

Tuesday, 21 October 2025]

No 181—2025] SECOND SESSION, SEVENTH PARLIAMENT

PARLIAMENT
OF THE
REPUBLIC OF SOUTH AFRICA

**ANNOUNCEMENTS,
 TABLINGS AND
 COMMITTEE REPORTS**

TUESDAY, 21 OCTOBER 2025

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ANNOUNCEMENTS

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. Classification of Bills by Joint Tagging Mechanism (JTM)

- (1) The JTM in terms of Joint Rule 202(6) classified the following Bill as a section 74(3)(a) Bill:

- (a) **Constitution Twenty First Amendment Bill** [B22–2024] (National Assembly – sec 74(3)(a).

- (2) The JTM in terms of Joint Rule 202(6) classified the following Bills as section 75 Bills:

- (a) **Local Government: Municipal Structures Second Amendment Bill** [B9–2025] (National Assembly – sec 75).

The JTM further classified the Bill as falling within the ambit of section 39(1) of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019).

Bill to be referred to National House of Traditional and Khoi-San Leaders.

- (b) **Remuneration of Public Office Bearers Amendment Bill** [B17–2025] (National Assembly – sec 75).

- (c) **International Co-operation in Criminal Matters Amendment Bill** [B18–2025] (National Assembly – sec 75).

(3) The JTM in terms of Joint Rule 202(6) classified the following Bills as section 76 Bills:

- (a) **Insourcing Bill** [B19–2025] (National Assembly – sec 76).
- (b) **General (Family) Laws Amendment Bill** [B20–2025] (National Assembly – sec 76).

The JTM further classified the Bill as falling within the ambit of section 39(1) of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019).

Bill to be referred to National House of Traditional and Khoi-San Leaders.

- (c) **Liquor Amendment Bill** [B21–2025] (National Assembly – sec 76).

(4) The JTM in terms of Joint Rule 202(6) classified the following Bill as a section 77 Bill:

- (a) **Rates and Monetary Amounts and Amendment of Revenue Laws Bill** [B14–2025] (National Assembly – sec 77).

National Assembly

The Speaker

1. Referral to Committees of papers tabled

(1) The following paper is referred to the **Portfolio Committee on Public Works and Infrastructure** for consideration and report. The report of the Auditor-General is referred to the **Standing Committee on Public Accounts** for consideration.

- (a) Report and Financial Statements of the Independent Development Trust (IDT) for 2024-25, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2024-25.

(2) The following paper is referred to the **Portfolio Committee on Higher Education** for consideration:

- (a) Letter from the Minister of Higher Education and Training, dated 29 September 2025, to the Speaker of the National Assembly, explaining the reasons for the delay in the submission of the Annual Report of the National Students Financial Aid Scheme (NSFAS) for 2024/25.
 - (b) Letter from the Minister of Higher Education and Training, dated 29 September 2025, to the Speaker of the National Assembly, explaining the reasons for the delay in the submission of the Annual Report of the Construction Education Training Authority (CETA) for 2024/25.
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TABLINGS

National Assembly and National Council of Provinces

1. The Minister of Higher Education and Training

- (a) Report and Financial Statements of Construction Education and Training Authority (CETA) for 2024-25, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2024-25.

National Assembly

1. The Speaker

- (a) Report of the Auditor-General on the Performance audit to assess the progress towards Sustainable Development Goal 4.5, with a focus on providing equal and equitable quality education for children with disabilities by 2030.
- (b) Filling of position of National Lotteries Commission chairperson

A letter has been received from the Minister of Trade, Industry and Competition requesting the National Assembly to initiate a process of filling position of Chairperson of National Lotteries Commission in terms of section 3(3) of the Lotteries Act, 1997 (Act No. 57 of 1997).

Referred to the **Portfolio Committee on Trade, Industry and Competition** for consideration and report.

- (c) A petition from the National African Federated Chamber of Commerce and Industry (NAFCOC) requesting the National Assembly to investigate the adherence of the Industrial Development Corporation (IDC) to its developmental and transformational mandate. (Mr R Zulu).

Referred to the **Portfolio Committee on Trade, Industry and Competition** for consideration and report.

- (d) Letter from the Minister of Communications and Digital Technologies, dated 29 September 2025, to the Speaker of the National Assembly, explaining the reasons for the delay in the submission of the Annual Report of the Universal Service Access Fund (USAF) for 2024/25:

Dear Speaker,

POSTPONEMENT OF TABLING OF UNIVERSAL SERVICE ACCESS FUND (USAF) ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

I am required, in terms of section 65(1) of the Public Financial Management Act No. 1 of 1999, (PFMA) as amended, to table the annual reports, financial

statements, and the auditor's reports thereon of public entities under my responsibility.

Regrettably, I am unable to table the reports for the year ended 31 March 2025, in respect of USAF, by the required date of 30 September 2025.

As required by section 65(2)(a) of the PFMA, I am obligated to table a written explanation in the legislature setting out the reasons for not tabling the report. The delay arises from challenges in the timely completion of the audit process, which includes the Board's approval of the annual report and the auditor's sign-off of the audit report, prior to submission to me in terms of section 55(1)(d) of the PFMA. The report will be tabled once the audit process has been finalised.

Enquiries on this matter may be directed through Ms. Georgina Maree at gmaree@dcdt.gov.za or 076 423 7541.

Kind regards,



Solly Malatsi, MP
Minister of Communications & Digital Technologies

National Council of Provinces

1. The Chairperson

- (a) Report on the 2025 Local Government Week, 16 to 19 September 2025.



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

NCOP LOCAL
Government

Week 16-19 SEPTEMBER
CAPE TOWN



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Report on the 2025 Local Government Week

16 – 19 September 2025

*Restoring the Dignity of our People through proper Spatial Planning,
Provision of Human Settlements, Water and Sanitation*

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1. EXECUTIVE SUMMARY

The National Council of Provinces' (NCOP) 2025 Local Government Week (LGW) was held under the theme: **“Restoring the dignity of our people through spatial planning, provision of human settlements, water and sanitation.”** The programme brought together national, provincial, and local government representatives, civil society, and community stakeholders to reflect on the state of local governance and service delivery in South Africa, with a particular focus on the Western Cape.

The week-long engagement highlighted the urgent need for infrastructure investment, improved intergovernmental coordination, and responsive governance to address persistent challenges such as spatial inequality, informal settlements, and municipal financial instability.

1.1 Opening by the Chairperson of the NCOP

The Chairperson opened the LGW by outlining its purpose: to foster collaboration across government spheres and reflect on 30 years of local democracy. The programme aimed to address systemic challenges in service delivery and spatial planning, including to:

- Promote co-operative governance and intergovernmental collaboration.
- Reflect on achievements and challenges in local government since 1994.
- Address apartheid spatial legacies and persistent poverty.
- Strengthen oversight and accountability mechanisms.
- Encourage community participation in governance.
- Align with COGTA's review of the 1998 White Paper.

The Chairperson called for a report with actionable outcomes for legislative tracking and intervention, especially in the City of Cape Town. She urged Members to ensure that the programme focused on restoring dignity and improving quality of life for the urban poor.

1.2 Briefings by Government

1.2.1 Deputy Minister of COGTA

The Deputy Minister presented a national perspective on municipal performance and support interventions. While some progress was noted, many municipalities remain distressed and financially vulnerable. The Deputy Minister highlighted the following, amongst other issues:

- Stabilised municipalities increased from 30 (2022) to 61 (2023).
- R88.3 million allocated to distressed municipalities for basic services.
- Municipal debt to Eskom and water boards remains high.
- 39 municipalities under Section 139 interventions.
- R163 billion allocated to local government (2021–2024).
- Professionalisation initiatives include staff regulations and leadership programmes.
- Review of the 1998 White Paper launched with 265 submissions.
- Climate Change Act 22 of 2024 integrated into disaster planning.

1.2.1.1 Recommendations

- Accelerate the review of the local government equitable share formula.
- Expand the scope of the Financial Management Grant to support land value capture mechanisms.
- Strengthen disaster and risk reduction planning aligned with climate legislation.
- Promote collaboration with Traditional and Khoi-San institutions in governance.

1.2.2 President of SALGA

SALGA's briefing focused on systemic governance and financial challenges facing municipalities, particularly the imbalance between service demands and available resources. The President of SALGA focused the attention of delegates on the following and made some key recommendations:

- Migration increases service demand without financial support.
- Section 154 support is neglected; Section 139 misused politically.
- Municipalities owe R100 billion to creditors; are owed R416 billion.
- NERSA undermines municipal authority on electricity tariffs.
- Water boards act as creditors, threatening disconnections.
- Municipalities operate with only 9% of public revenue.

1.2.2.1 Recommendations

- Develop a new funding formula favouring rural and underdeveloped municipalities.

- Strengthen revenue collection partnerships with SARS and banks.
- Review legislation to empower municipalities with enforcement mechanisms.
- Align systemic reforms across spheres of government to support municipalities.

1.2.3 Minister of Water and Sanitation

The Minister addressed water infrastructure, sanitation, and governance challenges, emphasising the need for technical capacity and innovation, highlighting the following key issues and recommendations:

- Raw water supply is balanced nationally but strained locally.
- 81% of water infrastructure assets are in good condition.
- Wall-to-wall catchment agencies established.
- National Water Resource Infrastructure Agency to launch in 2026.
- High levels of non-revenue water and consumption exceed norms.
- Municipal debt to water boards exceeds R24 billion.

1.2.3.1 Recommendations

- Amend the National Water Act to hold mayors and municipal managers accountable for pollution.
- Invest in dam safety and run-off potential to secure water supply.
- Promote community-driven water projects and technical certification for water personnel.

1.2.4 Minister of Human Settlements

The Minister focused on integrated planning, land acquisition, and housing delivery. The department aims to shift from housing provision to sustainable human settlements. The Minister apprised delegates of key initiatives, including:

- Breaking New Ground Policy promotes inner-city development.
- 2,400 hectares received from Public Works for housing.
- Hijacked buildings repurposed for student accommodation.
- 70,000 title deeds issued since 2023.
- Housing subsidy system to be launched with SITA.
- Emphasis on improving housing quality and compliance.

1.2.4.1 Recommendations

- Tighten compliance on RDP housing and illegal sales.
- Prioritise vulnerable groups in housing allocation.

- Improve oversight on housing quality and blocked projects.
- Promote systems thinking and collaborative governance.

1.3 Stakeholder Presentations

Community stakeholders from Khayelitsha, Gugulethu, Philippi, and Mitchells Plain shared lived experiences of poverty, crime, and service delivery failures. Their input highlighted the disconnect between policy and reality. Key issues faced by communities included:

- Khayelitsha: 20 new informal settlements since 2020; high crime and evictions.
- Crossroads: Inequality and gangsterism eroding social cohesion.
- Faith-based institutions: Call for police-community-church collaboration.
- ECD centres: Burdened by restrictive municipal by-laws.
- Mitchells Plain: NGOs underfunded; unemployment rampant.
- Philippi: GBV, gangsterism, and school dropouts prevalent.
- Informal Settlement Forum: 950 informal settlements; 233 lack basic services.
- Youth voices: Exclusion from economy and governance; need for empowerment.

1.3.1 Recommendations

- Implement Vusi Pikoli Commission findings on infrastructure in Khayelitsha.
- Review municipal by-laws affecting ECD centres.
- Support youth empowerment through expanded programmes and seed funding.
- Improve policing and safety in high-crime areas.
- Address inequality in service delivery and spatial planning.

1.4 Site Visits and Oversight

Delegations visited housing and infrastructure projects across Cape Town's townships. The visits revealed widespread delays, mismanagement, and lack of coordination between spheres of government.

- **Khayelitsha:** Mandela Park housing delays; mismanaged beneficiary lists; title deed issues.
- **Dunoon:** Killarney Gardens TRA stalled due to funding and planning gaps.
- **Gugulethu:** Projects plagued by extortion, illegal occupation, and contractor failures.
- **Philippi:** Nomphumelelo PHP and Sheffield Road projects delayed; poor workmanship and planning.
- **Kosovo:** Densely populated informal settlement; slow progress on upgrading.

1.4.1 Recommendations

- Prioritise elderly, disabled, and child-headed households in housing projects.
- Ensure original beneficiaries are not replaced.
- Institute legal action against non-performing contractors and fraudulent organisations.
- Improve project management and intergovernmental coordination.
- Set clear timelines and budgets for project completion.
- Upgrade sanitation systems and address environmental hazards.
- Strengthen security and law enforcement to combat extortion.

1.5 Report-back regarding site visits

Delegates expressed concern over the absence of department officials during oversight visits, which hindered accountability and transparency. The site visits exposed systemic failures in planning, budgeting, and service delivery.

- Lack of participation by provincial and city representatives.
- Inconsistent project data and unclear land ownership.
- Poor sanitation and infrastructure in informal settlements.
- Beneficiary list mismanagement causing community tensions.
- Extortion and crime disrupting housing projects.
- Absence of recreational spaces, clinics, and schools.

1.5.1 Recommendations

- Condemn non-attendance of elected representatives.
- Improve service delivery, especially water and sanitation.
- Address housing backlogs and ensure transparency in budgeting.
- Combat extortion and protect infrastructure projects.
- Issue title deeds promptly to prevent illegal occupation.
- Enforce procurement compliance to support local economies.
- Renew service level agreements between city and province.
- Implement consequence management for project delays.
- Benchmark successful housing projects for replication.
- Draft enabling legislation for a National Housing Registry.
- Develop strategies to prevent illegal land occupation.
- Promote inclusive development and youth participation.

1.6 Concluding Remarks

The LGW concluded with a strong call for systemic reform, improved intergovernmental coordination, and prioritisation of vulnerable communities. Infrastructure investment, professionalisation, and inclusive governance were identified as key pillars for restoring dignity and advancing development.

Deputy Chairperson Hon. P Govender emphasized that **local government is the heartbeat of democracy**, and its failure poses a risk to the entire governance system. He called for:

- Strengthened planning and collaboration across all spheres of government.
- Functional and responsive implementation of the District Development Model.
- Enhanced monitoring and evaluation systems to prevent non-compliance.
- Professionalisation of local government to improve accountability and service delivery.
- Combating construction mafias to protect infrastructure and restore investor confidence.

The LGW reaffirmed the NCOP's commitment to **coordinated oversight, community inclusion, and responsive governance** to ensure that local government delivers on its constitutional mandate.

2. INTRODUCTION

The 2025 Local Government Week (LGW) underlined the critical role of infrastructure investment in South Africa's growth prospects. Improving the lives of the people also depends on the delivery of infrastructure. So, investment in infrastructure is paramount for the growth of local economies.

From a legislature perspective, social, economic and financial oversight structures need to be strengthened and enhanced. Government commitments must be followed to ensure undertakings are effectively implemented.

Various accountability and governance reports signal that economic and financial governance of local government remains a risk. Financial sustainability is key to the growth and development of local municipalities.

Spatial inequality and distribution of resources across communities need to be addressed. This is the major challenge that the City of Cape Town needs to tackle.

The Financial and Fiscal Commission had this to say "One of the advantages that comes with urbanisation is that it gives those who migrate to urban areas better prospects of finding employment, which can afford them a decent life. On the downside, since urbanisation takes place in industrialised areas, many people are left to reside in informal settlements, with no proper shelter and no access to quality basic services such as water, sanitation, waste removal and electricity".

To this end, FFC recommends that:

The Minister of Finance should create an awareness of the land value capture fiscal instruments among large cities and extend the scope of the Financial Management Grant to cater for capacity-building in the design and implementation of land value capture mechanisms.

Further, the FFC advances that the Minister of Co-operative Governance and Traditional Affairs, in conjunction with the Minister of Finance, should speed up the review of the local government equitable share formula.

These are some of the policy issues sharply raised during the 2025 LGW gathering. In addition, local government needs to respond to emerging policy priorities such as climate change, the green economy and financing.

There is consensus that all three spheres of government must be responsive and accountable. It was highlighted that investment to improve organisational health and capability of local government must

be prioritised. Professionalisation of Local Government can contribute towards enhanced institutional capacity and capability to improve service delivery.

The rule of law and protecting economic and social infrastructure is key. Extortion significantly stalls infrastructure development by creating a hostile and unstable environment that deters contractors and investors, inflates project costs, and causes frequent work stoppages. Decisive action is needed to build business and investor confidence. In addition, there is a need to instil security, trust and social stability in communities.

In this report, we highlight some of the core issues that emerged from the engagement. Further, some of the policy issues that need to be addressed are highlighted in various sections that cover oversight visits. Other policy issues have been pinpointed during engagements with non-governmental stakeholders, bringing into policy discourse issues advocated by communities. This marks the importance of communities in the policy and legislation development process.

3. BRIEFING BY NATIONAL, PROVINCIAL AND LOCAL GOVERNMENT AND STAKEHOLDERS

3.1 Opening and welcome by Hon. R Mtshweni-Tsipane, Chairperson of the NCOP

Opening the 2025 Local Government Week Programme, the Chairperson highlighted that the programme seeks to bring together stakeholders from all spheres of government to address the ongoing challenges in service delivery and governance at the municipal level. The theme for the 2025 Local Government Week was "Restoring the dignity of our people through spatial planning, provision of human settlements, water and sanitation." The programme seeks to bring together stakeholders from all spheres of government to address the ongoing challenges in service delivery and governance at the municipal level. The purpose and focus of the programme were:

3.1.1 Purpose and Focus

- Promote co-operative governance and intergovernmental collaboration to improve service delivery.
- Reflect on the achievements and challenges of local government in 30 years of democracy.
- Address the persistent legacy of apartheid spatial planning, inequality, and poverty, particularly in townships and rural areas.

3.1.2 Challenges Identified

- Structural, economic, political, and institutional barriers continue to affect local governance.
- Poor financial discipline, including irregular and wasteful expenditure, remains a concern.
- Debt owed to municipalities by government departments undermines service provision.
- Rapid urbanisation and housing backlogs in Cape Town (notably in Khayelitsha, Gugulethu, Philippi, and Dunoon) require urgent attention.
- Informal settlements and service delivery backlogs continue to grow, outpacing job creation and infrastructure development.

3.1.3 Goals for the Week

- Strengthen oversight, accountability, and consequence management in local governance.
- Reaffirm the role of local government as a developmental sphere, guided by constitutional values.
- Encourage community participation in decision-making.
- Align with COGTA's review of the 1998 White Paper, focusing on governance, infrastructure, service delivery, and financial frameworks.

- Produce a report with actionable outcomes for legislative tracking and intervention, especially in the City of Cape Town.

The Chairperson stressed that the institution hopes that the programme will foster collaboration, create a platform to share best practices, and contribute to collectively find solutions to local government challenges. In the main, the aim is to focus on restoring dignity and improving quality of life for all South Africans, especially the urban poor.

3.2 Delivering integrated services to the people through co-operative governance and support to Local Sphere of Government: Deputy Minister of COGTA

The Deputy Minister highlighted that COGTA believes that every municipality must function effectively and, where municipalities stumble, national and provincial government must provide support and guidance. The focus is to build effective local governments; interventions must be targeted, focused and decisive. It was reported that the targeted interventions have resulted in the number of stabilised municipalities increasing from 30 in 2022 to 61 in 2023, and the number of distressed municipalities decreasing from 66 to 35. However, 161 municipalities (63 per cent) remain at risk.

Through schedule 6(b) interventions, R88.3million has been channelled to municipalities such as Emfuleni, to tackle urgent needs in water and sanitation, roads, electricity and waste management.

As of March 2023, municipalities owed Eskom R58.5 billion. It was emphasised that debt relief is necessary. Government has approved R55.3 billion in debt relief, with 71 municipalities qualifying and 24 municipalities having already secured a first cycle write-off worth R4.1 billion. Municipalities also owe more than R25 billion to water boards.

- Currently, 39 municipalities are under s139 interventions and 4 are under s139(7) interventions. The Inter-Ministerial Committee on Municipal Audit Outcomes has prioritised 10 distressed municipalities for focused support.
- Between 2021 and 2024, national government allocated R163 billion in direct transfers to local government, with R158.8 billion earmarked for infrastructure. Indirect transfers amounting to R23 billion were allocated to local government for infrastructure.
- In 2024 to 2025, the Integrated Urban Development Grant achieved 99.94 per cent in terms of expenditure. This indicated government commitment to restore dignity through service provision.

