11.42 The Committee took a walk-about in the following areas of the centre:

- Kitchen
- Remand section
- Maximum section
- School
- Skills workshop
- Pharmacy.

11.43 **Kitchen**: The Committee noted that all 6 pots in the kitchen were fully functioning and out of 5 freezers only 1 was malfunctioning. The Department of Public Works is encouraged to attend that freezer. The Committee also noted that paint on the walls was pilling off. The Department of Correctional Services is requested to ensure that offender labour is utilized to deal with minor maintenance issues.

11.44 **Dirty mattresses:** The Committee observed very dirty mattresses at Cell 4 and 5 of the remand section as well as beds without mattresses. The Department is urged to ensure that mattresses are washed and kept clean and to procure mattresses for inmates.

11.45 **Overcrowding:** The Committee noted that the centre was small and very overcrowded. The Department is encouraged to find ways of addressing overcrowding including transferring offenders to centres that are least overcrowded.

11.46 **General cleanliness**: The Committee observed that although the centre was small, the general cleanliness leaves much to be desired, especially at remand section. The Department is requested to ensure that offender labour is utilised to keep the centre clean and hygienic and make use of stronger detergent to clean the cells.

11.47 **Pharmacy**: The Committee was impressed with the Pharmacy in Polokwane Correctional Centre and commends the management and the staff of the pharmacy for their good work.

11.48 **Inmate assaults**: The Committee was disturbed to see one remand detainee who was assaulted by another inmate in his cell. The Department is urged to ensure the safety of all inmates and further ensure that the ringleader is charged and disciplined.

11.49 **Water shortage**: The Committee again, acknowledge that water shortage is a general problem in the province and is not only limited to Polokwane Correctional Center. However, the Department is encouraged to look at more creative to address this challenge including more boreholes and Jojo tanks.

11.50 **Follow-up visit**: The Committee will request Hon Moela to make a follow-up visit to check on progress regarding its findings and implementation of its recommendations after 3 months of the adoption of this report.

**Report to be considered.**

# National Council of Provinces

## 1. Report of the Select Committee on Social Services on an Oversight Visit to Northern Cape Province, dated 11 March 2026.

## Table of Contents


1. Introduction ..... 1
2. Sector-Specific Overview ..... 2
   2.1 Health infrastructure ..... 2
   2.2 Identified health facilities for the oversight visit ..... 3
3. Findings and Challenges: Visited Sites ..... 3
   3.1 Robert Mangaliso Sobukwe Hospital ..... 3
      *3.1.1 Findings* ..... 4
      *3.1.2 Challenges* ..... 5
   3.2 Beaconsfield Clinic ..... 6
      *3.2.1 Findings* ..... 7
      *3.2.2 Challenges* ..... 7
   3.3 New Mental Health Hospital ..... 8
      *3.3.1 Findings* ..... 8
      *3.3.2 Challenges* ..... 9
   3.4 Tshwaragano Hospital ..... 10
      *3.4.1 Findings* ..... 10
      *3.4.2 Challenges* ..... 11
   3.5 Wrenchville Clinic ..... 12
      *3.5.2 Findings* ..... 12
      *3.5.3 Challenges* ..... 13
   3.6 Kuruman Hospital ..... 13
      *3.6.2 Findings* ..... 14
      *3.6.2 Challenges* ..... 15
   3.7 Danielskuils Clinic ..... 15
      *3.7.1 Findings* ..... 16
      *3.7.2 Challenges* ..... 16
   3.8 Delportshoop Clinic ..... 17
      *3.8.1 Findings* ..... 17
      *3.8.2 Challenge* ..... 18
4. Recommendations and Issues for Follow-Up ..... 18
5. Conclusion ..... 21

## Parliament Delegation

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- Ms D. Fienies (NC) (ANC) – Chairperson: Select Committee on Social Services
- Mr M. Mokwele (LP) (ANC) – Whip
- Mr M. Feni (EC) (ANC)
- Mr P. Sibande (MP) (ANC)
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- Dr Thabile Ketye – Content Advisor
- Mr Moses Mncwabe – Committee Researcher
- Mr Gunther Mankay – Committee Assistant
- Mr Justice Molafo – Communications Officer