To address infrastructure challenges, municipalities are receiving support in planning, engineering and service delivery from the Municipal Infrastructure Support Agent (MISA). MISA further assists water service authorities, and corrective projects worth R494 million are under way in 21 municipalities to improve blue and green drop scores.

It was highlighted that the professionalisation of municipalities is critical. The following measures have been undertaken to support and promote the professionalisation of municipalities' initiatives:

- Municipal Staff Regulations and Guidelines, Local Government Competency Framework and the Local Government: Municipal Systems Amendment Act of 2022.
- There are plans to review appointments, to create regulations establishing professional leadership development programmes and for the creation of a statutory council for municipal managers to regulate professional standards and ensure accountability.
- To ensure capacity-building in local government, young graduates, artisans and apprentices are being deployed to municipalities to build a pipeline of skilled engineers, planners and technicians.

On 19 May 2025, COGTA launched a comprehensive review of the 1998 White Paper on Local Government. Over 265 submissions were received from municipalities, professional bodies, political parties and the public, therefore marking a significant step in reforming local government.

Regarding climate change and resiliency, the following issues were highlighted:

- Any approach to reduce disasters and risks must incorporate considerations of climate change, monitoring and resilience building.
- The Climate Change Act 22 of 2024 provides a comprehensive and integrated framework to respond to climate change, and must be considered when developing disaster and risk reduction plans.
- Disaster and risk reduction is crucial for building capable and developmental local governments.

Traditional and Khoi-San institutions remain critical:

- Municipalities must collaborate and cooperate with Traditional and Khoi-San institutions to ensure functional and integrated local governments.
- The participation of Traditional and Khoi San Leadership should also be encouraged in the law-making process.

3.3 Enabling the Local Sphere of Government to meet constitutional obligations: Cllr B Stofile, President of SALGA

The following key issues were highlighted:

- Migration and population not accounted for increase service demands without the corresponding financial support.
- Section 154 of the Constitution (proactive support) is neglected, while Section 139 of the Constitution is often misused for political purposes, leading to persistent service delivery failures.
- The municipalities owe creditors over R100 billion, but are themselves owed R416 billion by households, businesses, state-owned enterprises and government departments.
- Citizens, government, and business must contribute to revenue collection, with stronger enforcement mechanisms.
- NERSA undermines municipal authority on electricity tariffs, often favouring Eskom at the expense of municipalities.
- Water boards act as creditors instead of co-operative partners, threatening disconnections and legal actions that harm communities.
- All regulators must be accountable to Parliament and municipalities, not only technocrats.
- The 1998 White Paper on Local Government is outdated and should be reviewed to respond to challenges facing local government today.
- Municipalities now provide more services with fewer resources (only 9 per cent of public revenue compared to 20 per cent international average).

3.3.1 Recommendations

- A new funding formula favouring rural or underdeveloped municipalities must be formulated and implemented.
- Stronger revenue collection partnerships with the South African Revenue Service and banks.
- There is a need for a legislative review to empower municipalities with stronger enforcement mechanisms. Parliament, provinces, and national departments must align systemic reforms to strengthen municipalities.

The President of SALGA concluded by emphasising the need to restore dignity through strong, well-supported, and fiscally viable municipalities. It was emphasised that local government must move from crisis management to sustainability, from political interference to constitutional fidelity.

3.4 Beyond the provision of bulk services - Assistance to the Local Sphere of Government in the provision of water and sanitation to communities: Minister of Water and Sanitation

The Deputy Minister noted that the national and provincial governments have constitutional responsibilities to provide support to struggling municipalities for them to perform their functions. The Department of Water and Sanitation (DWS), as the lead sector and regulator for water and sanitation,

also has a crucial role to play in coordination with other national departments such as the Department of Co-operative Governance and Traditional Affairs. The support provided can take various forms, including technical assistance, financial aid in the form of grants and monitoring of compliance thereon. The Deputy Minister thereafter outlined the following:

- DWS is responsible for planning, development and management of water resource infrastructure and for the management of catchments, including setting out of minimum norms and standards while the Water Boards are responsible for assisting the municipalities with bulk water infrastructure and services.
- Raw water supply was currently approximately in balance with existing demands on a national scale, but there were localised deficits in Nelson Mandela Bay, Gauteng and eThekweni.
- Water availability in South Africa could deteriorate as supply constricts and demand escalates due to economic growth, urbanisation, population growth, sewage pollution and industrial pollution, amongst others.
- Audited asset condition assessments by DWS indicated that 81 per cent of national water resource infrastructure assets were either in a good or very good condition.
- The establishment of the wall-to-wall catchment agencies would result in improved management of water catchments, which is key in increasing raw water security. Further, in terms of governance, all six agencies have been gazetted and their boards appointed, with the aim to have them fully established by the end of 2025.
- The National Water Resource Infrastructure Agency, which is expected to be fully functional by April 2026, would enable mobilisation of finance on capital markets for national water resource infrastructure development projects.
- Supply-side measures are necessary but not sufficient to avoid future water deficits and, therefore, water conservation and water demand management (WCWDM) must also be implemented more effectively, especially in domestic and general industrial use.

3.4.1 Challenges

- While some communities have 100 per cent access to piped water, there are still communities with no access to potable water or where the water coming out of the tap is unsuitable for drinking.
- Many municipalities prioritise refurbishing and repairing existing infrastructure with the grant funding, rather than prioritising new infrastructure.
- High levels of non-revenue water, including physical losses, especially in Gauteng and KwaZulu-Natal.
- The level of water consumption exceeds the national norms, especially in areas such as Gauteng, amongst others.

- There is a high level of municipal debt owed to the water boards; as at July 2025, more than R24 billion was owed.

3.5 Integrated Planning - Human Settlements and Spatial Planning: Minister of Human Settlements

The Minister of Human Settlements highlighted the following aspects in dealing with integrated planning:

- The department is cognisant of the realities of the systemic failures, the structural impediments and governance challenges plaguing local municipalities and the provision of sustainable basic services to communities.
- The department is taking stock of the underlying issues affecting the sector and the renewed commitments on how to accelerate service delivery to the people who are in municipalities that are struggling .
- The department shall live up to the directives and commitments to turn things around and strengthen the work of the sector, consistent to the adopted local government action plan, in line with infrastructure development.
- The department has adopted the **Breaking New Ground** policy, a comprehensive plan which was meant to develop sustainable human settlements. Cabinet introduced this plan to move beyond simple housing provision to create integrated communities.
- The Breaking New Ground Policy, predicated on developing sustainable human settlements, seeks to respond to the question of what makes it difficult for us to integrate people meaningfully into the environment they are in.
- In line with the BNG (Breaking New Ground) policy structure, the department seeks to enforce municipalities ensuring that people are now localised 30 kilometres inwards into the cities and not 30 kilometres outwards into the cities.
- The owners of the land are still reluctant to make land available for residential purposes. However, the department continues to engage stakeholders. The department has received around 2400 hectares from the Department of Public Works and Infrastructure to accelerate housing development.
- It was indicated that the department wanted to acquire land that is in the inner circle of the cities and towns, that is owned by government, including old government buildings, to be repurposed for human settlement.
- The department has started to repurpose hijacked buildings, in partnership with the Department of Higher Education, to be utilised as student accommodation.

- The Minister indicated that the department's housing programme contributes to the government agenda in redressing the imbalances of the past, bringing lower-income people to areas where there are major economic opportunities, and ensuring that social cohesion is promoted, thus further promoting inclusive development.
- The department is now receiving land from traditional leaders to build officially in the rural cities and towns.
- The Minister indicated that the department's 2025/2030 strategic plan needs to be very directional to enhance the development of municipalities based on their development priorities.
- The department highlighted that it is committed to modernising to improve service delivery in partnership with municipalities. The department, in partnership with Sita (State Information Technology Agency), is planning to launch a housing subsidy system. The aim is to ensure transparency, efficiency and accountability in the allocation of houses. The municipalities will play a critical role to ensure the programme is delivered successfully.
- Owing to the illegal sale of RDP houses, the Minister emphasised the need to tighten compliance.
- An education and advocacy programme is needed to educate people about the value of owning a house that government hands over as an economic development instrument versus the value at which people dispose of their houses.
- Since 2023 the department has issued no less than 70,000 title deeds to the rightful owners of the houses in Mandeni in KZN.
- The Minister emphasised the need to improve the quality of houses built for the people. This is one of the areas that Members of Parliament need to focus on when conducting oversight.

3.6 Presentations by stakeholders

3.6.1 Mr Phindile George – Khayelitsha Community Safety Forum

The presentation highlighted the following:

- Twenty new informal settlements have been set up since 2020, and this has greatly increased the crime rate in the area.
- There are almost 520 000 people residing in the Khayelitsha informal and formal settlements, and the community is poverty stricken.
- The community is beset by social issues such as inadequate access to water and public toilets as well as evictions by law enforcement agencies.
- The banks are also evicting people from the bonded houses in areas such as Thembu Park, Litha Park and Mandela Park. Banks are auctioning these houses at ridiculously low prices.
- The area is experiencing a high rate of school dropouts.
- The level of gangsterism is shockingly high.

- Recommendations of the Vusi Pikoli Commission on infrastructure challenges in Khayelitsha (i.e. lighting, housing, road infrastructure) must be implemented immediately.

3.6.2 Thamsanqa Booï – Crossroads Social Development Programme

The presentation registered the following:

- The appalling living conditions in townships are attributable to the lack of safety, gangsterism and rampant crime. The aggravating factor is the inequality between the city and township settlements which has eroded the culture of ubuntu.
- The apartheid spatial arrangement is still intact despite the ushering in of the democratic dispensation.
- The prevalence of animal theft and drugs and substance abuse is affecting the community badly.
- Illegal housing settlements have mushroomed uncontrollably.
- The Mandela Park housing crisis must be given immediate attention (recommendations from the Content Team Pre-Visits).
- The absence of recreation and youth programmes has resulted in high substance abuse and crime.

3.6.3 Rev Klaasen – Namaqua Methodist Church (Faith-Based Institutions)

The presentation pointed out the following:

- Stakeholder integration and collaboration with police, communities and churches is critical for the improvement of township living conditions.
- People in townships are living in fear because of gangsterism.
- More deployment of police is required due to the high number of gangsters.

3.6.4 Ms Lizzy – Khayelitsha Early Childhood Development

The presentation highlighted the following:

- Municipal by-laws stifle the establishment and operation of the Early Childhood Development centres.
- The by-laws have created red-tape and cumbersome processes which have made it difficult to sustain and maintain Early Childhood Development centres.
- The Early Childhood Development centres are financially constrained, and by-laws must be reviewed.

3.6.5 Ms Judy-Anne – Mitchells Plain (Meal kitchen)

The presentation made the following points:

- The Mitchells Plain community is bedevilled by social ills such as unemployment and gangsterism.
- The Non-governmental Organisations (i.e. the meal kitchen) are underfunded and not receiving support from the Social Development Department.

3.6.6 Phumza Qamata – Philippi

The presentation highlighted the following:

- Gangsters are perpetrating violent crimes, which severely affect the Philippi community, and the prevalence of gender-based violence and taxi violence worsens the situation.
- Social challenges are sadly contributing towards, among others, the high school dropout rate (especially from Grade 9), substance abuse, and lack of service delivery.
- The Cape Town Metro Police and SAPS must root out crime in the township.

3.6.7 Zamikhaya Jezile – Khayelitsha

The presentation covered the following points:

- The Western Cape suspension of taxi routes for operators in Khayelitsha has caused taxi violence, which has a negative effect on the communities.
- The tensions and violence in the taxi industry adversely affect the working class. As a result, some of the people have forgone their wages while others lost their jobs.

3.6.8 Mr Thembinkosi – Philippi Human settlements

The presentation covered the following points:

- The provincial and municipal leadership does not have the political will to change people's lives.
- R850 million was not spent on human settlements projects and was consequently sent back to the national fiscus.
- Lack of political will by the provincial and municipal leadership. The neglected and under-serviced township areas are Norwood, Sweet Road, Phola Park and Thabo Mbeki.
- Other challenges relate to the incomplete project units, and people who have been on the housing waiting list for more than 30 years.

3.6.9 Mr Bongile Zanazo – Informal Settlement Forum

The presentation highlighted the following:

- There are over 950 informal settlements in the Western Cape, and approximately 233 informal settlements have no basic services.
- Human settlement and water challenges are persistent even though there are water leakage agents that were trained (but they remain unemployed).
- The NCOP must address unemployment and poverty in informal settlements such as Mfuleni Park. The challenges of lack of water and sanitation, absence of lighting and high murder rate must be dealt with.

3.6.10 Ms Emihle – Khayelitsha

The following points were made:

- Youth in Khayelitsha are excluded from participating in the economy despite being unemployed.
- The high inequality gap, murder cases, gangsterism, car theft, substance abuse, GBV and overcrowded and underfunded township schools have a negative bearing on the communities.
- The job market requires youth with requisite skills from TVET colleges and universities. Many young people live in informal settlements with no amenities and access to educational opportunities.
- Given the loss of faith in democracy by young people, it is important that representation and participation of young people in the Ward Committees and budgeting processes is encouraged.
- The expanded youth empowerment programme, business incubation and seed funding for youth SMMEs must also be prioritised.

3.6.11 Mr Sabelo Zenzele – Gugulethu Youth Development

The presentation covered the following:

- There are no youth development plans/policies nor impactful jobs. The latter has resulted in the youth loitering around, engaging in substance abuse and committing crime. NPOs and NGOs in local communities need to be supported (human and financial support) to support young people.
- Young women are victims of prostitution to undocumented foreign nationals due to unemployment. There is an increasing GBVF crisis in the communities resulting from the socio-economic conditions.

- The lack of quality and equal education opportunities for all residents of the city must be addressed. The city is beset by the influx of undocumented foreign nationals who are often suspected of supplying drugs.
- Child-headed families are prevalent in townships.

3.6.12 Mr Monde Mbaleki – Philippi Development Forum

The presentation covered the following points:

- The Departments of Human Settlements and Water and Sanitation have a relationship with the community.
- The township is full of informal settlements which are often affected by sewage spillages, rampant crime, lack of economic development and absence of Metro police.

3.6.13 Mr Vincent Domingo – Gugulethu Development Forum

The presentation highlighted the following issues:

- People of Gugulethu were forcefully removed from Simons Town, Atlantis and Retreat through the Group Areas Act.
- The backyard of Gugulethu are overcrowded because 4 – 5 generations reside in the area because of the history. The more than 200 000 people who reside in Gugulethu overwhelm the drainage, water and sanitation systems.
- The Gugulethu township has the following challenges: overcrowding in schools, stolen metal lids of drains are sold to scrapyards for drug use by youth, more than 50 per cent of income is used for transport to commute to and from work (about 3 taxis for a single trip).
- The pace of implementation of the 2050 Spatial Development Framework is sluggish, and this is evidenced by the promise of smart towns on the N7, which was never implemented.

3.6.14 Joyce Sakati – COSATU

The presentation covered the following points:

- The city is bedevilled by the challenges of poverty, expensive transport modes for the working class, inequality, inadequate infrastructure for informal traders, prevalence of extortion, rising unemployment, and police invisibility in townships. In addition, the Expanded Public Works Programme is not implemented in the townships.
- In the light of these challenges, it is important that equal opportunities are created, and local economic development is promoted.

3.6.15 Bheki Hadebe – SANCO Provincial Secretary

The presentation covered the following points:

- The absence of the Human Settlement Master Plan affects the city in properly managing informal settlements. Other challenges for the city are inequality, extortion and mass murders.
- The Crime Prevention Plan of the City must be monitored on a quarterly basis, and the army must be deployed to townships to address the challenge of mass murders and extortion.

3.6.16 Dunoon Forum

The presentation covered the following:

- Dunoon has 52 areas with 200 000 residents, and its informal settlements are not registered. The place has the following service delivery challenges: water and sanitation (at 40 per cent, with not enough taps to service communities), illegal connections of water, contaminated quarry dam around the area creating health diseases for children and damaging peoples' houses during the winter season.
- Dunoon is a landfill site with countless containers, informal settlements, incomplete housing projects and healthcare problems (distant clinic).

3.7 Discussion

- Two comments were made by a delegate from the Eastern Cape Provincial Legislature: The first statement was that a progress report on sites visited during the last Local Government Week would be welcomed to verify whether any meaningful change came about because of the programme. Secondly, the delegate raised concerns over water provision in parts of the Eastern Cape, especially the Chris Hani District Municipality.
- A delegate from the KwaZulu-Natal Provincial Legislature raised concerns over insufficient investment in infrastructure development within the context of ageing municipal infrastructure. The delegate further raised concerns over the capacity and capabilities of some of the people hired in municipalities. Some of these individuals, according to the delegate, lack the basic qualifications and skills required for the positions they hold, which have a direct negative impact on service delivery. The delegate further recommended that the Local Government: Municipal Structures Act be revised to make sufficient provision for the participation of traditional leaders and Khoi San leadership in municipal councils.
- The issue of poor planning leading to unwanted outcomes was raised. The delegate stated that corruption, incapacity and a lack of accountability can be addressed by ensuring that planning is

improved, which would result in the implementation of better plans. The delegate further advocated for the local manufacturing of chemicals used in municipal water treatment facilities.

- Several delegates raised concerns over stakeholders reporting negative impacts of restrictions imposed by by-laws on small businesses, including early childhood development centres – especially in informal areas with poor infrastructure and insufficient access to basic services and access to social services.
- A delegate from the NCOP stated that the taxi industry should also have been represented during the stakeholder engagement sessions.
- A delegate from the Free State Legislature expressed their concern over the lack of progress in the implementation of the District Development Model (DDM), as they believe that many of the service delivery and budget challenges can be resolved through the DDM model.
- Furthermore, the matter of ageing infrastructure and the inability of municipalities to reserve funds for maintenance and repairs was raised. The impact of climate change on disasters and responses required by municipalities was further raised as a key concern, with specific reference to the “Polluter Pays Principle”.
- The need for greater involvement of traditional leaders in municipal planning processes was also raised to prevent people from occupying land which is vulnerable to natural disasters and risks.
- Furthermore, groundwater pollution is a concern across rural South Africa, and one of the sources of pollution is the inappropriate placement of cemeteries in areas with a high-water table. This was raised in connection to the concerns over municipal planning and the impact on environmental health.
- Concerns were expressed by a member of the NCOP about the rising number of multi-generational backyard-dwellers in informal areas. Questions were also posed about the potential application of the Expropriation Bill in this regard. Concerns were further raised about the rising municipal debt owed to waterboards and Eskom, juxtaposed with debt owed by the private sector.
- A request was made by a member of the NCOP to amend the programme for Friday, to increase the time allocated to reporting back on site visits held during the week.
- A delegate from the Eastern Cape Provincial Legislature queried whether the mechanism through which disaster management grants are disbursed could not be revised to provide greater support for municipalities that are at greater risk of disaster.
- In addition, a request was made that the allocations to the Informal Settlement Upgrading Programme (ISUP) be increased and that more dams be built in the Eastern Cape in water-scarce areas. The delegate further recommended that professionals be sourced to serve at local government level to support capacity-building efforts.

- A recommendation was made that Wallacedene and Bloekombos also be included in the list of sites to be visited as part of the Local Government Week oversight sites. Matters related to unmetered water usage and sewage spills in these areas were raised.

3.8 Responses by the Executive

3.8.1 Deputy Minister of COGTA

Most of the speakers agreed that the District Development Model (DDM) encourages integrated planning and coordinated delivery of services across government levels. The following are some of the points shared by many speakers regarding the critical role of the DDM in policy coordination and implementation:

- It aims to unify various government programmes under one coherent plan, preventing duplication by mayors, MECs, and ministers, and promoting cooperation throughout government.
- The DDM ensures that coordinated responses to challenges are planned and executed efficiently, emphasising vertical and horizontal collaboration to maximise government reach and effectiveness. This approach underscores the importance of cooperation and integration among all spheres of government and traditional institutions to work together towards the development and upliftment of communities across South Africa.
- Efforts must focus on strategic, collaborative planning between national, provincial, and local governments, emphasising area-based prioritisation rather than isolated initiatives.
- Highlighted within the human settlements development context, the DDM will create cohesive budgeting and project implementation frameworks, avoiding siloed efforts across government spheres. This includes prioritising repairs over new construction in some areas to maintain existing housing stock and improve service delivery. It was indicated that some of the human settlement grant conditions have been expanded to include funding the repair of sewer and water leaks as well as wastewater and water treatment.
- Informal settlements are continuously arising or expanding, and the challenge is a national one and not specific only to Cape Town or the Western Cape. The DDM is experienced as difficult to implement in the Western Cape, as it is most likely being perceived as national government attempting to interfere at a provincial or local level.
- The challenges linked to backyard dwellers requires a collaborative approach by all spheres to find a solution. Being disjointed means that there will never be a solution as it is not possible for all to budget appropriately without one plan (the DDM) guiding budgeting.
- Affordability remains a challenge in small rural municipalities, but district-level development models aim to address capacity constraints.

- The Eastern Cape Provincial government has conducted a study reviewing the DDM implementation in the province. One of the key issues identified in the study is the need to for clear role distribution between different spheres and, further, to strengthen the interface between technocratic, implementing, and political layers of authority. In addition, they need to attract private sector capital including financing and funding from development finance institutions. Furthermore, clear action plans need to be designed.

3.8.2 Deputy Minister of Water and Sanitation

The Deputy Minister of Water and Sanitation described Cape Town as a "tale of two cities," where affluent areas flourish, but many communities endure inhumane living conditions, particularly regarding sanitation. Sanitation is framed as a human dignity issue with important health implications, including the risk of disease outbreaks.

It was reported that efforts are under way to address sanitation challenges, especially in informal settlements, through advanced technologies in partnership with entities like the Water Research Commission, CSIR, and the Bill and Melinda Gates Foundation. Innovations such as non-sewered sanitation systems use less water, manage sludge humanely, and address odour problems. The Deputy Minister stressed that these technologies should not be viewed as inferior, especially considering South Africa's water scarcity, and noted the need to develop appropriate norms and standards for sanitation facilities.

Furthermore, the Deputy Minister of Water and Sanitation corrected misconceptions about the VIP (Ventilated Improved Pit) toilet, explaining that it is not inherently superior and that many VIP toilets are installed without proper geotechnical assessments, jeopardizing groundwater safety. Access to sanitation stands at 84 per cent but many municipalities still struggle with sewer infrastructure challenges, such as running sewers in streets caused by flawed designs and vandalism. These problems require swift municipal responses and better infrastructure management.

Capacity-building and professionalisation of water service management are some of the key focus areas identified. Certification and qualifications are being mandated for personnel managing water systems to boost human resource capability to deliver services. The Department of Water and Sanitation collaborates with SALGA and other agencies to enhance water asset management, emphasising technical and financial skills.

The Deputy Minister of Water and Sanitation also highlighted community-driven water projects as examples of solidarity, illustrating how individuals and local governments can collaborate to improve access. He acknowledged varied rainfall patterns and water management challenges across regions

but emphasised that South Africa has significant runoff potential that could be harnessed by building more dams, despite environmental and developmental tensions that require careful balancing.

In terms of water infrastructure, it was reported that government has invested in the construction of major dams like the Coerney, Zalu, and Mzimvubu dams to secure water supply.

Pollution of water resources poses major risks to health and food security, with cases like the heavily polluted Hartbeespoort Dam cited. To address this, the National Water Act is being amended to hold mayors and municipal managers personally accountable for pollution incidents.

Dam safety is critical, highlighted by recent collapses causing fatalities and displacements. South Africa has over 5,500 dams, with responsibilities divided among national, municipal, and private owners, all requiring stringent safety management. It was highlighted that capacity-building and adherence to technical standards are essential for sustainable water and sanitation management in South Africa.

3.8.3 Minister of Human Settlements

The Minister of Human Settlements noted that municipalities need technical and engineering capacity and capability. Concerning the deployment of municipal staff, it was argued that the context of a municipality is complex, and qualifications and training alone might not necessarily be the best approach. A holistic approach is needed to repurpose local government to add value creation. Drawing on personal experience working with municipalities, the Minister emphasised that practical, day-to-day service delivery is complex and cannot be resolved simplistically. She cautioned against dismissing the importance of education and expertise but recognised that capacity varies widely among officials and that systems thinking — considering interconnected factors — is essential in municipal governance.

It was reported that the Department of Human Settlements is in the process of dealing with blocked projects across all provinces to ensure that existing projects are completed before more are pursued. Furthermore, it was emphasised that infrastructure-related grants should be coordinated.

One significant challenge highlighted is the issue of municipal billing and payments. Often, government departments delay or refuse to pay municipal bills, while ordinary residents face rapid service disconnections. Non-payment of municipal bills by state organs exacerbates financial constraints for municipalities and hinders service delivery.

The Minister of Human Settlements elaborated on informal settlements, providing recent data indicating over 4,000 informal settlements nationally, with many concentrated in Gauteng (City of

Joburg and Tshwane), Western Cape (City of Cape Town) and other provinces. Given the scale and growth of informal settlements, it was indicated that fiscal intervention is constrained.

Concerns about misallocated disaster relief funds and incomplete housing projects were also raised, underscoring issues of governance and accountability in resource distribution in municipalities. The Minister of Human Settlements called for a shift in focus away from political blame towards collective responsibility to improve living conditions.

The Minister of Human Settlements advocated for a strategic, systems-based approach to municipal governance and human settlements, grounded in expert knowledge, collaborative effort, and accountability to effectively serve communities and address growing challenges.

3.8.4 President of SALGA

3.8.4.1 Strategic Role of Traditional Leadership on Local Governance and Government

The President of SALGA advanced that South Africa's governance system consists of three distinct but interrelated and interdependent spheres: national, provincial, and local. These spheres are legally and administratively separate but designed to work collaboratively for effective service delivery.

Furthermore, South Africa's Constitution, adopted as the supreme law, explicitly recognises traditional authorities in sections 211 and 212. These provisions grant formal recognition to traditional leadership, identifying them as organs of state under section 239, with authority to exercise public power.

The relationship between traditional authorities and municipalities can be complex and sometimes involves issues of subordination.

It was noted that the roles and functions of traditional leaders are sometimes misunderstood or overlooked by various government departments and municipalities. To this end, it was stressed that municipalities and traditional authorities coexist and thus requires co-operation to avoid duplication and conflict.

The complex relationship between traditional leadership and municipal jurisdictions requires co-operation within existing intergovernmental frameworks to ensure effective governance across different levels.

The DDM was advocated as one of the vital instruments that could be used to foster collaboration and inclusiveness at local government level.

Some of the speakers advanced for a review of local government law and policy to elevate the role and functions of traditional councils at local government level. It was highlighted that the Traditional and Khoisan Leadership Act is undergoing amendments. This is another opportunity to enhance the role and functions of traditional leadership.

Furthermore, the President recommended that the review of the White Paper on Local Government should locate the role of traditional leader in local government to address the current challenges.

Despite the challenges and the need for reform, it was spotlighted that the current legal framework recognises the role of traditional leadership. Traditional leaders may hold ex officio positions on municipal councils. Municipalities have clearly defined powers, and they may not assume authority beyond what is granted in Schedules 4 and 5 of the Constitution.

What is critical is for both democratically elected institutions and traditional authorities to work in a collaborative manner to spur inclusive local economic development for the benefit of all the people, firms and the planet.

3.8.4.2 Early Warning System to Avoid Governance Failures

It was reported that the Local Government: Municipal Systems Act, especially section 71, provides early warning signals that should be used to improve governance. Section 71 of the Local Government: Municipal Systems Act provides legal framework, and reporting mechanisms require municipalities to submit detailed capacity and performance reports to the relevant authorities, such as the Member of the Executive Council (MEC) in provinces. MECs provide oversight by reporting on the state of local government within their provinces based on these submitted municipal reports, adding an additional layer of monitoring.

Section 71 mandates municipalities to provide comprehensive reports on their operational and financial functioning, enabling authorities to detect emerging problems early. Proper interpretation of these reports is crucial to ensure interventions occur before issues become severe.

The reporting mechanisms outlined in section 71 is an early warning tool that should be effectively used to stop municipal decline before it worsens. For example, issues like inadequate resource allocation for maintenance can be identified.

It was further highlighted that national fiscal policy influences municipal funding, highlighting the need for an integrated approach beyond just municipal efforts. There is a need to review the current municipal funding model.

Systemic challenges such as funding allocations highlight the need for collaboration across government spheres for sustainable municipal health and service delivery.

Overall, these legal instruments and reporting requirements form the foundation for monitoring the health of municipalities. They allow for a detailed and informed approach to governance and problem-solving before crises develop. Thus, identifying red flags in municipalities involves mandated reporting under section 71, proactive analysis by municipal managers and MECs, and coordinated interventions.

3.8.5 Western Cape Government and City of Cape Town

It was registered that Cape Town Metro is recognised as having a reputation of good governance and sound financial management. However, there is significant room for improvement, especially in delivering services in underserved communities. The complexity of local government responsibilities was noted as a challenge. It was reported that local officials often juggle multiple roles, including education and policing, which complicates service delivery. Collaboration with SALGA and other partners was underlined as critical for addressing these challenges.

3.8.5.1 MMC for Water and Sanitation

The MMC for Water and Sanitation in Cape Town acknowledged the vital priority of serving vulnerable communities through the city's ambitious "Invested in Hope" Infrastructure Investment Programme. The city spent about R4.76 billion in the previous financial year on vital infrastructure, including water and sewer networks, with about 95 per cent of the budget effectively utilized. The MMC for Human Settlements underlined that Cape Town intends to invest R37 billion over the next three years in infrastructure, and 150,000 jobs are anticipated to be created, addressing poverty by providing work opportunities that empower individuals and families.

The following are some of the achievements highlighted:

Significant progress was made in replacing sewer and water pipes, surpassing targets, and setting ambitious new goals. Investments also include procuring new vehicles to enhance the responsiveness to service delivery challenges.

Highlights included achievements in water management, maintaining a non-revenue water rate around 27 per cent, below national highs, with ongoing improvements aligned with updated water conservation and demand strategies.

The 2025/26 budget plans anticipated to spend over R5 billion in infrastructure, focusing on vulnerable communities, while pledging to diversify water sources through groundwater, desalination, and water reuse.

Key infrastructure projects include major upgrades to pump stations and bulk sewer systems, with multimillion-rand investments spread over the coming years.

Furthermore, wastewater treatment is another focus area, investing billions of rands in several projects to upgrade treatment works serving communities such as Khayelitsha.

It was reported that, during COVID-19, Cape Town faced rapid informal settlement growth, with 186 new settlements housing about 16,000 structures, adding approximately R263 million in emergency service costs. Many of these settlements are in high-risk areas vulnerable to flooding and environmental hazards, complicating service provision.

3.8.5.2 MMC for Water and Sanitation

The MMC for Water and Sanitation indicated that the Metro provides extensive sanitation options, including VIPs, portable flush toilets, and full flush toilets, to address urgent needs. Illegal land invasion remains a challenge. This has an impact on water and sewer infrastructure. Collaboration with the Human Rights Commission, and the Bill and Melinda Gates Foundation and local leaders aims to address these challenges.

Some of the challenges include infrastructure vandalism, and illegal water connections. Protecting essential services and supporting infrastructure workers is seen as a shared responsibility critical to sustaining service delivery and community well-being.

Another key challenge facing service delivery is extortion. Criminal groups, often referred to as the "construction mafia," demand protection fees and employment opportunities, leveraging intimidation and violence to disrupt progress on critical public infrastructure projects. This results in delays and cost overruns, as projects are frequently halted or abandoned due to safety concerns and extortion demands.

It was expressed that the economic toll extends beyond stalled construction to diminished investor confidence and constrained public service delivery, ultimately impacting the socio-economic well-being of vulnerable communities reliant on timely infrastructure improvements. Successful combatting of extortion is therefore essential to ensuring uninterrupted infrastructure development and the sustainable delivery of services to communities. It was reported that the Metro has had to spend millions to protect basic services and infrastructure projects from disruption due to extortion. For example, the City of Cape Town has dedicated approximately R200 million in a recent financial year

to fund 300 armed guards to protect workers repairing sewer systems and other essential infrastructure in informal settlements.

Again, funding was highlighted as a one of the key challenges. It was noted that the current funding frameworks are outdated and insufficient to meet the demands of growing urban populations and informal settlements. A review and acceleration of grant funding mechanisms, driven by national and provincial collaboration, are necessary to close funding gaps and improve infrastructure including housing development. Affordable housing initiatives focused on high-density, mixed-income developments aim to address historic spatial inequalities and provide more equitable opportunities.

3.8.5.3 MMC for Human Settlements

The MMC for Human Settlements stressed the importance of working collaboratively across spheres of government and society to sustainably upgrade human settlements and improve living conditions. He further amplified the City of Cape Town's achievements, while stressing the need to address inequality, in particular tackling the challenges faced by underserved communities.

3.9 Closing remarks

After deep engagements for the day, the House Chairperson, Honourable Radebe, expressed his gratitude to everyone present and complimented the NCOP for inviting non-governmental stakeholders to share their lived experiences. This was a recognition of the importance of integrating community views in the legislation and policy development process. The day was acknowledged as a powerful statement of collective willpower and unity in the pursuit of responsive, accountable and people-centred local government. Honourable Radebe noted that the challenges with service delivery are due to systemic issues. Therefore, all spheres of government need to deliver policy programmes in a coherent manner. He emphasised the need for a systematic approach to tackle the current challenges. The sessions were characterised as a response to the Freedom Charter: "The People Shall Govern!"

4. SITE VISITS: KHAYELITSHA

4.1 Mandela Park 497 PHP (Housing)

- The project was designed to build 123 units by the Western Cape Provincial Government with the beneficiary list verified, scope approved, and contractor appointed for the initial phase.
- Thodi Project Management was appointed to construct 35 units for Phase 1 of the project, and the project phase was completed.
- Makhare Construction Company was appointed to the project; no information was provided on the work done by this company. Subsequently, the Housing Development Agency (HDA) appointed Eyamabamba Construction Company to build 30 units, which was Phase 2 of the project but was delayed due to the contractor withdrawal, citing profitability and project unviability challenges. The Department has resolved to reduce Phase 2 of the project from 35 units to 15 units.

According to the presentation made by the Project Administrator, the Department resolved on the following:

- To reduce Phase 2 of the project from 35 units to 15 units.
- Re-issue subsidies based on the 2018/19 and 2022/23 subsidy criteria.
- To revise the financial project details informed by the reduction of units from 35 units to 15 units.

The Project Administrator informed the NCOP delegation that, during a community meeting held for Mandela Park in March 2025, the beneficiaries presented the Department with a list of 35 potential candidates. However, five of the beneficiaries on the list were found to have issues that did not align with the approval conditions. The position of the erven has been verified, and the inspector has drafted a report. The architects will now start drafting the housing plans.

4.1.1 Key issues

The Provincial and Local Government-elected representatives were not present during the site visit. Thus, the following aspects of the presentation were not clarified:

- Phase 1 completion timeframe of the project.
- The total number of phases of the project.
- The costing and projected timeframe of each project phase.
- The budget spent from the project initiation stage till now.
- The total budget of the project.
- The members of the NCOP delegation raised a concern on the management of the beneficiary waiting list because there are elderly people who have been on the beneficiary waiting list since

2012. In this regard, the delegation was provided with a list of 30 beneficiaries who are still waiting for their houses.

- The verified ERF numbers of the beneficiaries are as follows:
72457, 67707, 71022, 67858, 71078, 67463, 65792, 70559, 70728, 68302, 68202, 72391, 67456, 65231, 71765, 66652, 70336, 65406, 67430, 72355, 67836, 67512, 71853, 65391, 66709, 66531, 71063, 70680, 68411.
- As a result of the mismanagement of the beneficiary waiting list, some beneficiaries are believed to be homeless and are moving from one place to another. Furthermore, some of the beneficiaries have passed away and their kids are left behind to benefit from the project.
- For example, there is a 76-year-old woman who was told to demolish her shack in Jiba Street Site C, with the hope that she would receive new house but, 8 years later, there is no house on the vacant site. It is believed that the elderly woman has lost hope and relocated to the Eastern Cape. The 76-year-old woman's erf number is 68302.
- Another example is of a child-headed household in Sobukhwe Street, where residents were instructed to demolish a shack and told that a house was going to be built for them. Till today, the children have not received their house.
- During the resuscitation period of the project, there is a concern that new beneficiaries are going to be allocated houses at the expense of the current overlooked potential beneficiaries.
- Owing to these incidents, members raised a concern that there is a possible deviation from the housing beneficiation policy which prioritises the elderly, the disabled and child-headed households.
- The allocated beneficiaries of the project residing in Cwangco Street have not received their title deeds.
- Some beneficiaries who were allocated houses could not move into the houses because their houses were hijacked by illegal occupants. There are ongoing court cases litigating the ownership of units between the intended beneficiaries and current occupants.
- There are organisations claiming money from the Western Provincial Government on behalf of the beneficiaries that have disappeared without building any homes for the intended beneficiaries. This includes community members that received money to build their homes but did not build them and never accounted for the money.



Pictured above: A plot with a demolished shack in Site C, Jiba Street, Khayelitsha.

4.1.2 Recommendations

- The City of Cape Town and the Western Cape Provincial Government should ensure adherence to the prioritisation of elderly, the disabled and the child-headed households in the project.
- Original beneficiaries must still benefit and not be replaced by new entrants/beneficiaries.
- Legal action should be instituted against the organisations that took money claimed from the Western Cape Provincial Government on behalf of the beneficiaries. These steps should include the companies contracted with Western Cape Provincial Government who did not conclude the work on time.
- The City of Cape Town and Western Cape Provincial Government should ensure efficient project implementation and management, adhering to project timelines, project budget and project scope.
- The Western Cape Provincial and Local Government need to collaborate on the beneficiary list management in the housing projects.
- Timelines must be set for the conclusion of the project.

4.2 Silvertown Housing

On 20 October 2018, a fire broke out in SST Section, Silvertown Informal Settlement located in Khayelitsha, destroying approximately 342 structures. The Silvertown Emergency Housing project TRA was developed as an emergency solution for victims of disasters using an emergency housing grant that requires the project to comply with relevant emergency housing policies, including the

national housing code of 2009. The beneficiaries were primarily the 342 households that were affected by the fire in 2018 from the SST Area. The project is led by the Department of Human Settlements, which is now the Department of Infrastructure. The project commenced in 2021.

4.2.1 The progress of the project to date

- Smart civil construction is currently on-site finalising road marking and storm water structures; site handover will be done by the end of September 2025.
- Civil engineering works and internal access roads have been completed, including electricity infrastructure and stormwater drainage system.
- The flattening of the ground is imminent, which will be followed by the digging of foundations to commence the building of housing units.
- Three different contractors have already been appointed to build the top structures.



Pictured above: The site of the Silverton Housing project (left) and road markings in progress (right).

4.2.2 Key issues

- Initial completion of the project was scheduled for 2022. Beneficiaries have been unable to ascertain why there have been delays.
- Due to the delays which plagued the project, the beneficiaries have accused community representatives of corruption.
- Consequently, 17 eligible beneficiaries have passed away whilst awaiting the completion of the project.
- Bulk infrastructure is present; however, top structures are not built.
- The building supervisor on site stated that the top structures were scheduled to be installed in June 2025, but it has not yet commenced.
- Representatives from the City of Cape Town and the Western Cape Government were not present at the site visit.

4.2.3 Recommendations

- The City of Cape Town and Western Cape Provincial Government must work together to resolve the outstanding challenges for the finalisation of the project.
- The provincial department responsible for human settlements should provide a timeframe for completion of the project with budget allocation and expenditure to date.
- The Housing Development Agency, along with the provincial department and the City of Cape Town, should be requested to provide information on whether an approved beneficiary list for the site exists, and verify whether the elderly, people living with disabilities and otherwise vulnerable beneficiaries are being prioritised.