## Abbreviations and Acronyms

| | |
|---|---|
| CCMDD | : Central Chronic Medicines Dispensing and Distribution |
| CCTV | : Closed-Circuit Television |
| CHWs | : Community Health Care Workers |
| CPAP | : Continuous Positive Airway Pressure |
| DoH | : Department of Health |
| EMS | : Emergency Medical Services |
| HFRG | : Health Facility Revitalisation Grant |
| HPCSA | : Health Professions Council of South Africa |
| HPRS | : Health Patient Registration System |
| HVAC | : Heating, Ventilation and Air Conditioning |
| MoU | : Memorandum of Understanding |
| NGO | : Non-Governmental Organisation |
| NCOP | : National Council of Provinces |
| NDoH | : National Department of Health |
| NHI | : National Health Insurance |
| PDoH | : Provincial Departments of Health |
| PPP | : Public-Private Partnerships |
| SANC | : South African Nursing Council |
| SASSA | : South African Social Security Agency |
| SCM | : Supply Chain Management |
| T2DM | : Type 2 Diabetes Mellitus |

The Select Committee on Social Services, having undertaken an oversight visit to the Northern Cape Province on 10-14 November 2025, reports as follows:

## 1. Introduction

The Select Committee on Social Services (hereinafter, the Committee) conducted an oversight visit in the Northern Cape Province on 10 – 14 November 2025. Section 72 of the Constitution (1996) makes a provision for the National Council of Provinces (NCOP) to undertake processes, including oversight. The Committee derives its mandate from the Constitution of South Africa. Thus, its function is grounded in the provisions of the Constitution, which are to oversee the executive.

The purpose of the visit is part of the Select Committee's involvement in executing the oversight priority plan project of the 7th Parliament. The focus of the oversight will be on infrastructure development in health facilities, including the following:

- Health facility requirements and status regarding upgrades, construction or refurbishment.
- Project management, including delays in the completion of projects and progress in the building and refurbishment of new hospitals.
- Maintenance of facility infrastructure, including reliance on external service providers and water supply.
- Expenditure of conditional grants, budget cuts and/or misallocation of funds and how that affects infrastructure projects and the provision of essential health services.
- Facilities for health care personnel (doctors and other hospital personnel).
- Implications of infrastructure challenges on the provision of quality health care services.

The Committee visited the City of Kimberly and the town of Kuruman. The Committee thus conducted oversight at Department of Health (DoH) sites, namely the Beaconsfield Clinic, New Mental Hospital, Robert Mangaliso Sobukwe Hospital, Tshwaragano Hospital, Wrenchville Clinic, Kuruman Hospital, Danielskuils Clinic, and Delportshoop Clinic.

This report provides an overview of the areas the oversight focused on. The Committee received briefings from the Departments, centre managers, and hospital management in the

form of PowerPoint presentations before conducting site visits. The briefings were followed by discussions with the Committee Members, where they asked questions to explore and probe the issues raised during the presentations and site visits. Information in this report, therefore, comes from the presentations, discussions, and observations collected. It highlights the findings from the visited sites and the challenges reported. Based on the engagements and observations, recommendations and follow-up issues have been identified and addressed.

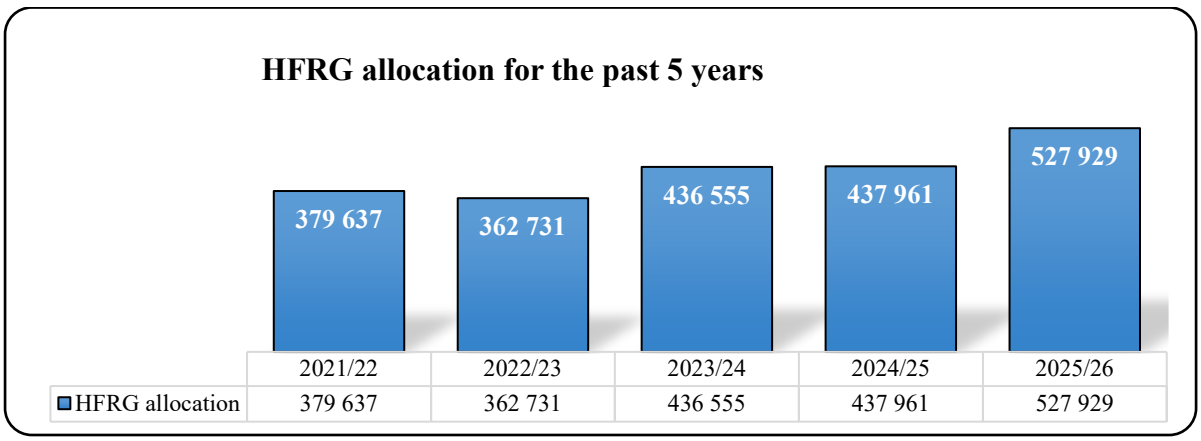
## 2. Sector-Specific Overview

### 2.1 Health infrastructure

Public health care is provided through a concurrent mandate. Therefore, the national Department of Health (NDoH) coordinates, amongst others, health infrastructure, while the provincial Departments of Health (PDoH) determine their own infrastructure needs and requirements.