4.3 Taiwan (Housing)

- Taiwan is one of the oldest townships in the City of Cape Town which has existed since the 1980s, with no provision of houses. There are approximately 4,800 households residing in this informal settlement, and they have occupied the area since it came into existence.
- The Ward Councillor is working well with the community, and they are submitting various complaints in relation to human settlements, water and sanitation to the City of Cape Town and Western Cape Provincial Government, yielding no result. Instead, the Project Steering Committee makes empty promises to the community as there is no development.
- The community uses portable toilets known as “pota-pota” which are unhygienic. These toilets reflect residents’ names, which invade their privacy and infringe on their human dignity.
- The full toilets are taken to a cleaning station 4 times a week, leaving the community without any sanitation.
- Since the introduction of the portable toilets in 2013, the Ward Councillor has been calling for their abolishment, with no assistance from the municipality.
- R28 million was spent by the provincial government on designs and planning but has not been implemented yet. This initial expenditure also includes the completion of a feasibility study on the project. The City of Cape Town does not agree with the typology of the housing units. This expenditure will be rather fruitless.
- Between 2018 – 2024, the Provincial Government was the custodian of the project and handed it over to the City of Cape Town in 2024. The initial plan of the project in 2018 was going to prioritise more than 100 elderly people in the area and they have not been given decent housing till today.

4.3.1 Key issues

- Members were concerned about sewage overflowing from drains, which is a cause of physical and health hazard to the community, especially children. Municipal officials have been visiting the

area without any action being taken. Raw sewage is flowing down the streets due to the additional illegal and additional connections that are overwhelming the water and sanitation system.

- A collapsed manhole located at Nyandeni/Maphelo Street that was reported to the City of Cape Town a month prior to this inspection (2025/9/17) has damaged the sewer line.
- The City of Cape Town has only cordoned off the manhole; however, the problem remains unresolved.
- Since the late 1980s, there has never been any proper housing structure beyond the informal structures the residents live in.
- Since the introduction of the portable toilets in 2013, the Ward Councillor has been calling for their abolishment with no assistance from the municipality.
- Members of the delegation were concerned that R28 million was spent by the provincial government on designs and planning but there is no implementation of the housing project as yet.
- Members were concerned about the sewage overflowing from the drainage system to the Dada main street.
- The additional illegal connections are overwhelming the water and sanitation system.
- The project was owned by the Western Cape Provincial Government which utilised R28 million on planning and designs of the housing project.
- The Western Cape Provincial Government handed over the project to the City of Cape Town in 2024, and the City rejected the project, citing their dissatisfaction with the typology of the housing units.
- Due to these disagreements between the City of Cape Town and the Western Cape Provincial Government, the implementation of the housing project has been delayed.
- The residents of Taiwan have indicated that they experience fire incidents during the summer season and floods during the rainy season.
- According to the residents of the area, there is a swamp behind the Taiwan settlement, posing a danger to children and can cause harm to the health of residents.
- According to the Ward Councillor, several residents, including an elderly woman, had shacks demolished by the recent fires and have not been assisted by municipality although the matter was reported.



Pictured above: Empty portable toilets (left) and a portable toilet being connected (right).



Pictured above: Communal toilets (left) and a sinkhole and a manhole in a street (right).

4.3.2 Recommendations

- The Ward Councillor must submit a complaint registry to the Select Committee (SC) on Co-operative Governance and Public Administration (Co-operative Governance, Traditional Affairs, Water, Sanitation and Human Settlements) as evidence of the slow pace of response by the City of Cape Town and Western Cape Provincial Government.
- The Deputy Minister of Water and Sanitation requested the City of Cape Town to dispatch a team of relevant City officials to assess and repair the caved-in manhole.
- The City of Cape Town must help the community with cleaning the streets and surrounding area because of the sewage stench which poses health hazards to the residents of Taiwan.
- The City of Cape Town must implement the Taiwan Housing project to deal with the housing backlog in the area to improve the capacity of the water and sanitation system.
- The Ward Councillor must submit the comprehensive presentation of all issues to the National Council of Provinces (NCOP) Select Committee on Co-operative Governance and Public

Administration (Co-operative Governance, Traditional Affairs, Water, Sanitation and Human Settlement).

- The Select Committee on Co-operative Governance and Public Administration (Co-operative Governance, Traditional Affairs, Water, Sanitation and Human Settlements) must facilitate a meeting with Ward Councillor, City of Cape Town and Provincial Government to deal with issues related to this project.
- The City of Cape Town must upgrade the sewer system to accommodate the growing population.
- Timeframes must be set out for the implementation of the resolutions.

4.4 Mandela Park (MAHAMA PARK)

- The project was initiated in 2007 with the City of Cape Town implementing the building of houses.
- The total number of units to be built on the two pieces of land was 261.
- The land is too small to accommodate the number of houses stated in the project scope.
- The land belongs to the Western Cape Department of Public Works.
- There was no land ownership verification before the development.
- The community is on guard for illegal land invasions because they are interested in the project continuation.

4.4.1 Key issues

- The City of Cape Town was commended by the NCOP delegation for laying of underground infrastructure on the site; however, concerns were raised regarding the delay of the erection of the top structure.
- The site has been fully serviced, and top structures need to be erected.
- The underground infrastructure layout was R20 million. However, the City of Cape Town established that the two pieces of land they intended to build on were owned by the Western Cape Department of Public Works and had to pause the project.
- The re-zoning of the land was not completed by the City of Cape Town, because the land did not belong the City.
- For the top structures to be erected and the project to continue, the two pieces of land need to be transferred from the Western Cape Department of Public Works to the City of Cape Town.
- Western Cape Department of Public Works has not resolved whether they are going to sell or donate the land to the City of Cape Town.
- The City of Cape Town and Western Cape Department of Public Works are not interacting and collaborating on this project, which causes more delays in its implementation.

- In addition to this, the members raised a concern that the two pieces of land allocated for the project seemed to be too small to accommodate the intended 261 units.
- The project delay will lead to wear-and-tear of the underground infrastructure layout, leading to additional project costs.
- The project delay will lead to the establishment of an informal settlement as the community will become impatient.
- According to the Ward Councillor, the City of Cape Town's understanding of housing opportunities means provision of a site, not a house.



Pictured above: The site of the MAHAMA PARK development.

4.4.2 Recommendations

- Priority in the housing project should be guided by the housing beneficiation policy and prioritise the elderly, disabled, and the child-headed families.
- The Western Cape Department of Public Works must determine if they are selling or donating land to the City of Cape Town.
- The City of Cape Town and Western Cape Department of Public Works must convene over the project and agree on a working relationship.
- The key priorities of the project should be on the transfer of the land to the City of Cape Town, and the City of Cape Town must commence with re-zoning for the project to continue.
- There must be a revision of the size and number of units to be built in line with the size of the land available.
- There must be a submission of the budget allocations for the project and expenditure thus far.

4.5 Overarching concerns of the NCOP delegation on oversight visit to Khayelitsha

- The members of the NCOP delegation were concerned about the absence of the Political representatives and officials from the Western Cape Provincial Government and City of Cape Town during the oversight visit. As a result, the NCOP delegation could not receive a comprehensive report on the delays on implementation and other substantial challenges of the projects.
- Among other challenges, it emerged that verification of the ownership of the project, i.e. whether project belongs to the Provincial Government or City of Cape Town, has necessitated the implementation delays of some of the projects. Ownership verification of the projects and disagreements between the Western Cape Provincial Government and City of Cape Town has also contributed to wasteful expenditure.
- Prompt response from the City of Cape in respect service delivery matters, e.g. the manhole in Taiwan and shacks which were demolished by fire in Taiwan is a cause for a concern which must be attended to expeditiously.
- Deviations from the housing beneficiation policy which has led to vulnerable groups not being prioritised and left homeless should be attended to urgently. Report on completion timeframes, budget allocation, budget expenditure requires urgent attention.

5. SITE VISITS: DUNOON

5.1 Killarney Gardens TRA (Housing)

Killarney Gardens Project is a transitional residential housing facility aimed at providing short-term, temporary accommodation and social support for individuals and families transitioning from Doornbach, Dunoon & Atlantis Railway Reserve (Soweto & Siyahlala) informal settlements. However, it is worth noting that it was initially designed as a sustainable human settlement project to relieve high densities in Dunoon and surrounding areas but, following the Covid19 outbreak, it was repackaged as a Transitional Residential Area (TRA).

5.1.1 Key issues

5.1.1.1 Conversion from Breaking New Ground (BNG) to Transitional Residential Area (TRA).

- Killarney Gardens Project is a transitional residential housing facility aimed at providing short-term, temporary accommodation and social support for individuals and families transitioning from Doornbach, Dunoon & Atlantis Railway Reserve (Soweto & Siyahlala) informal settlements. However, it is worth noting that it was initially designed as a sustainable human settlement (BNG)

project to relieve high densities in Dunoon and surrounding areas but, following the Covid19 outbreak, it was repackaged as a Transitional Residential Area (TRA).

- The conversion to TRAs negatively affected the funding model. The BNG is funded through the Human Settlements Development Grant (HSDG) which is a conditional grant to provinces for the implementation of subsidy programmes. The purpose of the HSDG is to provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements. The conversion to TRAs meant that the Western Cape province lost access to this grant as the project scope and design had changed. The funding for TRAs is through the Emergency Housing Grant (EHG) which is managed by the National Department of Human Settlements and disbursed to municipalities through an application.
- The lack of clear funding source has stalled the project, as all engineering and civil services are installed with exception of electrical engineering services. The funding for the top structure is not readily available as the Western Cape Department of Infrastructure (WCDI) does not have the funds.

5.1.1.2 Lack of the implementation of the District Development Model (DDM) or three Sphere Planning Approach to accelerate implementation of human settlements projects

- The project has stalled because of the lack of joint planning and implementation by the National and Provincial Department and the City of Cape Town. The WCDI indicated that the project is in the process of being transferred to the City of Cape Town for implementation of the top structures which will be funded through the EHG. However, the City of Cape Town was not available to corroborate this undertaking. In fact, the councillor from the City of Cape Town is not aware of this arrangement and, according to him, the development is for around 483 houses which is contrary to the 1500 units (flats) provided by the WCDI. This is an indication that there is no co-operation between the province and the City.
- The landownership is also in question as the WCDI does not own the land which is reported to be owned by the Housing Development Agency (HDA). Nevertheless, the WCDI reported that the HDA owns the land on its behalf and would transfer the land to the City together with the Project. The HDA was not part of the representation and was not available to confirm this arrangement.
- Lack of tangible progress. The project has technically stalled since 2023. The WCDI does not know when implementation will resume. This is partly because the City has to build the top structures when the project is transferred. No one knows whether this project is in the business plan of the City for the 2025/26 or 2026/27 financial years.

5.1.2 Recommendations

- The NCOP should summon the City of Cape Town; MEC Western Cape Department of Infrastructure, HDA and the National Department of Human Settlement to brief it on this project and related matters. The briefing should focus on, amongst others, funding, project transfer, beneficiaries and joint implementation or implementation of the DDM.
- The Western Cape Department of Infrastructure, City of Cape Town and Housing Development Agency should be requested to provide funding instruments and updated expenditure report on security which is guarding the site on 24/7 basis.

5.2 ACSA Symphony Way Project

5.2.1 Background

- The ACSA Symphony Way Housing Project is the large state-subsidised housing development in Delft, Cape Town, aimed at providing formal housing for people currently living in informal settlements.
- The project is a partnership between the City of Cape Town's Human Settlements Directorate, Airports Company South Africa (ACSA) and National Department of Human Settlements.
- It is part of a broader set of development plans tied to the Symphony Way Development Corridor, which involves land on both sides of Symphony Way, including urban park elements, industrial/commercial development, and runway expansions at Cape Town International Airport.
- The housing is intended for residents of three informal/temporary settlement areas, namely Blikkiesdorp, Malawi Camp, and Freedom Farm.
- The land where Blikkiesdorp currently sits is earmarked to be incorporated into the Cape Town International Airport precinct. As part of that, Blikkiesdorp is to be decommissioned as a temporary/emergency settlement.
- The project was first launched in 2018 and faced major delays due to extortion by "construction mafia", violence and crime in the area, procurement delays and withdrawal of contractors.
- The project was relaunched in March 2025.



Pictured above: Work in progress at the ACSA Symphony Way Project in Delft.

5.2.2 Project Details

- Budget: R400 million
- Project Sites: Site A and Site B
- Total Housing Opportunities: ±3,469
- Site A Allocation: 1,766 units
- Estimated Completion (Site A): Second half of 2028 (pending smooth implementation)
- Strategic Link: Enables Cape Town International Airport runway realignment and future construction of a second parallel runway, supporting broader economic development.

5.2.3 Observations

- The relaunch demonstrates the City's commitment to overcoming criminal threats and ensuring delivery of housing to vulnerable communities.
- The project follows a transparent Allocation Policy and relies on the Housing Needs Register, which ensures that only qualifying residents benefit.
- The project has symbolic importance as a stand against organised crime, linked to the City's #EndExtortion – Enough – Genoeg – Kwanele campaign.
- Successful completion of the project will not only provide housing but also unlock major infrastructure development at Cape Town International Airport.

5.2.4 Risks and Challenges

- Criminal Disruption: Extortion and construction mafia activity continue to threaten contractors, workers, and City staff.

- Timeline Delays: Security incidents could delay delivery, particularly the 2028 target for Site A.
- Community Coordination: Requires continuous engagement to prevent disputes and ensure fair allocation of units.
- Safety Concerns: There is a need for enhanced monitoring, law enforcement presence, and protection for City staff and contractors.

5.2.5 Delegation Observations

Observations	Implications
The project is critical for housing delivery and urban renewal in Delft.	Requires sustained oversight to ensure timeous and transparent implementation.
Persistent extortion threats jeopardise progress and public safety.	Calls for intergovernmental collaboration with SAPS and community policing forums.
Community involvement at the relaunch indicates strong support for completion.	Continuous communication is necessary to maintain trust and prevent unrest.
The project has significant economic implications due to its link with airport expansion.	Parliament should monitor its progress to ensure it delivers on both social and economic objectives.

5.2.6 Delegation Recommendations

Recommendations	Responsibility
Strengthen security measures on-site, including surveillance, contractor protection, and law enforcement presence.	City of Cape Town & SAPS

Recommendations	Responsibility
Provide regular progress reports to the relevant Parliamentary Committee on Human Settlements.	City of Cape Town
Facilitate community awareness sessions to encourage reporting of extortion attempts via PECC (021 480 7700) or 107 from landlines.	City of Cape Town
Engage National Treasury to safeguard project funding against delays and cost escalations caused by criminal disruption.	Department of Human Settlements & National Treasury
Ensure the Housing Allocation process remains fair and transparent to prevent conflict among beneficiaries.	City of Cape Town

6. SITE VISITS: GUGULETHU

6.1 Gugulethu Erf 8448

In 2019, the City of Cape Town and the Western Cape Department of Infrastructure (WCDI) entered into a memorandum of understanding where 1,005 housing opportunities were to be constructed across two key sites: Erf 8448 in Gugulethu and Erf 2849 in Nyanga. The project involves both the completion of previously abandoned units and the construction of new ones, which is expected to yield 571 units. Multiple phases are under way, with contractors currently active on several portions of both sites, although some phases still await contractor appointments.

The City of Cape Town Housing Development Department undertook to initiate the planning, design and implementation of the Gugulethu Infill Housing Project. The development will result in the delivery of BNG units and associated municipal engineering services; 283 units have already been handed over to beneficiaries. HDI indicators were used in the selection of contractors. The City monitored performance and was not satisfied with the work done and, in October 2023, the city opted to not renew the agreement as the fate of people was affected by delays. The City reported the company to

National Treasury, and the company was blacklisted. Criminal charges were also laid against the company as there were major issues related to extortion. The City thereafter made its own appointment which is Mellon Housing Construction.

6.1.1 Key issues

- Engagements were held with 112 illegal occupiers and a total of 38 committed to vacating the units.
- There are five phases; the contractor was currently busy with construction in Phase 4, which will take place in 2 phases. The site consists of new and half-built houses.
- There are 83 units in Phase Three, which will now be completed by Mellon Housing Contractors.
- The balance of 24 units is awaiting building plan approval, and these are new units.
- Phase Five consists of half-built houses and will follow the same process for completion.
- The delegation welcomed that there was a beneficiaries' database; however, raised concerns regarding forceful entry by non-beneficiaries.
- The delegation was concerned that the provincial executive and the councillor were not present during the visit.



Pictured Above: The delegation observes incomplete houses in Gugulethu.

6.1.2 Recommendations

- Members encouraged the consultation and involvement of project steering committees and ward councillors in housing development initiatives to ensure effective consultation and contributions by communities into projects.

- Members encouraged the use of local contractors, women, youth, persons with disabilities and all disadvantaged communities to be considered in the procurement process to ensure comprehensive and effective representation, and to boost employment opportunities.
- Members encouraged consultation and engagement with illegal occupiers and for the city to assist those occupants to find suitable alternative accommodation.
- Members encouraged the successful integration of housing initiatives with other communities by ensuring that there are common parks, fencing and sufficient street lighting.
- Members encouraged the City to address vandalism and extortion by laying criminal charges against those causing delays in the housing projects.
- Members urged the City to move with speed to ensure that quality houses are completed and handed over to the beneficiaries within strict timeframes.
- Members urged the City to assess the quality of the houses built in relation to whether the beneficiaries were satisfied and to address any issues related to leaks or poor workmanship.
- Members urged the City to assess the quality of the houses built in relation to whether the beneficiaries were satisfied and to address any issues related to leaks or poor workmanship.
- Due consideration should also be given to the needs of women, children, persons with disabilities and the elderly in the allocation of appropriate houses to families.
- Members urged the city to ensure effective monitoring of service providers throughout the implementation phase in respect of planning, building and budgets and to use quantity surveyors to ensure the proper execution and delivery of the project.
- There is a need to ensure that contractors comply with the legislation, especially the Public Finance Management Act.

6.2 Mau Mau Erf 2849

The project is also part of the 2019 memorandum of understanding entered into between the City of Cape Town and WCDI. It involves both the completion of previously abandoned units and the construction of new ones, which is expected to yield 434 units. Multiple phases are under way, with contractors currently active on several portions of both sites, although some phases still await contractor appointments.

R179 million has already been allocated by the City of Cape Town to build 34 units in Nyanga, 13 of which have already been handed over to the beneficiaries. Despite its progress, the project continues to face several key issues that threaten timely completion. Safety concerns and extortion-related disruptions have previously stalled construction, causing delays and the dismissal of underperforming contractors who struggled with cash flow. These delays resulted in partially completed units being left vulnerable to vandalism, theft, and illegal occupation. The project also faced slow inspections and

contractor appointment backlogs, which extended timelines. The project aligns with the City's business plans; consistent monitoring remains essential to prevent further delays, manage financial risks and ensure that beneficiary allocations are transparent and equitable.

6.2.1 Key issues

- Mr S Nomjila, Community Liaison Officer (CLO), reported that there are major delays in the completion and the handing over of the units to the beneficiaries, which has led to the death of a beneficiary three days after occupying the unit.
- The CLO further reported that there is an outcry in the community after another service provider was brought on board, right after a service provider was initially identified for the project.
- The CLO also reported that the local communities are made to be spectators of their own developments and are not made part of the projects from the onset.
- Mr T Booi, representative of the Business Forum, reported that the City of Cape Town is excluding black business from the projects.
- He further reported that members of the local enterprises are excluded from these projects.
- He reported that members of the black business community are treated like extortionists to exclude them from benefiting from these projects.
- It was also reported that only one young person is involved in the project, and no female entrepreneurs were involved either.
- The delegation was concerned that the provincial executive and the councillor were not present during the visit.
- The members also raised the issue of the role of the Ward Councillor in taking up the issues and the concerns of the community in these projects.
- The members noted that the project does cater for the people with disability, women, elderly persons and child-headed families.
- The members were concerned about the delays in the approval of building plans.
- The members were concerned about the changing of the contractors mid-way through the project as it affects its timely completion.
- The members were also concerned about the lack of communication within the government structure and its stakeholders.
- The members were concerned about allegations of fronting.

6.2.2 Recommendations

- There is a need to accelerate the house inspections and handover processes to prevent unnecessary delays.

- That a report on the breakdown of the recruitment of the members of the local community in the project vis-à-vis the plough-back strategies applied be tabled in the NCOP within 90 days, including the financial impact thereof on the locals.
- There need to be mechanisms and monitoring systems to ensure that the project transferred skills to the local communities for the purpose of empowerment.
- The overuse of consultants needs to be reviewed as it impacts on the use of available skills in the community.
- There should be continuous stakeholder engagement sessions to update communities on progress and maintain transparency on allocations.
- There is a need to ensure that contractors comply with the legislation, especially the Public Finance Management Act.
- A full report regarding the maintenance of the houses that were handed over to the beneficiaries must be tabled in the NCOP within 90 days.
- Anti-vandalism campaigns and incentivised community watch initiatives should be developed and implemented as the matter of urgency.
- The City of Cape Town should consider reviewing its systems of approving building plans as a matter of urgency.
- That the law regarding the involvement of community members in their local projects be implemented as the matter of urgency, including the 30 per cent that should be allocated to the local businesses.

6.3 Airport Precinct Infills-Housing (Luyolo)

The Airport Precinct Infills Housing Project is for the construction of 94 duplex semi-detached units with 106 multi-storey units in Gugulethu township, which was started in 2019. The project is part of the plan of the City of Cape Town and WCDI to address the housing crisis in Cape Town. There are challenges between the WCDI and the City of Cape Town, and that hinders the completion of project.

6.3.1 Key issues

- The project remains incomplete and stalled since 2022/23 because of criminal activities which involved extortion, intimidation and shootings.
- The bulk services infrastructure has been put in place though the electrical work has not yet been completed due to vandalism.
- In 2023, six people were shot and the security shack was even burnt and, as a result, the contractor decided to withdraw from the project; he subsequently left the site.
- The project is beset by the challenge of cases of extortion and intimidation that severely affected the project. The cases also involved the shooting of the Quantity Surveyor and Security Guard.

- The members noted that the project was secured, as there was a security personnel member onsite.
- The members acknowledged the presence of the community steering committee members who were deployed by the ward councillor.

6.3.2 Recommendations

- There should be consultation and involvement of project steering committees and ward councillors in housing development initiatives to ensure effective consultation and contributions by community members in the project.
- Members resolved that the Project Manager, Mr Siyabulela Tshali, should send the report to NCOP on the value of the project, how much was spent on the project, number of HDI beneficiaries and jobs created by the project, when the project will be recommenced, the details and particulars of the six victims that were shot, and the status of the cases of the shootings. The report must reach the NCOP within 90 days after this report has been adopted.
- The South African Police Service must allocate sufficient resources to the area to combat the extortion and intimidation cases in the Gugulethu area.
- That the Provincial Commissioner be invited before the Select Committee on Security in the NCOP.
- That the NCOP committee responsible for the social cluster deal the community members who were said to be residing in Luyolo Community Hall as a matter of urgency.

6.4 Airport Precinct Thambo Square

Airport Precinct Infill Housing refers to government-led housing projects in the Gugulethu area. It aimed at providing housing opportunities for beneficiaries from informal settlements and backyard dwellings within the precinct. The project involves the development of various infill sites, some of which are located on historic landfill sites requiring remediation.

6.4.1 Key issues

- The project has faced challenges like criminal intimidation, extortion and the invasion of land.
- The housing is intended for beneficiaries from the Gxagxa, Luyolo, New Rest, and Lusaka informal settlements, as well as qualifying backyard dwellers from communities like Gugulethu and Manenberg.
- It is a residential development comprising simplex and duplex units. The project approval date was 31 March 2020. The project was meant to yield 244 housing opportunities which was reduced

due to stormwater, sewer and road infrastructure challenges. The contract was mutually terminated in April 2023.

- The implementation proposal includes handing the project over to the City of Cape Town to consolidate security and implementation plans.
- Currently the project is a vast open field with trees and plants, with no construction.
- The delegation was concerned that the provincial executive and the councillor were not present during the visit.

6.4.2 Recommendations

- Members requested that a full report be furnished to the NCOP on the challenges and way forward, together with clear timeframes to ensure that progress is made within 90 days.
- The project needs to ensure that members of the local enterprises were involved to transfer skills and empower them.
- The WCDI should ensure that the community, including the project steering committees and ward councillors, were involved in the project development from the onset.
- Members encouraged engagement with the extortionists and those seeking to sabotage the project to find solutions to ensure that the housing development proceeds to deliver housing to the community.
- It was recommended that strategies to safeguard the site against extortion should be developed.
- The City should ensure that the civil and electrical contractors were appointed to complete infrastructure.
- The City should fast-track the issuing of title deeds, as their non-availability exposes the project to illegal occupation.

6.5 Thabo Mbeki Island Site

The Thabo Mbeki Island Site is situated on vacant land near the Thabo Mbeki Informal Settlement where its beneficiaries would come from. The land is owned by the Housing Development Agency (HDA). This project will accommodate the development of 4-storey walk-up units which will provide 84 units.

6.5.1 Key issues

6.5.1.1 Opportunities for the development of Breaking New Ground (BNG)

The BNG human settlement refers to a new model for integrated, sustainable, and well-serviced communities which moves beyond simply building houses to creating holistic neighbourhoods with housing, economic, and social amenities for diverse income groups, and aiming to upgrade informal

settlements and improve the quality of life for residents. This project would provide for reblocking and in-situ upgrading of Thabo Mbeki East and West Informal Settlements. These areas are currently battling with poor water supply and sewage spills while most of the community uses VIP toilets. The implementation of the BNG human settlement would address all these challenges.

6.5.1.2 Lack of the implementation of the District Development Model (DDM) or three-Sphere Planning Approach to accelerate implementation of human settlements projects

The unavailability of the City of Cape Town and the Western Cape Department of Infrastructure during the site visit bears testimony that there is no co-operation and co-ordination with the HDA. The lack of co-operation may derail the project. The NCOP delegation was frustrated as most of their questions went unanswered due to unavailability of the officials from the City and WCDCI. The DDM could also accelerate the subdivision and rezoning process.

6.5.1.3 Lack of tangible progress

The project is still at planning stage which would involve conversion of the existing development rights to duplex unit development (Subdivision and Rezoning). The construction of implementation is expected to start in 2027. This is a cause for concern since the proposal for this development dates to 2017.

6.5.1.4 Lack of details on budget

The HDA project manager could not provide any detail on the budget, including estimations on planning and implementation stages of the project.

6.5.1.5 High levels of crime

The community leaders lamented high levels of crime which is compounded by the lack of visible policing.

6.5.1.6 Water and Sanitation Challenges

There is a lack of water supply. There are severe sewage spillages on the streets. The raw sewage poses public health risks to the communities. It also impairs the dignity of the people and causes severe nauseating odour, compromising the quality of life.

6.5.2 Recommendations

- It is recommended that the City of Cape Town, WCDI, HDA and the National Department of Human Settlement should co-operate and work together on human settlements and related matters using the DDM model.
- The HDA should table a detailed report to the NCOP on the implementation of this project, including but not limited to budget and timeframes for implementation within 90 days.
- The Speaker's office of the City of Cape Town should conduct community awareness programmes on budgetary allocations and other related benefits to the ward, especially regarding the R1 million that was allocated to Ward 36, of which Thabo Mbeki Island Site is part.
- That the decision to divert from the national law regarding the 30 per cent allocation for the local business involvement in community projects be reversed as the matter of urgency as the adopted five per cent excludes local enterprises from their project.
- That the security cluster should develop mechanisms and strategies to address the problems of security, such as extortion demands.
- That the funds that have been allocated for development projects should be spent as desired and not be returned to the treasury since such actions affects service delivery projects.
- The local community members need to be involved in the project to ensure the transfer of skills and to empower them, including through local enterprises and job opportunities.

6.6 Tsunami Informal Settlements- Housing

The Tsunami Informal Settlement is part of the Airport Informal Settlement Precinct in Cape Town, which is being addressed through the Southern Corridor Integrated Human Settlements Project, focused on providing housing, secure tenure, and basic services to residents. The aim of the project has been implemented to upgrade such areas, sometimes involving temporary relocation of residents and subsequent provision of permanent housing. The Tsunami Informal Settlement housing project is collaboration between the WCDI and the City of Cape Town.

6.6.1 Key issues

- Residents of Tsunami Informal Settlements are living in inhuman conditions where there is continuous sewage spillage and blockage. At both the sites that the councillor showed members, they observed that there were mud ponds which were also dumping sites with unpleasant smells that can cause health problems.
- Residents in Tsunami are experiencing lack of service delivery such as waste collection and designated disposal facilities. As a result, residents of Tsumani Informal Settlement have resorted to illegal dumping in open pits.

- Tsunami has a poor road infrastructure that is not paved or properly constructed, rendering it muddy and impassable after rainfall.
- People were promised that houses would be built for them, and they still waiting for the houses.
- The crime rate is high and elderly residents fear for their own safety. Old people are complaining about not sleeping at night due to young people banging on their door.
- There is no clear police visibility in the area; as a result, there is a high rate of criminal activities.
- Poverty, unemployment, fragmented social networks, and youth disenfranchisement contribute to crime prevalence as an alternative social and economic structure.
- Land invasions and illegal occupations is a challenge in this area; A portion of the land that was identified for a housing project was legally occupied during Covid-19.
- There were a high number of kids not at school during the day; this highlighted the lack of Early Childhood Development in the area.
- Extortion is a major problem in this area and disrupts service delivery and infrastructure development. The councillor indicated that the officials of the City of Cape town are afraid of Tsunami Informal Settlement, and they fear for their safety. This affects service delivery in the area.

6.6.2 Recommendations

- Members noted that proper grading of roads can assist with ensuring rainwater flows off the road surface.
- Community-driven cleaning projects are a foundation for transforming our communities; therefore, members recommended that the councillor should initiate and support cleaning projects in the area to improve living conditions of the people.
- That the land which was earmarked for the gravesite be reallocated for residences since there was a huge cry for housing shortage.
- The City should prioritise the clearing of illegal dumping sites as they are a breeding ground for diseases.
- Furthermore, the City should develop strategies to address the road infrastructure, accessibility challenges and water dumps, as these creates health hazards.
- That the WCDI, in collaboration with the police, should develop strategies and mechanisms to address the challenges of extortions, including through visible policing.

7. SITE VISITS: PHILIPPI

7.1 Nomphumelelo PHP – Housing

This project refers to the People's Housing Process (PHP) initiative aimed at empowering low-income families to build their own homes. This project emphasises community decision-making, utilising family skills, and providing government support for housing construction. The core idea involves residents actively participating in their housing solutions, differentiating from traditional top-down housing delivery methods by focusing on quality, community integration, and beneficiary agency in the housing process. While the project was visited as part of the Local Government Week, it should be noted that it is a provincial initiative.

7.1.1 How PHP Works

- **Beneficiary Participation:** Families are central to the housing process, contributing their skills and making key decisions about their homes and communities.
- **Government and Institutional Support:** Social housing institutions and local government provide grant funding, technical support, and access to land to enable the construction of rental and affordable bonded homes.
- **Focus on Cohesion:** The projects are designed to foster social cohesion and integrate new communities with existing urban structures, preventing the social disruption that can occur with some traditional housing projects

7.1.2 Key issues

- Houses remain unfinished years after initiation; some structures require demolition while others could be completed.
- Poor contractor performance, abandonment, and poor workmanship were highlighted.
- Confusion about whether new approvals are required for already-approved plans.
- Long gaps between planning, approvals, and execution.
- Security risks on site lead to theft of materials and endanger contractors.
- Only one contractor used in the past; if they failed, the whole project stalled.
- Some units partially built.
- Conflict between beneficiaries and non-beneficiaries in the community and how they are represented in community engagements with the provincial department and contractors.
- Lack of clarity on which sphere of government (local vs provincial) owns the project in the beginning of the visit. After it was confirmed it is a provincial project, it made site visit less applicable to the theme and purpose of Local Government Week.

- Ward councillors were absent, suggesting weak local political accountability.
- Officials on site lacked detailed knowledge of project history, budget, and status.
- No senior departmental representatives present.
- Many beneficiaries still live in shacks on their allocated plots or in temporary arrangements.
- Community leaders expressed frustration that some non-beneficiaries were included in the project steering structures.
- A dispute arose between two community leaders during the delegation's visit, necessitating security to intervene to keep them apart.
- Families have waited for years; some elderly beneficiaries passed away before receiving houses.
- No comprehensive written presentation was available to Members.
- Lack of clarity on funding sources, project scope, timelines, and number of workers hired.
- Capacity to deliver is microscopic compared to the demand for housing
- The new electronic town planning approval system requires some attention to ensure it does not serve as an impediment to project completion.

7.1.3 Recommendations

- Officials must provide a detailed written report: project history, budgets, funds spent, beneficiaries, and outstanding work. Further outline overall progress.
- Old plans from the City may be reused for partially completed units, if engineers confirm they are sound.
- Ensure integrity assessments by NHBRC to decide which incomplete structures can be salvaged.
- Engage two contractors for parallel work, reducing risk if one underperforms.
- Place non-performing contractors on a government default list to prevent future appointments.
- Ensure contractors include on-site security to prevent material theft.
- Require senior departmental officials to attend oversight visits, not junior or uninformed staff.
- NCOP to ensure clear identification of responsible officials and spheres of government before site visits.
- Ward councillors and community leaders must be present and accountable during engagements.
- Ensure steering committees only include legitimate beneficiaries with erf numbers.
- Provide clarity on temporary arrangements for displaced families while construction is under way.
- Prioritise local empowerment through hiring to deliver economic benefit alongside housing delivery.
- Strengthen communication between department, community, and contractors to avoid mistrust.

7.2 Sheffield Road – Road Project

The Sheffield Road Development forms part of the N2 Gateway Project and is part of a broad strategy to improve infrastructure and services, encompassing a housing project providing 384 units, the extension of the road to improve access and connectivity, and upgrades for the MyCiTi bus system.

The development is in Philippi, Sheffield Road, on erf 10509, Philippi (HDA Land) and Farm 597/15 Philippi (City of Cape Town). The Sheffield Road Development is planned to provide housing opportunities to beneficiaries on two adjacent portions of land, Erf 10509 (2.48ha) owned by the Housing Development Agency and Farm 597 portion 15 also known as Braaf Land (3.18ha) owned by the City of Cape Town.

The objective of the project is to acquire land, design, install civil infrastructure and construct houses. The two portions of land will be developed in line with all the CoCT design criteria and by-laws. The project will yield 384 housing opportunities. The project commenced in 2013.

7.2.1 Key issues

- The Sheffield Road Housing Project is a joint City and Western Cape Government initiative to provide 384 housing units, with ongoing progress on civil works.
- The road is being extended west across the railway line to Ottery Road to improve access to the industrial complex and connect with other key routes like Stock Road.
- Sheffield Road and surrounding infrastructure will be upgraded to support the MyCiTi bus system, which is expanding into the Philippi East area.
- Bulk Services and Internal Access Roads have been completed, and construction is due to commence over the next two weeks.
- The Project is being implemented on two parcels of land with the City of Cape Town owning land on which 201 units will be built and the Housing Development Agency owning the land on which 183 units will be built.
- As a cost-saving measure, the Housing Development Agency would implement the two projects as one.
- Currently, a Land Authority Agreement (LAA) is in place to allow the Provincial Department of Infrastructure to act as Developer for plot parcels.
- Potential changes to the rules of the City of Cape Town and Provincial Department of Infrastructure delayed the project on more than one occasion since its start in 2013, with the proposals fluctuating between the City of Cape Town being the developer for both sites and the Provincial Department of Infrastructure being the developer for both sites.

- The project was meant to accommodate people who could not be accommodated as beneficiaries in Boys Town as part of the N2 Gateway Housing Development.
- The Lead Agents for this project involves the Housing Development Agency (Implementing Agent), the Provincial Department of Infrastructure (Developer), and the City of Cape Town (Financing Bulk Infrastructure).
- There have been delays of more than one year in the approval of the building plans. The delays are a result of frequent changes in planning requirements.
- Reluctance by departments to implement planning waiver provisions (for the purpose of securing a Section 137 approval that is necessary to commence with the construction of a top structure), even where it is feasible and reasonable to do so.
- Delays of more than one year on the part of the City of Cape Town in identifying beneficiaries for the project. The beneficiaries have been identified; the contractor's service provider will do beneficiary verifications and apply for subsidy approval.
- Once the list of beneficiaries is finalised, representatives will form part of a Project Steering Committee that will be established to ensure transparency and accountability.
- The community resisted the implementation of the City of Cape Town policy of an 80:20 split with 80% of Housing Demand Database beneficiaries being from the local community and 20% being from the City. This allocation was only in 2024, amended to the split being 70:30, with 70% being specifically from Ward 35 and 30% being from the greater sub-council area.
- The estimated costs noted involves R40 million for civil charges and R80 million for the housing. The start date of the project was noted as 2013 and the end date noted is December 2026.

7.2.2 Recommendations

- Clarity is needed on the finalisation of the beneficiary list concerning the 384 housing units and frequent follow ups are needed to promote the finalisation and release of such a list.
- Updates are needed concerning the actions taken and available to deal with matters relating project delays caused by aspects mentioned such as killings, construction mafia, community disagreements and conflict.
- To conduct frequent follow-up engagements to establish and verify progress in terms of this project's intended outcomes, especially as it was noted that building of housing units is to start in the next two weeks. In addition, to explore the potential of further delays caused by potential agreements not being finalised.
- To request verification of frequent and ongoing public engagements by the Lead Agents concerning the surrounding community and potential beneficiaries to ensure that building starts in two weeks and continues without delays to achieve the deadline date of December 2026 for the

project to be finalised. Including clarity on the appointment of sub-contractors from the surrounding community.

- To explore the frequency of policy changes by a municipality such as the City of Cape Town in terms of causing delays and challenges for projects such as The Sheffield Road Housing Project.

7.3 Weltevreden Wedge Development

The Weltevreden Wedge is located on the east side of the Philippi Farmlands and situated between Weltevreden Drive and Jakes Gerwel Drive. The development of the Weltevreden Wedge is also part of the Southern Corridor Integrated Human Settlements Program (IHSP) and is guided by a Development Framework. The Weltevreden Wedge potential development area spans 200ha, with the potential for 20 000 residential opportunities through a Greenfields Development. The development is planned to include both public and private developments with the public landowners being the Department of Human Settlements, City of Cape Town, the Passenger Rail Agency of South Africa (PRASA) and its implementing agent, the Housing Development Agency (HDA). While the project was visited as part of the Local Government Week, it should be noted that it is a provincial initiative.

The detailed planning for each land portion will be undertaken by individual landowners; however, overall integration will be achieved through shared public, community and commercial facilities. To achieve economies of scale, a master plan will be developed and implemented for infrastructure and bulk services planning.

Beneficiaries prioritised to be accommodated in the development includes those from the Kosovo Informal Settlement, Mitchells Plain backyard dwellers and existing informal areas within the wedge (including iSiqalo). Land has also been earmarked for permanent households who settled on the railway line and rail reserve in Langa, Nyanga, and Philippi during 2020.

7.3.1 Key issues

- The sections owned by the Housing Development Agency (on behalf of the DoI) and the City of Cape Town is earmarked for the development of 5000 housing opportunities.
- The conceptualisation of the Subdivision Plan has been developed. It was, however, noted that the Environmental Impact Assessment and Geotechnical Assessment have not yet commenced. This was raised by members considering the flooding that occurs in the area.
- The Land Use Management application process is also still to commence. Members questioned how the determination of 5000 housing opportunities was made in the absence of the outcomes of these assessments.

- The DoI was not yet able to indicate what the expected project commencement and completion dates are for the project.
- The development is near the Kosovo Informal Settlement from where some of the project beneficiaries will be. This is best practice for the identification of suitable land for relocation.
- There are currently negotiations under way to acquire additional land within the Weltevreden Wedge for the development of further housing opportunities.
- In a report submitted by the DoI after the site visit, it was reported that expenditure for the planning phase of the project was R 2 007 130.59 for the 2023/24 financial year and R1 899 676.08 for the 2024/25 financial year.