The Northern Cape Department of Health's (the department) current projects for the 2025/26 financial year include the construction of primary health facilities funded through the Health Facility Revitalisation Grant (HFRG). The Department is committed to investing in existing infrastructure to revitalise health care facilities and medical technology, thereby improving the quality of care. The budget for the 2025/26 financial year has increased from R437.961 million to R527.929 million, reflecting the incentive allocation received for the year. Figure 1 shows the HFRG allocation for over 5 years, 2021/22 to 2025/26.

***Figure 1: Health Facility Revitalisation Grant allocation for the past 5 years (2021/22 to 2025/26)***




Adapted from: Northern Cape Department of Health (2024): Annual Report (2023/24).

Figure 1 shows the steady annual allocation of R379.6 million for 2021/22 and R436.5 million for 2023/24. The allocations of R437.9 and R527.9 million were for 2024/25 and 2025/26, respectively.

### 2.2 Identified health facilities for the oversight visit

The complete attainment of universal health coverage, the National Health Insurance (NHI), is significantly dependent on, amongst others, health infrastructure such as clinics, community health centres, community day hospitals, and district-to-central hospitals. Therefore, the non-restricted access to quality health care remains a dream without the sound health facilities of the referenced facilities. As articulated, physical infrastructure is critical; however, it requires additional components for optimal delivery of quality health care, that is, fit-for-purpose medical equipment, competent human resources, uninterrupted water and energy, and medication.

## 3. Findings and Challenges: Visited Sites

### 3.1 Robert Mangaliso Sobukwe Hospital

This facility, known as Kimberley Hospital, was established in the late 1800s. The catchment area for the tertiary hospital includes all five districts of the Northern Cape Province, with a total population of 1.36 million, which is 2.2% of the country's population (Statistics South Africa 2024 mid-year estimates).

The hospital offers a wide range of tertiary-level services, including 24-hour emergency care, mental health services, various specialist services, allied health services, clinical pathology, a day surgery unit, dental services and medical imaging. There are 32 beds for 72-hour mental health observation. The 72-hour observation is up to 8km away. Maternity services include obstetrics and maternity care.

The Health Professions Council of South Africa (HPCSA) accredited the Robert Mangaliso Sobukwe Hospital as a training facility for medical interns, registrars and undergraduate

medical students. In addition, the training of pharmacy interns and pharmacy assistants is accredited by the South African Pharmacy Council. The South African Nursing Council (SANC) accreditation for practical nursing training in collaboration with Henrietta Stockdale Nursing College.

The Committee visited the following sections/departments, namely, the waiting area for oncology services, the administration department, the casualty, the postnatal, and the maternity ward.

*3.1.1 Findings*

The Committee observed the following issues:

- At the administration unit, the facility is adapting the Health Patient Registration System (HPRS) together with manual capturing.
- Patients are given temporary files (when they arrive) to reduce waiting times.
- At the casualty, there is no dedicated space for children.





### *3.1.2 Challenges*

- This facility has infrastructural challenges, including holes in ceilings, peeling walls, and broken boilers. It was reported that in the past, it experienced power interruptions due to cable theft and vandalism, and that it lacks a strong backup power system.
- Closed-circuit television (CCTV), biometric access, and alarms are often non-functional, compromising the safety of health users and health personnel.
- Due to infrastructural deficiencies, the core services, such as the laundry and pharmacy, have been forced to close and relocate.
- The waiting list for oncology services is 12-18 months, which is exceptionally long.
- The facility serves health users from almost all the province's districts.
- The facility refers patients to Universitas Academic Hospital in Bloemfontein for advanced medical care
- At postnatal, there is an extreme shortage of health practitioners, especially nurses
- It has a High Care Unit and four consultants, four continuous glucose monitoring (CGM) machines, which are inadequate for the greater demand the facility receives.
- It had not filled the Head of Unit for the postnatal care for over 10 years.
- There is a high rate of teenage pregnancy, resulting in a high rate of caesarean procedures, which is costly.



The department reported as follows:

- The procurement of a supplier for the upgrading of the laundry at Robert Mangaliso Sobukwe Hospital will be concluded by the end of October 2025.
- A team from the Northern Cape went to the Western Cape to benchmark the Provincial Laundry at Tygerberg Hospital and the Lentegeur Rehabilitation Centre.
- Upon appointment of the supplier, a working visit will be undertaken to the Western Cape with the appointed professional service providers, then a business case will be compiled to adopt a model that will be tailor-made for laundry services in the Northern Cape.
- A clinical brief has been developed and submitted to the national Department of Health for input before the Accounting Officer signs it. Supply chain management (SCM) is finalising the process of appointing an Architect from the Panel of professional service providers to redesign and reconfigure the current Architecture and Engineering. Works are expected to resume in April 2026. Stages 1-3 have been completed. Procurement will resume in November 2025. The contractor is expected to be on site in February 2026 to resume construction works.

### 3.2 Beaconsfield Clinic

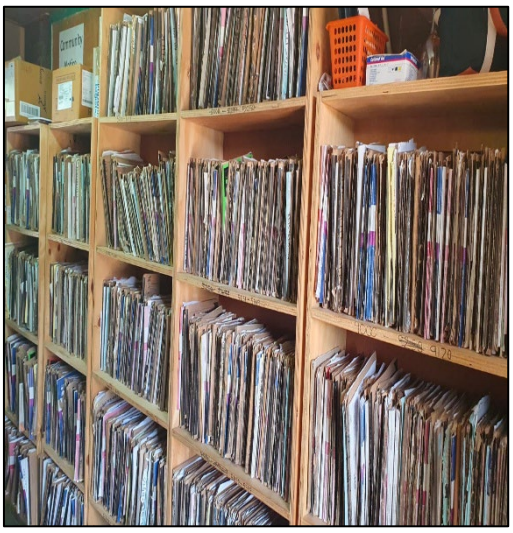
Beaconsfield Clinic is located in the Sol Plaatjie Municipality, which has a population of 270,078. This clinic was initially constructed as a Catholic school in 1891 and was revitalised into a clinic in 1989. It is among the municipality's historic buildings. About 20,601 people are served by Beaconsfield Clinic, according to the 2025/26 district health information system.

It operates 5 days a week from 7:30 to 16:00 and is closed on weekends and public holidays. The facility provides a complete package of primary health care services to health users in and around the area, including the management of chronic diseases such as Type 2 Diabetes Mellitus (T2DM). It refers health users with T2DM to the Robert Mangaliso Sobukwe Hospital when their cases become complicated. This referral is for patients requiring more intensive management for conditions like target organ damage, uncontrolled diabetes, or diabetes emergencies.



The Committee visited the observation area, filing space, resuscitation area, and medical storage area.

### *3.2.1 Findings*



The Committee made the following observations:

- The clinic is a small heritage building that cannot be reconfigured to meet the Ideal Clinic and Health Norms standards.
- The restrictions on redesigning heritage buildings are an obstacle in addressing Infrastructure challenges in the facility, except for minor maintenance, which is handled at the District Office.
- It has adequate medical availability.

### *3.2.2 Challenges*

- The facility is old, small, and has cracks on the walls.
- The filing space at the facility is cramped, given its size.
- It has no backup generator, which poses a problem during power outages.

- It faces water challenges due to poor raw water quality from the Vaal River and an outdated water infrastructure. These issues are compounded by systemic problems, such as inadequate infrastructure maintenance, which lead to a lack of a reliable water supply for the clinic and health users.
- The department reported that to address the broader city-wide problem, Sol Plaatje Municipality is undertaking a large-scale upgrade project, including a new pipeline, to improve the water system's capacity and reliability.

## 3.3 New Mental Health Hospital

The New Mental Health Hospital provides specialised care to health users with mental illnesses, offering a range of services such as inpatient and outpatient treatment. It also focuses on creating a therapeutic and supportive environment for its clients. This facility aims to improve the quality of mental health care, reduce the burden on general hospitals, and make treatment more accessible to local communities. This facility was opened on 30 September 2019.

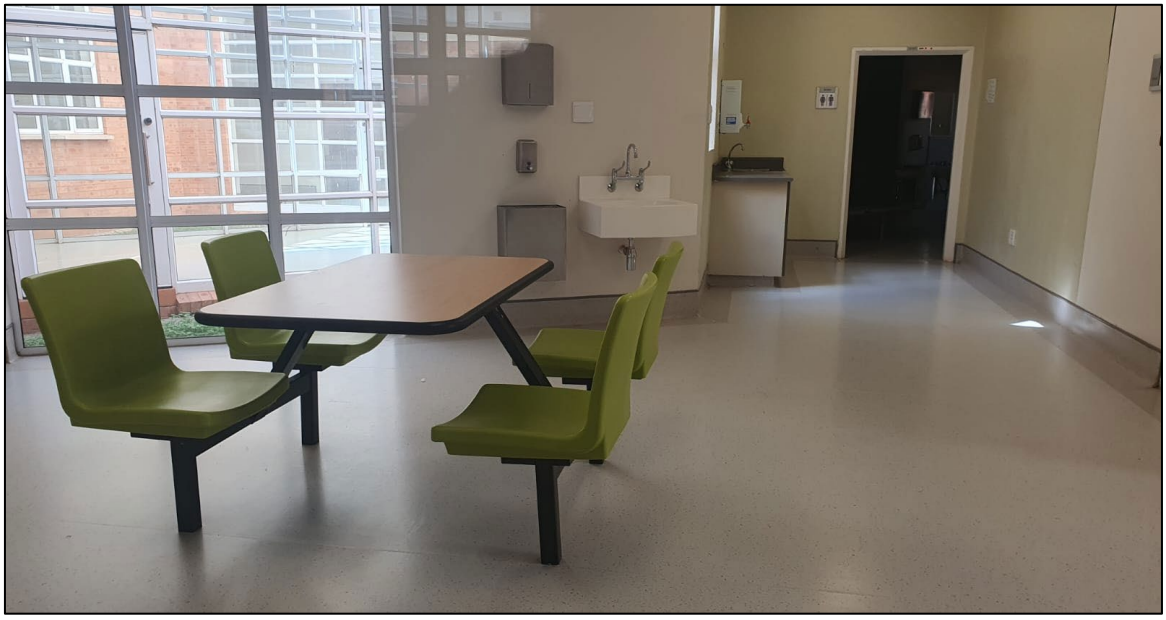
The Committee visited the female low and medium ward, the chronic ward, and the state patients.