7.3.2 Recommendations

- When considering planning applications, the City of Cape Town should consider the proximity of developments to major roads, and the risk traffic flow may pose.
- That the Project Manager consider the lessons learnt from the Sheffield Project where a single developer was appointed to develop a green fields project where land parcels have different owners.
- That it should be confirmed that the existing bulk infrastructure network has sufficient capacity for the addition of the Development into the network. One of the project challenges listed was potential strain on the existing bulk services network.
- That the Environmental Impact Assessment should also specifically assess whether the proximity to the industrial area will not pose a health risk to those who will live in the new development.

7.4 Kosovo Informal Settlement Development

The Kosovo Informal Settlement (“Kosovo”) is one of the most densely populated settlements in Cape Town. Based on the enumeration study conducted in 2017, the settlement spans 28.64 hectares and is home to 5 824 households. Kosovo is centrally located in the Philippi Central Business District node and is bounded by the central railway line and Philippi Station to the north, Parkway Drive to the west, the R300 to the south and the Philippi Police Academy to the east.

Kosovo Informal Settlement Development is part of Phase 2 of the Southern Corridor Integrated Human Settlements Programme (“the South Corridor IHSP”). Catalytic projects under the South Corridor IHSP were registered in 2016 and a Land Availability Agreement entered into between the then Western Cape Department of Human Settlements (now the Department of Infrastructure (“DoI”) and the City of Cape Town Metropolitan Municipality (“the City of Cape Town”) in 2019. In terms of the Land Availability Agreement, the DoI will consolidate, subdivide, develop and transfer properties to beneficiaries and the City of Cape Town will grant possession and occupation of the land to the DoI.

The DoI secured the rights to plan and develop the areas earmarked for the Southern Corridor ISPS catalytic projects.

The development of the Kosovo Settlement has two components, the first being the in-situ redevelopment of the settlement through the Upgrading of Informal Settlements Programme (UIPS) to accommodate 4536 of the existing households who do not qualify for a housing subsidy. This will involve “super blocking” the informal settlement, where the layout of the settlement is spatially reconfigured and formalised. This will include formalising the road and road reserve, and the installation of basic services and service connections. The second component will be the provision of housing opportunities in the Weltevreden Wedge Development to qualifying beneficiaries.

7.4.1 Key issues

- The settlement is in dire need of improvements to basic services including water, sanitation, electricity and refuse removal. Furthermore, roads were in a poor condition, with stagnant water on various parts and potholes hampering road users.
- The in-situ development component of the development of the settlement is currently still at the planning stage. Subdivision and rezoning applications have been submitted to the City of Cape Town and is expected to be granted this month, September 2025. Members expressed dissatisfaction that progress since 2016, when the Southern Corridor IHSP catalytic projects were registered, has been slow.
- In a report submitted by the DoI after the site visit, it was reported that expenditure for the planning phase of the in-situ development was R 292 655.13 for the 2023/24 financial year and R665 670.00 for the 2024/25 financial year.
- Members noted that the enumeration study conducted for the area is dated as it was undertaken in 2017. There may have been significant growth in the settlement and movement of people within and into the settlement since then. The DoI indicated that the enumeration study will be repeated after a Traffic Study has been completed.
- A Traffic Study will be undertaken to understand traffic flow and roadway conditions to identify operational and physical deficiencies, determine potential traffic impacts from new developments, and identify and inform decisions about road improvements and modifications.
- The development is challenged by the fact that the existing settlement is densely populated, and all households can therefore not be accommodated within the settlement. Further, a high number of the existing households do not qualify for a housing subsidy. At the same time there are limited suitable relocation options.
- The DoI was not yet able to indicate what the expected project commencement and completion dates are for implementation phase of the in-situ upgrading component.



Pictured to the left: Piles of refuse, broken fences, and temporary toilets in Kosovo Informal Settlement.



Pictured to the left: A flooded, damaged road and dangerous overhead cables in Kosovo Informal Settlement.

7.4.2 Recommendations

- That the appropriate Human Settlements Intergovernmental Relations platform place the interpretation of housing subsidy allocation as an agenda item for resolution. Restrictions on the interpretation of subsidy allocations has been listed as one of the challenges in the implementation of the South Corridor IHSP.
- That the Dol, together with the City of Cape Town, develop a joint strategy to prevent and respond to illegal occupations, as illegal occupations have been listed as one of the reasons for delays in project commencement and completion.
- That the findings of the Traffic Study be used to develop interim measures to improve the road conditions and improve mobility in the settlement. That the Municipal Infrastructure Support Agent (MISA) be approached to assist in preparing applications to unlock funding streams from grants earmarked for municipal infrastructure such as the Municipal Infrastructure Grant (MIG) and Regional Bulk Infrastructure Grant (RBIG).

- That the Western Cape Provincial Parliament and Parliament committees responsible for Human Settlements include monitoring progress in the development of the settlement into their oversight programmes.

8. REPORT-BACK REGARDING SITE VISITS

Representatives of the four delegations who conducted oversight reported their findings to delegates in a plenary session on the final day of the programme.

8.1 Discussion of reports by delegations

The discussion of the members reflected cross-cutting and overarching challenges pertaining to the housing projects in the City of Cape Town. The observation of members highlighted service delivery challenges which continue to confront the local communities in the City of Cape Town. The members reflected on the need for strengthening the three-sphere planning and intergovernmental relations by the City of Cape Town, Provincial Government and National Government.

8.1.1 Key issues

- The elected City and Provincial Government representatives were not in attendance with the delegations during site visits and they must account for non-attendance.
- This led to limited responses to the projects and there are many clarity-seeking questions from members.
- There is an outcry that elected representatives were not present during the site visits, showing disrespect and undermining the role of NCOP.
- The site visits were an eye-opener and echoed the disappointment of the lack of participation by the elected representatives.
- The sizes of the various provincial legislatures (KZN and Gauteng), that they are unlike the Western Cape Legislature where the absenteeism of members in committees could result in quorum challenges, justifying the non-attendance.
- The member stated that the programme was not properly handled, and provincial whips were not engaged timeously.
- The date of the Local Government Week was shifted to a new date without adequate engagement.
- The site visits expose the delegation to the lived realities of the people of Cape Town and requires an immediate response, especially for the children in these areas.
- The situation in these areas is unbearable, and they must be attended to.
- The limited knowledge of the officials on the site visits and the plan of the informal settlements is not properly articulated, and the way forward for the findings needs to be crafted.

- The sites have an inconsistent number of houses to be built and there were no elected representatives to provide clarity for the House on the projects and project progress.
- The example was that some site verifications were pointing to private ownership, and the legitimacy of the information is denied.
- Junior officials were unable to answer technical and project-related questions of the delegation.
- The grave allocation in all areas visited leads to a possible future crisis due to space for graves being unavailable.
- The site visit revealed that there were no open and recreational spaces, no clinic, no schooling of children who were found loitering in the streets.
- Beneficiary lists must be updated and managed with transparency.
- The issue of beneficiary lists caused by deep tensions between communities and the City of Cape Town, resulting from the absence of a transparent, credible beneficiary list.
- The officials deployed needed help with issues raised by members. Instead, the Ward Councillor raised the information on the needs of the people in the community, with examples like in Dunoon where 5 families are sharing one toilet and there is one tap in the community.
- The visit of the committee reveals the total opposite of the prescripts of the Constitution pertaining to hygiene, water and sanitation.
- The site visit reflected that it is a paradox of two cities pertaining to the divide between the poor and the rich.
- There was no data in Delft on the criteria and status of the beneficiaries to be moved from the informal settlement to the houses.
- Project stalling distorts the beneficiary list, creating a legal challenge for the beneficiaries versus the illegal occupants.
- For example, all projects in Group 1 were incomplete and have been incomplete for several years and intended beneficiaries are still living in poor conditions. The hope is that the visits will ensure impact. In Taiwan, the sanitation is inhumane and there is a need for improved and dignified sanitation.
- SALGA must be included in the planning to ensure their members fully participate in the LGW.
- Parliament did not engage in time with City and Province, and research was not done adequately to equip members with substantive information on the projects.
- The need to address the confusion of the Local Government Week, not the Provincial Week, to the stakeholders.
- The beneficiary list is a grave concern, and the visits reflect the complaints that Ward Councillors are experiencing in communities, especially in relation to crime, vandalism and theft.
- A lot of money is going into the projects and no result is seen.

- The City of Cape Town should indicate if it does not have capacity to eradicate informal settlements, or they are not interested in the projects.
- For example, there is the Taiwan ablution facilities, where there is an act of inhumanity towards the hygiene and dignity of the people.
- The oversight team was not accompanied by the Provincial and City officials, and members were directed to unverified privately-owned sites.
- The precedence was set that delegates can go on oversight and there are no elected representatives with no reasonable justification.
- The continuous change in municipal laws is delaying the implementation of projects such as the Sheffield project.
- Members were not shocked when the elected representatives did not participate because they normally appear on virtual platforms in the NCOP sessions. It shows the work of the NCOP will be difficult and accountability will be enforced.
- The abovementioned matter must be elevated to the provincial champions in the executive to successfully implement these report findings.
- There is also unavailability of land to build houses for the people.
- The members have said that the City has no interest in people staying in informal settlements because the unavailability of elected representatives shows that they do not care.
- As an example, R28 million spent in Taiwan by the Provincial Government, which was rejected City of Cape Town upon handing over, and there was no response on the projects by the elected representatives.
- Approval of units in Gugulethu is very slow by the City, which delays the overall project.
- Impact of the challenges is felt decades later and successful housing projects should share best practices to deal with other housing challenges in other cities.
- The document from the City of Cape Town stated that they are responsible for the implementation of the projects, but they do not have internal capacity as some projects had contractors on site.
- SMME beneficiation of 30% of sub-contracting opportunities leads to project delays as locals are not empowered and community unrests ensue.
- The extortion mafias are delaying the projects and the attendance to these issues by the City needs consistency.
- Lack of planning and vision has been highlighted, and the City must use the IDP to stick to the budgeted service delivery plan.
- One member revealed that they saw someone stealing electricity, prompting the need for the provision of basic services because citizens are stealing these services, showing the frustrations they are experiencing.

8.1.2 Recommendations

- The House must condemn non-attendance of the elected representatives which compromises the reliability of the information delegates were given during site visits.
- Delegates emphasised the need for Local and Provincial Government-elected representatives to attend NCOP projects because it paints a negative picture on the care of the representatives for the people in the communities.
- Service delivery must be addressed, including water and sanitation. Moreover, the housing backlog remains a problem in the City of Cape Town. The world standards on human settlement must be adhered to, and all projects were not indicative of how much was appropriated and how much is spent thus far.
- Service delivery is undermined by criminals, and extortionists are running the show.
- The community reflected how their lives are affected by crime as police stations are under-resourced, including the anti-gang unit.
- Extortion shuts down housing projects and service delivery imperatives.
- Title deeds must be issued to beneficiaries immediately to avoid the illegal occupation of houses.
- There must be compliance regarding local procurement of goods and services to stimulate local economies, thus preventing unnecessary project delays.
- The budgeting of the projects must be submitted to the NCOP.
- Service level agreements between the City and Province must be renewed because they are delaying many projects in the City.
- Consequence management must be implemented for the delay of housing projects.
- The sizes of the land parcels compared to the number of houses to be built needs revision.
- Clear cost-benefit analysis of the project expenditure on the protection of sites suggesting the deployment of SANDF would be cheaper.
- The NCOP must decide on the timeous monitoring of reports submitted by the City of Cape Town.
- Local government must be supported to deal with crime to help communities benefit from their intended projects.
- Intergovernmental relations must be improved in the future.
- Silo-working between spheres of government was identified as a cause of delays in the successful implementation of projects.
- The District Development-Model must be fully implemented and practicalised.
- NCOP members (Cllrs, MPLs, MPs) must play a role in joint oversight to get to the bottom of issues. Thorough consultation between NCOP members (Cllrs, MPLs, MPs) must continue to ensure impact and accountability.

- Elected public representatives from the City and Province must account on service delivery to communities throughout the province.
- Follow up regarding project delays and recovery of resources utilised with no positive outcome is required.
- The National Department must resolve the systemic issues pertaining to the housing backlog in the country, referencing various countries with same problem around the world.
- The reflection was on the systemic challenges of a growing population delaying the thorough implementation of the housing project.
- Successful housing projects must be benchmarked to ensure social learning and implementation of best practices.
- In future, both successful and failed projects should be visited to ensure a holistic view of the projects.
- These housing issues must be addressed in other provinces with similar challenges to ensure accountability of provinces.
- The NCOP must facilitate the drafting an enabling legislation of a National Housing Registry to be implemented across the country.
- Urgent intervention is required to deal with illegal land occupation across the country.
- There is an urgent need for the NCOP to draft legislation to assist municipalities and departments to prevent illegal invasions whilst protecting human dignity.
- Positive economic policies are encouraged to take the country forward.
- Joint initiatives and partnerships with business and communities should be implemented, as people have different understanding and views regarding the projects.
- Criminality must be dealt with in the housing projects.
- Western Cape Police Commissioner must appear before the NCOP to account on the crime statistics of the City of Cape Town.
- An urgent debate regarding the rise of extortion and crime in the Western Cape should be programmed.

9. CLOSING REMARKS

In his closing remarks, the Deputy Chairperson of the National Council of Provinces, Honourable P Govender, stated that local government is a critical sphere of governance and government structure, with developmental orientation and distinctive potential, which can address the challenges and specific needs of communities. He further highlighted that effective local government is poised to bring about service delivery, promotion of economic development, and social cohesion.

The following are some of the highlights noted by the Deputy Chairperson:

- Building capacity, promoting good governance and meeting the needs of communities in municipalities will enable local government to expedite the achievement of developmental goals and creation of better life for all. Furthermore, effective planning and collaboration amongst the three spheres of government is critical for achieving developmental objectives.
- It is pivotal that spheres of government share resources and align efforts to speed up progress, address challenges, and implement policies and programmes to make meaningful impact on the lives of the people.
- Building strong partnerships, cultivating a culture of co-operation, and ensuring that the District Development Model is functional, responsive and effective must be prioritised.
- Spatial planning must encapsulate the elements of integration, accessibility and sustainability and provide communities with access to basic services, economic opportunities and social amenities.
- The lack of monitoring and evaluation systems creates a breeding ground for non-compliance with policies and regulations by many municipalities, and this causes imprudent spending of resources and poor delivery of services in the local government sector.
- Professionalisation of local government must be prioritised to enhance accountability, promote efficiency, and cultivate a culture of excellence.
- SALGA needs to develop and implement a comprehensive programme aimed at capacitating municipal councils. The programme should equip councillors with the necessary skills, knowledge, and tools to effectively exercise their oversight role.
- Construction mafias hinder development in communities and must be combated by all spheres of government to create a safe and conducive environment for investment and development. It is imperative that the regulatory framework is intensified, law enforcement is enhanced, and transparency and accountability are promoted in the construction sector.
- It is at the local government level where the pulse of communities beats stronger, and where the delivery of essential services directly impacts the lives of citizens.
- The failure of local government poses a risk to the functioning of democracy. It is therefore crucial that strong, responsive and accountable local government is built to serve the needs of the people and advance the country's democratic values.

10. CONCLUSION

The 2025 LGW gathering agreed that the failure of local government has a direct impact on the growth of the economy. Local government needs to be supported to improve governance to attract investments and much-needed jobs. Infrastructure investment is critical to sustain economic growth and improve the lives of the people.

With pressing fiscal pressures, using public sector funding to leverage private capital injection was highlighted. New funding and financing options are needed to support local government to deliver much-needed infrastructure in housing, energy, water and sanitation including road infrastructure.

Infrastructure projects such as housing must be delivered on time within budget. Further, there is a need to tackle 'construction mafias'. This has a direct impact on economic growth and social stability. It deters investments.

The speakers recognised the importance of local government to advance South Africa's "democratic project". Hence local government needs to be responsive and accountable.

Building capacity of municipalities is critical. Development of human capital capacity for the local government is essential.

The role of traditional leaders was further spotlighted. The speakers emphasised the review of policy and law that govern local government. It specifically highlighted the review of the local government equitable share formula, including the White Paper.

The findings and recommendations highlighted elsewhere in this report will find expression in various select committees' oversight work. The challenges identified will need a coordinated oversight approach. Through collaborative efforts and three-sphere co-ordination, the NCOP will continue to strengthen local governance and government and promote service delivery.

11. LIST OF ACRONYMS

ACSA	Airports Company South Africa
BNG	Breaking New Ground
CLO	Community Liaison Officer
COGTA	Co-operative Governance and Traditional Affairs
COSATU	Congress of South African Trade Unions
DDM	District Development Model
DWS	Department of Water and Sanitation
DoI	Department of Infrastructure
ECD	Early Childhood Development
EPWP	Expanded Public Works Programme
GBV	Gender-Based Violence
HDA	Housing Development Agency
HDI	Historically Disadvantaged Individual
IHSP	Integrated Human Settlements Programme
ISUP	Informal Settlement Upgrading Programme
LAA	Land Authority Agreement
LGW	Local Government Week
MEC	Member of the Executive Council
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agent
NCOP	National Council of Provinces
NERSA	National Energy Regulator of South Africa
PECC	Public Emergency Communication Centre
PFMA	Public Finance Management Act
RBIG	Regional Bulk Infrastructure Grant
RDP	Reconstruction and Development Programme
SALGA	South African Local Government Association
SANCO	South African National Civic Organisation
SAPS	South African Police Service
SITA	State Information Technology Agency
TRA	Transitional Residential Area
TVET	Technical and Vocational Education and Training
VIP	Ventilated Improved Pit (toilet)

12. ADDENDA

12.1 Submissions received from stakeholders

12.1.1 Julie-Ann Mc Conney: Beacon Valley (via e-mail)

- We have problems with electricity not being restored in the Main Road, Alpine Street, and Newmarket Street.
- This is a high-risk area in terms of gangsterism and drugs.
- There are a lot of EDCs in area, which are threatened by the prevalence of gangsterism.
- Kids have nowhere to play, as there are no parks in area.
- There are overgrown bushes on Metropolitan Street, Beacon Valley, next to Beacon Hill High School. We need the bushes to be taken out by the City of Cape Town. We have been speaking to the councillor for years; he said the area belongs to the airport company, who indicated that they gave it to the City of Cape Town. I have emails regarding this matter.”

12.1.2 Bishop Templeton Mbekwa: President of African Religious and Traditional Leaders Council (via Zoom Chat)

Service delivery in black townships in the Western Cape faces numerous challenges, deeply rooted in historical inequalities and compounded by contemporary issues.

Key Challenges

- **Historical Inequalities:** The legacy of apartheid has left lasting spatial and socioeconomic disparities, with many townships lacking adequate infrastructure like reliable electricity, clean water, sanitation, and paved roads.
- **Financial Constraints:** Municipalities often struggle with limited financial resources, relying heavily on intergovernmental transfers and national grants, which hampers their ability to address service delivery needs effectively.
- **Poor Governance and Corruption:** Mismanagement, corruption, and political infighting undermine efficient service provision, leading to irregular expenditure and wasteful spending.
- **Capacity Shortages:** Local governments face shortages of skills

12.1.3 Lizi Masumpa: ECD Peace Forum (via e-mail)

ECD Peace Forum challenges

- Municipal by-laws make it difficult to meet City's standards
- High Costs: the process of becoming compliant can be lengthy and expensive
- Financial Strain: the combination of high costs and potential penalties can push ECDs to the brink of closure
- Lack of Awareness: Some centres may be unaware of DC requirements or potential fee exemption, leading to unexpected financial burden

Solutions

- Review or amend their by-laws.
- Land use: Provide community input in the planning process
- Establish committee involving ECDs to address obstacles to registration.
- Improve access to information.
- Make registration processes and information accessible to all, providing support in multiple languages and offering clear understandable guidance to practitioners.
- Develop municipal ECD strategies that include a flexible infrastructure approach to identify suitable sites that have access to essential municipal services and are within communities where children live.
- The City does not want to allocate sites to ECDs. Instead, they want to rezone your house, and they will pay huge sum of money towards your DC charges. In return, when you are deceased, they will want their DC charges money or sell your children's house to cover their cost, which is unfair to your children because of high unemployment. There are no sites to open ECDs. The last option is to use the backyard of your children's home to make a living.
- They must also review the backyarders' ECDs or allocate sites to back-yard ECDs.