### *3.3.1 Findings*

The Committee made the following observations:

- The facility is a state-of-the-art facility and offers 72 hours of observation.
- The facility is not fully operational due to a shortage of human resources.
- It accommodates state patients and works with the Department of Correctional Services.
- It has a chronic ward to provide one-stop health care for health care users with mental conditions.



### *3.3.2 Challenges*




- There is no halfway house in the province.
- Some health users are violent towards the health practitioners.
- There is a shortage of trained staff.
- There are aspects of the facility that need maintenance and/or repairs.

The shortage of resources is negatively impacting the delivery of health care services. However, the department reported the following:

- Hot water has been adjusted to 45 degrees in consultation with the end-user. Installation of Pumps on the roof for water distribution throughout the facility is 85% complete and will be completed by the end of November 2025.

- The functionality of the heating, ventilation and air conditioning (HVAC) system at the facility is at 80%. The reboot of the building management system, which controls the central arithmetic logic that monitors temperatures, will be completed in December 2025, and the facility's HVAC output will reach 100%.

## 3.4 Tshwaragano Hospital

This hospital is a public facility in Ka-Segonyana Local Municipality. The facility is located in Batlharos, approximately 259,2 kilometres from Kimberley. The hospital's catchment area includes Batlharos and the surrounding communities. Tshwaragano District Hospital was built in 1926 by missionaries and officially opened on 1 July 1988. This is one of the largest rural district hospitals in the Northern Cape.

The service package includes: 24-hour emergency services; outpatient services; inpatient medical services; inpatient surgical services; inpatient paediatric services; X-ray services; 24-hour onsite laboratory services; sexual and reproductive health; obstetrics and gynaecological services.

The Committee visited the filing, unit, waste storage, casualty, pharmacy, general ward, autoclave unit, and paediatric ward.

### *3.4.1 Findings*

The Committee made the following observations:

- Multidisciplinary teams visit peripheral communities to strengthen primary health care and prevent illnesses.
- The facility only uses a manual filing system and therefore requires migration of files to an online platform. The file storage space is inadequate and requires ventilation.
- Medical waste bins were stationed accordingly in consulting rooms for collection by the service provider.
- The triage system is utilised to determine the medical response required.
- There are no stock-related challenges except logistical delays from the depot.
- The hospital has a partnership with Medirite for Centralised Chronic Medicines Dispensing (CCMDD).

- The general ward is small, and the paediatric ward has 28 beds, a neonatal care unit, and high flow machines.
- There are three medical machines, but only one is usable.
- The paediatrics ward was newly built two years ago.



*3.4.2 Challenges*

- There is an inadequate number of administrative and clinical staff.
- There is a need for a permanent dietitian, speech therapist and occupational therapist (in the paediatric ward).
- There are 34 doctors in the casualty servicing 240 villages.
- Water at the facility is a major challenge and causes damage to the autoclave equipment.
- The hospital is having sections that are dilapidated. The department reported that minor infrastructure renovations were carried out in the male, female, surgical/gynaecology (currently unoccupied), and paediatric wards during the year 2021/22.
- Overcrowding was observed in the hospital's accident and emergency department, with a 40-bed ward remaining unoccupied due to staff shortages. The department reported that efforts are well underway to utilise the 40-bed ward.
- The hospital has old, dilapidated infrastructure that needs major investment. However, there are on-site infrastructure projects in progress: Gateway Clinic, walkways, outpatient department (OPD) renovations, asbestos removal, underground services, and paving. The Department has been engaging with Kumba Iron Mine, which has offered assistance to

revamp the hospital, and an agreement has been reached to conduct a conditional assessment of the facility to provide scientific evidence and informed investment. The process will be concluded in December 2025.