12.1.4 James Chapman Scalabrini Centre SA (via Zoom Chat)

I would suggest that an inclusive approach is taken that is adopted in an evidence-based manner. For example, when looking at unemployment and youth unemployment, evidence suggests that for every foreign national employed 2 South African nationals are employed as a result. Similarly, inclusion of refugees and migrants in Community Policing Forums and in Unions helps to substantially reduce crime and reduce labour exploitation respectively. Similarly, there are skilled artisans who can work

with South African Artisans to improve the quality of housing and infrastructure. We should look to adopt an inclusive approach, promoting social cohesion.

12.1.5 Phindile George, Chairperson: Khayelitsha Community Policing Forum (via e-mail)

Since the end of apartheid in 1994, Khayelitsha—a large township on the Cape Flats of Cape Town—has undergone substantial change in population, housing conditions, and local governance practices, though many development challenges remain.

Population & Housing Growth

- At its foundation, in 1983, Khayelitsha was planned to house a few hundred thousand people; by the 2001–2011 period, estimates put the population around 400,000.
- The 2011 Census recorded about 391,749 residents in the “Main Place” Khayelitsha.
- Since then, growth has continued, partly driven by migration from rural areas and by expansion of informal settlements.

Recent Population Estimates

- In 2022, the official estimate for Khayelitsha was about **451,616** people.
- More recently, in 2025, Khayelitsha is estimated to have around **520,000 residents**.
- There remains some contention over the exact numbers—some local civil society sources have suggested much higher counts due to migration, informal settlement growth, people not captured fully in census counts.
- Housing delivery has increased: many formal houses (often RDP/state-subsidised) have been built, reducing the proportion of households living in shacks compared with early 2000s.
- Yet the absolute number of informal dwellings has not necessarily dropped, because as formal housing improves, inflows of people unable to afford formal housing led to new informal settling.

Informal Settlements, Evictions & Bond-Housing

- Informal settlements such as Enkanini, TR, QQ Sections remain large, and many of these lack basic services like reliable sanitation, water, or formal recognition.
- During the COVID-19 lockdown there were high-profile cases of eviction (or demolitions) of informal structures, some of which were ruled unlawful by courts.
- On bond housing (i.e. houses purchased with mortgages), there have also been evictions of homeowners who default on their payments. Community organisations have raised concerns

in Thembokwezi, Ilitha Park, Govan Mbeki etc., where people paying bonds are still being evicted when they fail to meet repayments.

- These evictions often exacerbate insecurity and push people into informal housing or instability.

Urban Design, Street Lighting & Policing Effects

- Street lighting and urban design play important but underappreciated roles in security, policing, and the lived experience of safety in Khayelitsha. Poor or absent lighting in informal areas has been acknowledged by the City as contributing to higher crime risk.
- For example, shadows from structures, poorly positioned lights, or areas entirely unlit become spots for crime, intimidation or violence.
- Moreover, the layout of informal settlements—narrow, winding pathways, lack of proper road infrastructure—makes policing access more difficult, which can reduce both the deterrent effect of law enforcement and the ability to respond swiftly. Residents in various reports have noted that, in many informal-settlement areas, law enforcement units (including anti-land invasion units) struggle to access certain plots or reach areas after dark due to poor lighting or blocked access.

Effects and Impacts

These dynamics have combined effects: evictions (both from informal dwellings and bond houses) tend to increase vulnerability, displacement, loss of property, psychological stress, and interruption of children's schooling. Informal settlements lacking services suffer hygiene, health, and safety deficits. Poor lighting in such areas increases risk of crime (especially gender-based violence) and undermines residents' sense of safety, which in turn may affect social cohesion.

In sum, since 1994 Khayelitsha has seen progress in formal housing delivery and infrastructure, but population pressures, informal settlement growth, legal and illegal evictions, and deficits in urban design and street lighting remain major constraints on equitable service delivery and safety.

The Khayelitsha Commission of Inquiry (chaired by Kate O'Regan & Vusi Pikoli) identified challenges and recommended corrective actions, especially as they relate to policing, spatial design, lighting etc.

What the Commission Stated Must Be Fixed (Structural / Physical Design)?

Police Station Infrastructure

- One of the key recommendations (Recommendation 19) was the establishment of a new police station in Makhaza, a large part of Khayelitsha which was underserved, to help relieve burden on existing stations.
- Also, improvement and better resourcing of existing police station physical infrastructure and facilities so that they are fit for purpose.

Street Lighting and Public Lighting Design

- The Commission heard witnesses about how dark pathways, insufficient street lighting contributed to vulnerability (crime risk, especially walking to communal toilets, etc.).
- The need for effective lighting (not only high mast “area lights” which cast large shadows, but more “streetlights” that light paths at human scale, coverage throughout informal and formal areas).

Roads, Layout, Access & Signage

- Evidence showed that many informal settlement paths are narrow, winding, unplanned; policing vehicles often cannot access crime scenes effectively, especially after dark or in bad weather.
- Also lack of street signs / wayfinding was raised, complicating navigation, addresses and speed of response.

Sanitation & Communal Facilities

- Walking long distances in the dark to communal toilets, which may be padlocked or inaccessible, increases risk of crime for residents, especially women and children. The commission called for better sanitation infrastructure closer to dwellings.

Lighting & Urban Form as Part of Crime Prevention

- The Commission recommended that SAPS (police) develop provincial guidelines for “visible policing in informal neighbourhoods” which includes physical infrastructure concerns (access, lighting, paths).

What Has (or Hasn’t) Been Done / Progress

- The Makhaza police station (Recommendation 19) has seen slow progress. As of 2024-2025, a temporary/prefabricated station has been established in Makhaza while a permanent building is being planned or built.

- Street lighting: there have been complaints and reports that the lighting situation is still poor in many parts, especially in informal settlements. Some improvements have been made. For example, the City has installed many new public lights (both high mast and conventional) under a Lighting Master Plan; some lighting repairs and LED upgrades have also been rolled out. In many areas street lighting remain a challenge as the lights are not functional which increase the burden of crime in areas that are not properly lit up in the evening. However, high-mast lighting remains common, though the Commission and civil society consider them less effective in many instances due to the shadows they cast and poor coverage of pedestrian paths.
- Road and path access: less evidence of systematic upgrades of informal settlement layouts to improve vehicle access for police. Many of the problems the Commission raised (narrow paths, little street signage, dark or unlit paths) appear to still persist.

What we know about child-headed households

- Child-headed households are those where minors, often due to the death or absence of parents, take responsibility for younger siblings, caring for household needs, finances and often surviving without an adult caregiver.
- In Khayelitsha according to reported statistics is that there are **14 000 orphans** that account for the various child-headed homes from each of the **12 wards**.
- These households are more vulnerable to poverty, food insecurity, lack of basic services, malnutrition, poor health, and mental health issues (stress, depression, anxiety).

How child-headed households contribute to / are affected by: Poverty & Unemployment

- Because child heads are minors, their ability to work is limited, often illegal, or unstable. They may need to leave school to care for siblings or generate income. This reduces their skill accumulation and employment prospects in the future.
- With no adult income earner, such households often depend on social grants, charity or informal work. But grants may be insufficient, delayed, or not always accessible.
- In Khayelitsha more broadly, unemployment is high (\approx 46% of working-age people unemployed) and many adults lack completed secondary education. These systemic features worsen the situation for child-headed households, making them more likely to be trapped in poverty.

Education Disruption

- Child heads often must de-prioritise school to handle household chores, sibling care, earning income, etc. This leads to school dropout or poor educational performance, which then limits future job opportunities.

Mental Health & Social Isolation

- Heavy burdens placed on children can lead to psychological distress, anxiety, depression. These may make them more at risk of substance abuse or engagement in risky behaviour as coping or survival strategies.

Substance Abuse & Crime

- The evidence from Khayelitsha shows that substance abuse is quite prevalent among youth. One study among 15–24-year-olds found high rates of using alcohol, cannabis, methamphetamine, driven by unemployment, peer pressure, lack of opportunities.
- Children in child-headed homes are especially vulnerable to peer influence, lack of supervision and may have greater exposure to unsafe environments, which could increase the risk of both using substances and becoming involved in crime (either as victims or perpetrators). This is not always well-documented but is logically consistent with risk factors identified.

Crime

- Crime is higher in areas with high poverty, informal settlements, weak urban design, poor lighting, etc. Khayelitsha has these challenges. Child-headed households often live in more marginal, poorly served areas, which are more exposed to crime. Also, children forced into economic survival may resort to illicit means (petty theft, drug dealing) when they see no legal prospects, or be drawn into gangs.

Specific likely effects in Khayelitsha

Putting this together, in Khayelitsha:

- Child-headed households likely exacerbate the unemployment statistics (they remove potential adult-led households that might have more stable income). Even though child heads themselves are unlikely to be formal employees, the ripple effect is that they have reduced chances for education and thus contribute to long-term cycles of unemployment in the community.

- Poverty is intensified: these households often cannot afford basic services, food, school uniforms, transport; their living conditions are more precarious (informal housing, lack of water or sanitation, etc.).
- Substance abuse: may be both a coping mechanism for children under pressure and more prevalent given the environment: peer influence, unsupervised time, lack of recreational alternatives. The study in Khayelitsha of youth addiction links unemployment, limited opportunity and social disconnection to substance use.
- Crime: child-headed households may suffer more victimisation (the children must move around unsafely, collect water, etc.), and may be more exposed to criminal influence. Some may resort to crime as survival. Also, communities with many child-headed households can have weaker social supervision.”

12.1.6 Emihle Mfamana: Youth and Women in Khayelitsha

Sector/stakeholders represented: Youth and Women

Focus area: Government Issues Affecting the Youth of Khayelitsha and Cape Town

Where/Township: Khayelitsha and Cape Town

Local Government Issues Affecting the Youth of Khayelitsha and Cape Town

Cape Town is the second-largest city in our nation. It is our economic hub for tourism, technology, finance, and the green economy. Yet beneath its beautiful skyline, too many young people remain excluded from opportunity and remain hopeless.

Context and Scale

- Cape Town’s metro is home to more than 4.8 million people, and over two-thirds are under 35 years old.
- In Khayelitsha, approximately 76% of the population is under 29.
- While Cape Town is wealthier than many municipalities; its inequality is among the highest in the world. Entire communities of youth live without reliable work, adequate housing, or safety.

Youth Unemployment

- National youth unemployment sits at 62.4% (ages 15-24).
- In Cape Town, official unemployment is about 19.6% overall, but youth unemployment in township areas is far higher — above 40% in places like Khayelitsha, Nyanga, Delft, and Philippi.

- Thousands of matriculants and graduates cannot find their first job; internships and learnerships are scarce, and small businesses lack support.

Education and Skills

- Many Cape Town schools — particularly in townships — remain overcrowded and under-resourced.
- There is a shortage of affordable post-school training, especially Technical and Vocational Education and Training (TVET) aligned to market needs.
- Without these pathways, young people cannot participate in the city's growth sectors like ICT, construction, renewable energy, and tourism.
- Youth business Hub

Crime and Safety

- The Western Cape is one of the most violent provinces. Cape Town's murder rate is among the highest in the world.
- The Khayelitsha policing precinct alone saw murders rise from 40 to 70 cases in one reporting period. Carjackings, gender-based violence, and gang activity keep young people indoors and afraid.
- Police stations are underresourced and community safety programmes are fragmented.

Basic Services and Urban Infrastructure

- Many young people still live in informal settlements without proper sanitation, lighting, or safe recreational spaces.
- In parts of Khayelitsha, households must walk long distances for clean water.
- The digital divide persists, there is no affordable Wi-Fi and public internet access is limited, preventing young people from studying, job-hunting, or starting online businesses.

Youth Participation and Voice

- Although young people make up most the city's population, their representation in ward committees and budgeting processes remains minimal.
- Voter registration among the youth is low, and we need to ask ourselves the serious question: Why?
- Without structured youth forums inside local government, policies are written about youth rather than with youth.

Consequences of Inaction

- Rising crime, drug abuse, and mental health crises.
- Loss of human capital in a city that needs skilled workers.
- Deepening inequality between affluent suburbs and townships.
- Loss of faith in democracy among the very generation we depend on for the future.

Call to Action: What All Spheres of Government Must Do

Expand Youth Employment Programmes

- EPWP internships, apprenticeships, and learnerships should not be the only form of employment available for our youth.
- There needs to be increased seed funding and mentorship for youth entrepreneurs.

Strengthen Education and Skills Development

- Establish more TVET colleges and training centres in townships. Partner with industry to ensure training leads to actual jobs.

Improve Safety and Policing

- Increase police resources, vehicles, and personnel in high-crime precincts like Khayelitsha, Nyanga, and Philippi.
- Support Community Policing Forums and youth safety ambassadors.

Upgrade Basic Services and Recreation

- Invest in water, sanitation, street lighting, and safe public transport.
- Build and maintain sports fields, libraries, and youth centres should open after hours.

Institutionalise Youth Participation

- Create youth advisory councils at metro and ward level to feed directly into budgets and the Integrated Development Plan.
- Make it easier for young people to register to vote and to stand as candidates.
- Establishment of a youth policy especially in the province.

Conclusion

Khayelitsha's youth, and the youth of Cape Town as a whole, are not a problem to be managed. They are the city's greatest asset. But, without decisive, coordinated and amicable action from local, provincial, and national government, we are condemning a generation to poverty, violence, and despair.

Let us instead invest in their potential. Let us build a Cape Town where every young person — from Khayelitsha to Khayelitsha's neighbouring suburbs to the far corners of the metro — can study, work, be safe, and have a voice in their future. I call on this House to put youth at the centre of our budgets, our programmes, and our hearts. In doing so, we will secure not just their future, but the future of our democracy. I thank you.

12.1.7 Michael Benu: Khayelitsha Development Forum (via e-mail)

I would like to submit the following:

- The three spheres of government don't work together because City of Cape Town Municipality and Provincial Government don't take part in all activities of the National Government. There is land where the City of Cape Town Municipality developed infrastructure, but it was found that the piece of land belongs to the National Department of Public Works and Infrastructure. The piece of land must be transferred to the City of Cape Town Municipality for housing to be developed, but it takes too long because these three spheres can't work together.
- Secondly, not all national strategies are implemented administratively or politically.
- Human Settlements Development: we last had new houses and schools in our communities during Ebrahim Rasool's time as Premier.
- We don't have streetlights and roads. The City of Cape Town Municipality is currently saying the National Government reduced funding, making it impossible to install streetlights in Khayelitsha.
- Crime is high in the community; the challenge is the per capita allocation of resources to provinces.

12.1.8 Thembinkosi Pupa: Philippi Development Forum (via e-mail)

Philippi is predominantly an informal settlement. It consists of 6 Wards, with the population estimated at around 450,000. The Browns Farm area in Philippi is a wetland, where most people are living, and living conditions are difficult during the winter.

People are provided blankets and warm food when they don't have place to sleep. The current provincial government does not have the political will to address the imbalances of the past. For example, R850 million allocated for housing in the Western Cape was returned to Treasury, and the MayCo member was implicated in corruption. Developing projects disappear, with contractors claiming that they are not paid for their work. As a result, there are many incomplete units occupied

by senior citizens, who are hopeless. Others have passed away while awaiting housing. One specific project like this is Nompumelelo.

I wish government could improve oversight over municipalities and provinces by monitoring big projects. There is currently the Monwood Project in the informal settlement, which was launched 8 years ago, but nothing is happening.

I hope the NCOP will investigate this and correct it. There are people who have been on the waiting list for more than 34 years; they will die without receiving a house.

12.1.9 Bongile Zanazo: Informal Settlement Forum (via e-mail)

Acknowledgment and Introduction

Thank you for the opportunity to participate in Local Government Week. We're privileged to be here, but, chair, let me go straight to our challenges and the solutions we prefer. We have a crisis of land and a growing number of shack dwellers in congested spaces, with no provision of the basic needs for our people for more than 5 years now, and no municipal plan for those services.

Challenges

- **Land Crisis:** Congested spaces with no basic services, including lack of adequate housing, insufficient toilets and sanitation facilities, and limited access to clean water.
- **Inadequate Municipal Planning:** No plans for essential services despite 5+ years of living in these areas, leaving us vulnerable to fires in summer, floods in winter, and minimal or no government support.
- **Unjust By-Laws:** Laws that seem designed to penalise, not support, our community.
- **High Crime Rate:** Our community faces murder, rape, and other violent crimes.

Disparities and Concerns

The recent praise for the DA's governance in the Western Cape rings hollow when considering the stark contrasts between affluent areas and our informal settlements. We face inadequate services, health risks, unsafe living conditions, and a lack of dignity and respect for human rights.

Last night, I heard the president praising the DA for a well-run Western Cape. I was not totally shocked because he knows this side of town – the rich side that is well-serviced - the whites' side of town. In the Cape Flats we walk through sewage, we live with rats, and we die of disease.

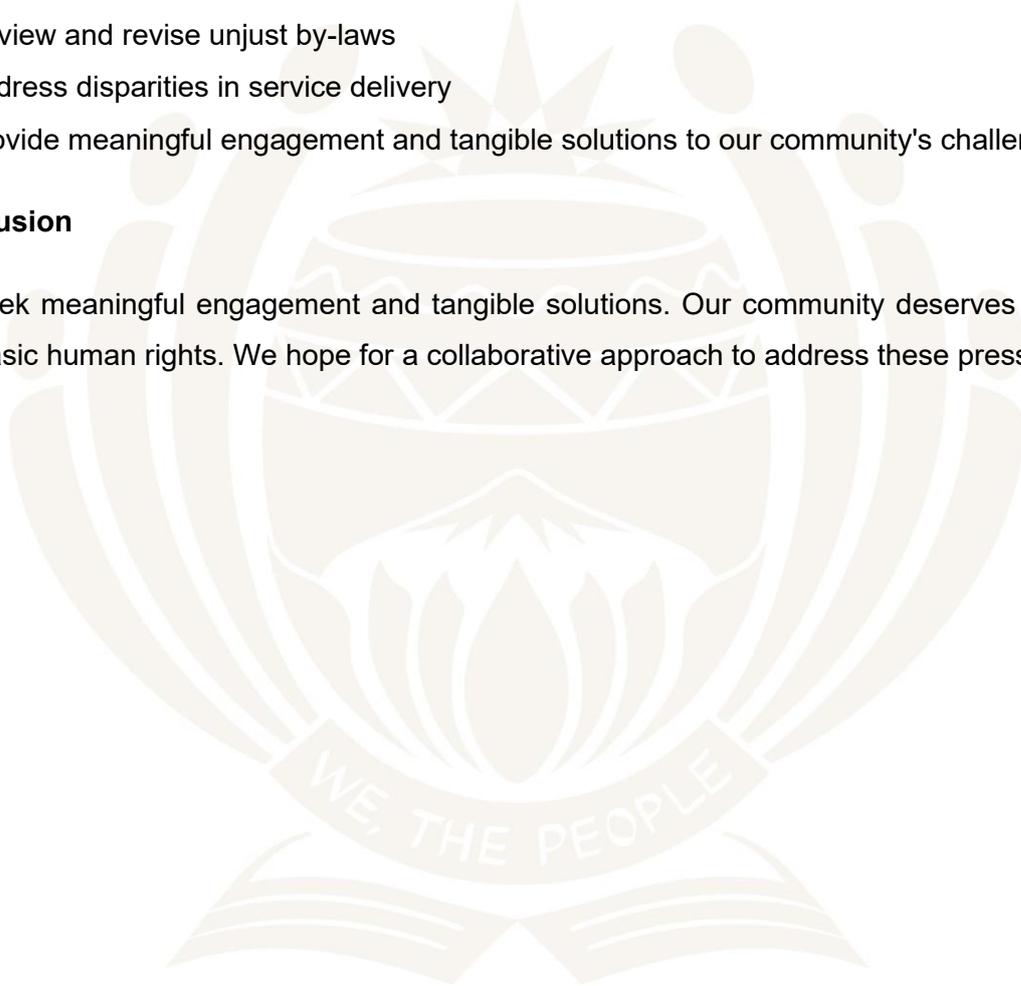
Solutions

We urge the local government to:

- Develop and implement plans for essential services, including adequate housing, toilets and sanitation facilities, clean water, crime prevention initiatives
- Review and revise unjust by-laws
- Address disparities in service delivery
- Provide meaningful engagement and tangible solutions to our community's challenges

Conclusion

We seek meaningful engagement and tangible solutions. Our community deserves dignity, safety, and basic human rights. We hope for a collaborative approach to address these pressing issues.