- There is a challenge of beds for fractured patients or orthopaedics.
- To carry out Continuous Positive Airway Pressure (CPAP) therapy for infants in an incubator, the facility needs specialised neonatal CPAP machines.

### 3.5 Wrenchville Clinic

Wrenchville Clinic is situated in Wrenchville township. It is a public facility that has been in operation for many years and serves the nearby areas of *Kagung* and *Promised Land*. The facility is serving a catchment population of 9,999.

It was stated that it operates 7 days a week from 08h00 to 20h00 and has an estimated daily client intake of about 120 health users. It used to have an effective clinic committee that liaised with various structures to ensure good governance. The service package includes curative services, chronic disease management, prevention services, antenatal care, the Expanded Programme on Immunisation, the Integrated Management of Childhood Illness, and mental health. Eye care and dental health services are provided through mobile units.

The Committee visited various areas of the clinic, including the Waiting Area and the Medicine Room.

#### *3.5.2 Findings*

The Committee made the following observation:

- The clinic (building) belongs to the municipality but is operated by the provincial health department.
- It was reported that the department is committed to constructing a new Wrenchville Clinic.
- It was reported that the department has begun planning for a new Ideal Clinic. It was also reported that the department is awaiting the municipality's allocation of suitable land. Site works are anticipated to resume in April 2026/2027.

### *3.5.3 Challenges*

- Health users' data is captured manually as HPRS is not fully implemented.
- Patient records are stored in boxes (in the administration area).
- Vitals are taken in the administration area, which has a small corner that serves as the staff kitchen.
- There is one clerk. She is responsible for data capturing, sometimes with the help of the peer educator.
- The facility serves approximately 1,300 patients a month and has a staff shortage.
- Waiting time is long and beyond the norm.
- The facility is old and does not comply with the ideal clinic framework.
- The facility does not have a backup plan in case of loadshedding.
- The facility experiences water-related challenges as it does not have a water tank.
- It has an emergency room, which is exceedingly small but has all the requirements, such as the emergency trolley, oxygen cylinder, and suction.

## 3.6 Kuruman Hospital

This is a District health facility situated in Kuruman. It was built in 1983 for the small population living there at the time. Since then, the population has grown, making it impossible for the hospital to fulfil its mission given its size. It receives referrals from about 22 clinics from townships and villages around Kuruman. It is estimated that over 270,000 people in the catchment depend on this health facility. Kuruman District Hospital is a 69-bedded level one Health establishment situated in Gasegonyana Local Municipality within the John Taolo Gaetsewe District along the N14 road. It was constructed in the year 1983. The hospital's bed capacity is inadequate to accommodate all patients



who need health care services; in most cases, there is overcrowding across all clinical areas.

The hospital offers the following services, 24-hours accidents and emergency care, 24 hours X-Ray Unit, one-stop service centre (for the ex-miners), general outpatients department, high risk clinic, oncology clinic, general ward catering for medicals, surgical, paediatrics and orthopaedics, maternity (ante-natal, labour, post-natal), maternity waiting home, mental health as well as employee health wellness centre.

The hospital also offers pharmaceutical services and allied health services (speech, audiology, occupational therapy, physiotherapy, dietetics). Services are extended to Thuthuzela Care Centre (Centre for the Victims of gender-based violence and sexual assaults). The hospital is a referral point for 21 health establishments at Gasegonyana, Gamagara, and Joe Morolong Health Areas, including General Practitioners, Occupational Health Clinics in the mines, and Lenmed Private Hospital.

The Committee visited the casualty, maternity, labour, and general wards.

### *3.6.2 Findings*

The Committee observed the following issues:

- The facility has a recently completed prefabricated structure.
- It has a shortage of medical officers at the casualty unit.
- The facility is small for the growing population it serves.
- The maternity has a 23-bed capacity.
- It conducts about 250 deliveries a month.
- It uses a high-flow machine and a standby generator.

The department reported that it plans to upgrade the hospital into a regional hospital due to population growth in that region, and that it is finalising a feasibility study that will serve as a business case with cost implications for the proposed upgrades. The feasibility study will be used to engage with mining houses in the region to implement the proposed upgrades through public-private partnerships (PPP).

The department also stated that it has launched a project to enlarge the Accident and Emergency Unit, with site works expected to recommence in January 2026. Further, Kumba Iron is finalising plans to construct a state-of-the-art Emergency Medical Services (EMS) base within the facility. A Memorandum of Understanding (MoU) will be signed.

### *3.6.2 Challenges*

This facility has been in the media for having multiple challenges, including a shortage of human resources, unpaid overtime of health professionals, overcrowding, broken equipment, filth, being uncaring, an exodus of health professionals, compromised infrastructure, poor vacuum management, and the closing of some of its sections, such as the theatre, casualty, maternity and general ward.

It was reported that the provincial Health Department had committed to attending to the following immediately:

- Installing fabricated additional patient waiting areas.
- Implementing enhanced facility maintenance protocols.
- Deploying management support to strengthen service delivery.

The Committee observed the following:

- Postnatal mothers were found sleeping on the floor with their infants, to which the Acting MEC for Health, Ms Mase Manopole, committed to rectifying by the end of the visit.
- Mounted sanitisers in the maternity ward were not replenished.
- The general ward includes all disciplines, including 72 observations, which is risky to other health users.
- Water leaks on the ceiling were observed.

## 3.7 Danielskuils Clinic

Danielskuil Clinic is a public health facility in the town of Danielskuil, Northern Cape. The facility provides preventive, diagnostic, and therapeutic outpatient services to a catchment area of 13,597 people. It also works in partnership with other parties to meet the health needs of the Danielskuil community. It operates Monday through Friday from 7:30 to 16:00.

At Danielskul Community Health Centre, the Committee visited the waiting area, the filing area, the vital signs area, the medicine room, and the sections for acute and chronic patients.

### *3.7.1 Findings*

The Committee made the following observations:

- There is a good manual filling system at the clinic. However, patient data is captured manually.
- There are cases of teenage pregnancy (or patients who are teenage mothers).
- The department reported that it has a school health programme to engage with youth. In addition, the Thandabantu non-governmental organisation (NGO) co-facilitates an anti-substance abuse programme in the area.
- It has medical waste that is collected periodically by the service provider.



### *3.7.2 Challenges*

- The facility is in the periphery and struggles with emergency orders for medicine.
- The facility is small, and patient privacy could be compromised.
- It does not have a backup power in case of power interruptions.
- The shortage of advanced life support for ambulances is high.
- The facility has some defects, and the municipality does not respond promptly.
- There seemed to be confusion about the patients' appreciation of the facility's flow plan.

- There is congestion on certain days that cater to South African Social Security Agency (SASSA) clients.
- The facility is not a 24-hour service as per its name due to a shortage of health workers.
- Acute chronic has increased in the facility's catchment.

After completing the site visit, the Committee was asked to hear from Mr William Neels, a member of the public, who presented the following concerns:

- The facility's administration staff is inadequate, and some of them are employed on month-to-month contracts.
- The reporting and complaints systems do not work.
- The clinic lacks a governance structure, specifically a clinic committee.
- The facility's ablution facilities were not working for three months.
- It is alleged that around 80 lives have been lost due to the inefficiency of EMS in the area.
- Concerns were raised about the unresponsiveness of the district's ambulance switchboard operator and the morale of EMS staff.

### 3.8 Delportshoop Clinic

Delportshoop Clinic is located in the Dikgatlong sub-district, which has a population of 56,967. The clinic's headcount population, according to DHIS 2025/26, is 12,953.

The health facility delivers services through collaborations with the local health department and community health care workers (CHWs). It participates in public health initiatives such as measles control, including public education, contact tracing, and ensuring children's vaccinations are up to date. Depending on the specific location, the clinic's services vary, with some locations experiencing limitations like limited operating hours or equipment issues. In contrast, others are equipped to handle minor procedures on the same day. It also has youth zone facilities.

#### *3.8.1 Findings*

The Committee made the following observations:

- There are no major infrastructure challenges in the facility. The district maintenance team handles minor maintenance.

- There is no HPRS – the facility uses manual filling.

*3.8.2 Challenge*

- Shortage of staff, specifically, nurses, cleaners, a clerk or data capture, and a groundsman.

## 4. Recommendations and Issues for Follow-Up

The Committee made recommendations as follows.

The Northern Cape Department of Health should:

- Prioritise the revitalisation and maintenance of infrastructure in health facilities.
- Prioritise the recruitment of skilled staff in rural health care facilities.
- Collaborate with the Departments of Health and Social Development, build capacity among role-players, implement educational campaigns, and develop innovative strategies to reduce teenage pregnancy.
- Fill critical vacant posts, including clinical and non-clinical posts, at public health care facilities.
- Establish a plan for water storage within the districts to ensure water availability in health facilities.
- Monitor the progress of infrastructure.
- Together with the municipalities, expedite the land acquisition for the construction of new health facilities (such as the Beaconsfield Clinic), and
- Ensure that governance structures are functional.
- Transition health facilities to HPRS or an online patient records system.
- Provide capacity-building workshops for staff on relevant policies and programmes.

Robert Mangaliso Regional Hospital should (through the district and provincial department):

- Devise a mechanism to shorten the waiting period for oncology health users to save lives.
- Devise a multidisciplinary outreach plan to peripheral health facilities to consult with health users before coming into the Robert Mangaliso Regional Hospital.

- Facilitate an exchange programme with Universitas Academic Hospital to share best health practices to lessen dependency.
- Improve the usage of the HPRS for capturing health users' data.
- *Invest in attracting health professionals, especially all categories of nurses.*
- Prioritise the appointment of the Head of Unit for the postnatal care.

With regards to Beaconsfield Clinic:

- The Northern Cape Department of Health should engage the Department of Public Works for a bigger space to ensure safe filing storage.
- The district should procure a backup generator to ensure the safety of medicine and the uninterrupted provision of care.

With regards to Kimberly New Mental Hospital:

- The Northern Cape Department of Health should engage with the National Department of Health for a special dispensation for attracting and retaining health professionals in the province.
- The Northern Cape Department of Health should assess the need for a step-down or halfway house in the province, apart from the Kimberly New Mental Hospital.
- The Northern Cape Department of Health should pay special attention to the risks faced by health professionals as they serve mental health patients, whose state of health is unpredictable.
- The dress code of staff should be clear and in accordance with their professional attire.

The department, together with Tshwaragano District Hospital, should:

- Develop a plan to attract and retain enough orthopaedic surgeons to manage the extensive list of orthopaedic trauma cases in the district.
- Recruit allied health professionals, that is, dieticians, speech therapists, occupational health practitioners, etc., for the Paediatric Ward.

At Wrenchville Clinic:

- The Northern Cape Department of Health should liaise with the local municipality and Public Works for space availability for the bigger operational space on an immediate, medium, and long-term basis.
- Encourage transition to HPRS and migration of health users' files to online.
- Nursing staff and peer educators should raise greater awareness of the risks and consequences of teenage pregnancy within the community as part of health promotion.
- The Northern Cape Department of Health should procure a backup plan generator in case of a power interruption.

At Kuruman Hospital:

- The Hospital Management should expedite the utilisation of the prefabricated structure.
- The special dispensation should be considered to attract and retain the medical officers and other health professionals.
- The Northern Cape Department of Health should urgently capacitate the Kagiso Community Health Centre to ease the demand at Kuruman Hospital.
- Repurpose or expand the casualty unit, given its insignificant size compared to the demand it faces.
- Prioritise the health of postnatal mothers and their infants. The incident of making them sleep on the floor should never have happened.
- Commit to continuously replenishing sanitisers in the maternity wards.
- The Northern Cape Department of Health is to urgently consider the optimal functioning and design of the general ward, as well as repairing water leaks on the ceiling.

The Danielskuil Community Health Centre should:

- Develop a plan to raise awareness about lifestyle diseases in the facility's catchment area.
- Make an intentional effort to utilise HPRS.
- The Northern Cape Department of Health is to partner with its stakeholders to fight substance abuse.
- The Northern Cape Department of Health is to procure a backup power to mitigate power interruptions.
- The Northern Cape Department of Health to present to the NCOP the ambulance plan, including the air plan, given the vastness of the province.

- The facility should induct healthcare users into the flow plan and include signage to make it easy for all healthcare users.

The Committee made the following recommendation at Delportshoop Clinic:

- Community stakeholders should send a formal submission so that the Committee can consult all relevant stakeholders to resolve the matter.

## 5. Conclusion

The Committee undertook oversight on sites supported by the Department of Health in the Northern Cape Province. The sites were visited with role-players and provincial Departmental officials. This proved to be a fruitful exercise, enabling the department to reflect on practices and challenges, and for the Committee to identify the strengths and gaps in the services provided by the department.

Having noted the general infrastructural issues faced by many public health facilities, such as Tshwaragano Hospital, including insufficient maintenance and refurbishment budgets, the Committee made several recommendations to help enhance health services in the Northern Cape. These include:

a) Prioritising infrastructure revitalisation and maintenance across health facilities.
b) Transitioning from manual record-keeping to an integrated online system for storing patient records.
c) Recruiting skilled staff, particularly in rural areas, to improve service delivery.
d) Establishing water storage plans and expediting land acquisition for new facilities.
e) Enhancing governance structures and effectively monitoring progress on infrastructure projects.
f) Ensuring the safety of healthcare staff and patients within healthcare facilities.
g) Implementing health promotion strategies through innovative approaches and community engagement.
h) Strengthening monitoring, reporting, and accountability mechanisms.

Following this undertaking, the Select Committee on Social Services will (continue to) undertake oversight on the identified sites. Therefore, the department should provide the Select Committee with a detailed reporting plan within 14 working days of receiving this report, followed by quarterly progress reports on the implementation of the recommendations (including clear timelines).

**Report to be considered**