- (b) Letter from the Minister of Communications and Digital Technologies, dated 29 September 2025, to the Chairperson of the National Council of Provinces, explaining the reasons for the delay in the submission of the Annual Report of the Universal Service Access Fund (USAF) for 2024/25:

Dear Chairperson,

POSTPONEMENT OF TABLING OF UNIVERSAL SERVICE ACCESS FUND (USAF) ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

I am required, in terms of section 65(1) of the Public Financial Management Act No. 1 of 1999, (PFMA) as amended, to table the annual reports, financial statements, and the auditor's reports thereon of public entities under my responsibility.

Regrettably, I am unable to table the reports for the year ended 31 March 2025, in respect of USAF, by the required date of 30 September 2025.

As required by section 65(2)(a) of the PFMA, I am obligated to table a written explanation in the legislature setting out the reasons for not tabling the report. The delay arises from challenges in the timely completion of the audit process, which includes the Board's approval of the annual report and the auditor's sign-off of the audit report, prior to submission to me in terms of section 55(1)(d) of the PFMA. The report will be tabled once the audit process has been finalised.

Enquiries on this matter may be directed through Ms. Georgina Maree at gmaree@dcdt.gov.za or 076 423 7541.

Kind regards,



Solly Malatsi, MP
Minister of Communications & Digital Technologies

COMMITTEE REPORTS

National Assembly and National Council of Provinces

1. Report of the Joint Standing Committee on the Financial Management of Parliament on the Parliament of the Republic of South Africa's 2025/26 First Quarter Report, dated 14 October 2025

The Joint Standing Committee on the Financial Management of Parliament having considered the Parliament of the Republic of South Africa's performance in the first quarter of 2025/26, reports as follows:

1. Introduction

- 1.1 Section 4 of the Financial Management of Parliament and Provincial Legislatures Act, No. 10 of 2009 (the FMPPLA) provides for the establishment of an oversight mechanism to maintain oversight of the financial management of Parliament. The Joint Standing Committee on the Financial Management of Parliament (JSCFMP) was established in terms of the Joint Rules of Parliament. The Committee has the powers afforded to parliamentary committees under sections 56 and 69 of the Constitution of the Republic of South Africa, 1996 (the Constitution).
- 1.2 Section 52 of the FMPPLA requires that the accounting officer must, within 30 days of the end of each quarter, report to the Executive Authority on Parliament's quarterly performance in respect of the implementation of the annual performance plan (APP). The Executive Authority in turn, and in terms of section 54 of the FMPPLA, must table each quarterly report within five working days of receiving it, for the consideration of the oversight mechanism i.e., the JSCFMP. The 2025/26 First Quarter Report was accordingly tabled on 6 August 2025, and referred to the JSCFMP on 7 August 2025.

- 1.3 The Executive Authority and the senior management team led by the Secretary to Parliament appeared before the JSCFMP in a meeting held on 5 September 2025 during which the institution's performance in the period under review was interrogated.
- 1.4 This report comprises five parts:
- Part A, the background to the work of 7th Parliament;
 - Part B, an overview of performance across programmes;
 - Part C, a summary of the performance in respect of the Human Capital Division;
 - Part D, a summary of the institution's financial performance information for the period under review; and
 - Part E, the Committee's observations and recommendations;
- 1.5 This report should be read along with the 7th Parliament's Strategic Plan for 2024-2029, the 2025/26 APP and budget, and the JSCFMP's report in respect thereof.

PART A

2. Background to the work of the 7th Parliament

2.1 Mandate

2.1.1 Parliament derives its mandate from:

- Chapter 4 of the Constitution of the Republic of South Africa, 1996, No 108 of 1996, which sets out its composition, powers and functions;
- the FMPPLA which regulates the institution's financial management;
- the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act No 4 of 2004 which defines and declares the national and provincial legislatures' powers, privileges and immunities;
- the Money Bills Amendment Procedure and Related Matters Act No 9 of 2009 (Money Bills Act) which provides procedures to amend money bills;

- the National Council of Provinces (Permanent Delegates Vacancies) Act No 17 of 1997 which provides for the processing of vacancies among the permanent delegates in the National Council of Provinces (NCOP);
- the Determination of Delegates (National Council of Provinces) Act No 69 of 1998 which provides for processes around the determination of delegates to the NCOP;
- the Mandating Procedures of Provinces Act No 52 of 2008 which provides for a uniform procedure in terms of which provincial legislatures confer authority on their delegations to cast votes on their behalf, as required by section 65(2) of the Constitution; and
- the Remuneration of Public Office Bearers Act No 20 of 1998 which provides for a framework for determining the salaries and allowances of public office bearers.

2.2 Mission and vision

- 2.2.1 The 7th Parliament has as its vision to be a transformative and activist Parliament that improves the quality of life of South Africans and ensures enduring equality in society.
- 2.2.2 The 7th Parliament's mission is to represent the people and to ensure government by the people in fulfilling its constitutional functions of passing laws and overseeing executive action.
- 2.2.3 To execute its vision and mission, Parliament has adopted the following values: openness, responsiveness, accountability, integrity, professionalism, teamwork, and mutual respect.

2.3 Priorities

- 2.3.1 The medium-term development plan (MTDP) 2024-2029 is built on three strategic priorities:
- inclusive growth and job creation;
 - reducing poverty and addressing the high cost of living; and
 - building a capable, ethical and developmental state.
- 2.3.2 The MTDP will provide targets and measures for each strategic priority. These indicators will equip Parliament and provincial legislatures to monitor the service

delivery and the overall impact of the MTDP on society. To assist in this regard, Parliament must:

- strengthen its oversight of the executive to ensure government accountability;
- facilitate meaningful public participation and involvement in legislative processes, and collaboration with civil society to ensure that government actions reflected citizens' needs and concerns;
- improve processes for appointments to public institutions; and
- ensure that the state maximises the value of its international participation.

2.3.3 In pursuit of the above, the 7th Parliament has identified the following strategic priorities:

- strengthening oversight mechanisms;
- enhancing the legislative process and public involvement;
- improving public office appointments; and
- improving international engagement

PART B

3. 2025/26 First Quarter Performance

3.1 Overview

3.1.1 The 2025/26 annual performance plan comprises 18 targets of which 8 are measured annually and 10 measured quarterly. Of the 10 quarterly targets 2 are under Programme 1 (Administration) and 8 are under Programme 2 (Legislation and Oversight). Of the 10 quarterly targets that were assessed 8 were met i.e. the institution achieved 80 per cent of its targets.

3.2 Programme-by-programme summary of performance information

Paragraphs 3.2.1 to 3.2.16 provide a summary of the institution's performance across programmes.

Programme 1: Administration

3.2.1 Programme 1 provides strategic leadership, management, and corporate services to Parliament. It comprises the following sub-programmes: Executive Authority; Office

of the Secretary; Corporate and Support Services. The areas of work under this programme are essential to the institution's mandate and should ensure operational excellence, institutional effectiveness, and responsiveness to parliamentarians and the public.

3.2.2 Table 1 below reflects the annual and quarterly targets related to outcome 1 under Programme 1.

No	Output indicator	Annual Target (2025-26)	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.1	Number of systems developed to automate core parliamentary processes	3 systems to automate core parliamentary processes developed: <ul style="list-style-type: none"> - online committee submissions; - digital committee dashboard - resolutions monitoring and tracking 	Complete analysis and design for online committee submissions and resolutions tracking systems	System designs and proof of concept completed for online committee submissions and resolutions monitoring and tracking systems Analysis and functional requirements for digital committee dashboard completed	Initial systems development completed, and data sources identified	3 systems to automate core parliamentary processes developed: <ul style="list-style-type: none"> - online committee submissions; - digital committee dashboard; - resolutions monitoring and tracking
1.2	Human Capital Strategy and implementation plan developed and approved	Human Capital Strategy and implementation plan developed and approved by the accounting officer	Human Capital Strategy Framework developed	Stakeholder consultations conducted	Draft Human Capital Strategy and implementation plan developed and submitted to stakeholders for comments	Human Capital Strategy and implementation plan developed and approved by accounting officer

Table 1: Outcome 1 Quarterly Targets (Source: Parliament 2025/26 Annual Performance Plan)

Automation of core parliamentary processes

3.2.3 Digital transformation is required to re-engineer the institution's business processes and optimise information flows to support parliamentarians work and strengthen oversight. In the first quarter a complete analysis and design for the online committee submissions and resolutions monitoring and tracking systems was required. This target was met.

Improved Employee Engagement Levels

3.2.4 An improved human capital management and institutional culture were required as Parliament's ability to deliver on its mandate depended on a skilled, motivated, and high-performing workforce. In the first quarter the Human Capital Strategy Framework was to be developed. This target was achieved.

Programme 2: Legislation and Oversight

3.2.5 Programme 2: Legislation and Oversight provides procedural, information, content and administrative support to the houses and their committees. The programme comprises the following sub-programmes: NA, NCOP, public participation, and external relations; shared services; and sectoral parliaments and joint business. The areas of work under this programme are crucial to strengthening Parliament's oversight, legislative, and accountability functions.

3.2.6 Table 2 below reflects quarterly targets in respect of the outcomes under programme

No	Output indicator	Annual Target (2025-26)	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Outcome 2						
2.1	Report on Executive Responsiveness to House Resolutions	Report on Executive Responsiveness to House Resolutions submitted to Executive Authority.	Report on Executive Responsiveness to House Resolutions	Report on Executive Responsiveness to House Resolutions	Report on Executive Responsiveness to House Resolutions	Report on Executive Responsiveness to House Resolutions submitted to Executive Authority.
2.2	Accountability Standards gap analysis and recommendations report development	Accountability Standards gap analysis and recommendations Report developed	Research and benchmarking on local and international best practices on enforcement of parliamentary oversight	Analysis report on accountability standards	Conduct stakeholder consultations on accountability standards	Accountability Standards gap analysis and recommendations Report developed
2.3	Percentage implementation of Oversight Priority Plan for identified Committees	70% implementation of Oversight Priority Plan for identified Committees	Oversight Priority Plan updated with MTDP targets	Committees and oversight thematic areas identified for implementation	50% implementation of Oversight Priority Plan for identified Committees	70% implementation of Oversight Priority Plan for identified Committees
2.4	Standardised appointment and removal processes for statutory	Standardised appointment and removal processes developed for	Gap analysis of public office appointment and removal	Stakeholder consultations conducted	Standardised public office appointment and removal	Standardised appointment and removal processes

	public office bearers (ISDs)	public office bearers (ISDs)	processes conducted		processes drafted	developed for public office bearers (ISDs)
Outcome 3						
3.1	Percentage annual implementation of identified public participation improvements	90% annual implementation of identified public participation improvements	Report on Gap analysis of constitutional court judgements	Public Participation Improvement Plan developed	70% implementation of annual identified public participation improvements	90% annual implementation of identified public participation improvements
Outcome 4						
4.1	Percentage of annual Member capacity-building programme implemented	70% of annual Member capacity-building programme implemented	Annual Member capacity-building programme developed	25% of annual Member capacity-building programme implemented	50% of annual Member capacity-building programme implemented	70% of annual Member capacity-building programme implemented
4.2	Integrated Member capacity-building strategy and implementation plan development	Integrated Member capacity-building strategy and implementation plan developed	Terms of Reference (TOR) for Member capacity-building Strategy review and development	Data gathering and draft report (draft Review Report)	Stakeholder consultation conducted.	Integrated Member capacity-building strategy and implementation plan developed
Outcome 5						
5.1	Number of legislative impact assessments conducted	Six (6) legislative impact assessments conducted on identified Bills/Acts	Impact Legislative Assessment Framework updated	Committees and applicable legislation for assessment identified	Four (4) legislative impact assessments conducted on identified Bills/Acts	Six (6) legislative impact assessments conducted on identified Bills/Acts

Table 2: Outcomes 2-5 Quarterly Targets (Source: Parliament 2025/26 Annual Performance Plan)

Executive responsiveness to house resolutions

3.2.5 Executive responsiveness to house resolutions ensures that the Executive Authority monitors the response rate of the executive, and where appropriate, initiates appropriate action. In 2025/26 a report on executive responsiveness to house resolutions must be submitted to Executive Authority. The first quarter target, the submission of a report on executive responsiveness to the Executive Authority, was achieved.

Development of Accountability Standards

- 3.2.6 The development of accountability standards to address the non-responsiveness of the executive in relation to oversight performed by the NA, the NCOP and their committees. In 2025/26 a report will be developed containing the accountability standards gap analysis and recommendations. The target for the first quarter was to perform research and benchmarking on local and international best practices relating to the enforcement of parliamentary oversight. This target was not achieved: the institution only performed analyses of the *Corder Report on Parliamentary Oversight and Accountability* and the *Report of the Independent Panel Assessment of Parliament*.
- 3.2.7 The underperformance was ascribed to the limited time available to produce a quality research and benchmarking report. The completion of the report will be expedited in the second term in order to ensure that the analytical report on accountability standards was developed.

Oversight Priority Plan for identified Committees

- 3.2.10 The development and implementation of an oversight priority plan will strengthen the cumulative impact of committees' oversight work. In 2025/26 the institution intends to reach 70 per cent implementation of the oversight priority plan for identified committees. The first quarter target of updating the oversight priority plan with the MTDP targets was met.

Standardised Appointment and Removal Processes for ISDs

- 3.2.11 Standardising the appointment and removal processes for institutions supporting democracy (ISDs) will enhance uniformity in handling such appointments. In 2025/26 the institution intends to standardise the appointment and removal processes developed for public office bearers in ISDs. The first quarter target of performing a gap analysis of public office appointment and removal processes was achieved.

Public Participation Improvements

- 3.2.12 Improvements to the public participation processes will enhance the legislative process as well as public involvement in the business of Parliament. In 2025/26 the institution intends to achieve 90 per cent annual implementation of identified public participation

improvements. The first quarter target of completing a report on the gap analysis performed on constitutional court judgements was achieved.

Members' Capacity Building Programme

3.2.13 The members capacity building programme will include a focus on equipping parliamentarians with relevant skills to fully embrace a transformed Parliament. In 2025/26 the institution intends to implement 70 per cent of the annual member capacity-building programme. The first quarter target of developing the annual member capacity building programme was achieved.

Integrated Capacity Building Strategy and Implementation Plan

3.2.14 As part of the integrated capacity-building strategy and implementation plan the institution will perform a situational analysis and review of the member capacity-building capability and its resourcing. In 2025/26 the institution intends to develop an integrated member capacity-building strategy and implementation plan. The first quarter target of developing the terms of reference for the plan was achieved.

Legislative Impact Assessments

3.2.15 Legislative impact assessments will enhance Parliament's law-making function and contribute to ensuring that legislation passed by Parliament will have the desired impact. In 2025/26 the institution intends to conduct six assessments of certain identified pieces of legislation. The first quarter target of updating the legislative impact assessment framework was not achieved.

3.2.16 The under-performance is ascribed to weaknesses identified during the pilot phase still being addressed through the development of a supporting toolkit, which will enhance implementation without altering the original framework. At the time of reporting, a toolkit, which will serve as an addendum to the framework and will assist committees with its implementation, was in the process of being finalised.

3.3 Summary of the work of Parliament

Houses: summary of activities

3.3.1 Table 3 below, summarises the activities in both houses in the period under review.

Area	National Assembly	National Council of Provinces
Number of Sittings (Virtual & Hybrid)	31	18
Number of debates	42	7
Number of Bills Passed	4	0
Statutory Appointments	1	1
Number of Statements	6	0
Notices of Interventions in terms of section 139 of the Constitution, 996	-	2
Written statements in terms of section 106 of the Local Government (Act 96 of 2000)	-	4
Number of Sittings (Virtual & Hybrid)	31	18

Table 3: Summary of activities in the NA and the NCOP (Source: Presentation by Parliament on the 2025/26 First Quarter Performance Report, 2025)

3.3.3 The NA processed several questions, replies, debates and bills, and made one statutory appointment.

3.3.4 The NCOP focused on oversight, issuing key reports and briefings related to local government. These included two notices of interventions in terms of section 139 of the Constitution, four written statements in terms of section 106 of the South Africa's Local Government: Municipal Systems Act (Act 32 of 2000), and one statutory appointment.

Houses: Parliamentary questions

3.3.5 Of the 404 oral questions asked in the NA, 394 received responses from the Executive i.e. 97,5 per cent of oral questions were answered. Of the 2 234 written questions that were submitted, 1 806 were answered by the Executive i.e. the response rate to written questions was 80,8 per cent.

3.3.6 All 72 oral questions asked in the NCOP were answered. Of the 469 written questions that were posed, 414 or 81 per cent were answered within the prescribed timeframe. The remaining 55 or 12 per cent remained unanswered beyond the 10-working-day period stipulated in NCOP Rule 231.

Parliamentary committees

3.3.7 Committees play a key role in ensuring government accountability through in-depth scrutiny and evaluation of policies, service delivery, and governance. Table 4 below summarises the activities of committees in the period under review.

No	Committee Activity	April	May	June	Total
1	Oversight visits	21	0	2	23
2	Quarterly reports, BRRR, Budget Votes and APPs of the departments.	7	3	39	49
3	Meetings held both virtually and physically	99	125	208	432

Table 4: Summary of activities of parliamentary committees (Source: Presentation by Parliament on the 2025/26 First Quarter Performance Report, 2025)

- 3.3.8 In the period under review, parliamentary committees produced 21 oversight reports, primarily based on activities conducted in the last quarter of the previous financial year. These included a report of the Select Committee on Cooperative Governance and Public Administration produced a consolidated report on the 2023/2024 local government audit outcomes in which it resolved to intensify oversight, including direct engagement with municipal public accounts committees, audit committees, and senior municipal leadership during upcoming oversight activities.
- 3.3.9 The Select Committee on Petitions and Executive Undertakings considered an undertaking by the Minister of Water and Sanitation, and noted the Department of Water and Sanitation's role to regulate and support municipalities through the allocation of funds while the municipalities themselves were responsible and accountable for the delivery of water services.
- 3.3.10 The Portfolio Committee on Water and Sanitation raised serious concerns regarding the deteriorating quality of municipal water and sanitation services across the country. Of particular concern was the significant increase in poor microbiological compliance, which rose from 5 per cent in 2014 to 46 per cent in 2023. This pointed to an alarming decline in water quality and therefore an increase in risk to public health.
- 3.3.11 The following portfolio committees on Basic Education, Social Development, Health, Higher Education, and Communication each undertook oversight visits in the Gauteng, KwaZulu-Natal and the Free State provinces.

3.3.12 In the period under review, Parliament processed 3 section 74 bills (i.e. constitutional amendments), 16 section 75 bills (i.e. ordinary bills not affecting the provinces), 11 section 76 bills (i.e. ordinary bills affecting the provinces), and 4 section 77 bills (i.e. money bills).

3.3.13 The following 3 bills were passed by the NA and transmitted to the NCOP for concurrence: Economic Regulation and Transport Amendment Bill; Public Sector Pension and Related Payments Bill; and Division of Revenue Bill.

3.3.14 The Older Persons Amendment Bill was passed by the NA and submitted to the President for assent.

3.3.15 The Transport Appeal Tribunal Amendment Bill was assented to and signed by the President on 15 April 2025.

Public Participation

3.3.16 In respect of public engagement the following was reported:

- the Select Committee on Appropriations conducted hearings on the 2025 Division of Revenue Bill, the 2025 Appropriation Bill, and the 2025 Eskom Debt Relief Amendment Bill;
- the Portfolio Committee on Transport held virtual public hearings on the Merchant Shipping Bill; and
- the Portfolio Committee on Health received oral submissions from 16 stakeholders on the Tobacco Products and Electronic Delivery Systems Control Bill.

3.3.17 Several provincial public hearings were held, including by:

- the Standing Committee on Appropriations in Limpopo on the 2025 Division of Revenue Bill;
- the Portfolio Committee on Home Affairs in Mpumalanga on the Marriage Bill.

3.3.18 In respect of petitions, 23 were processed through three channels: 5 via referrals to committees; 5 via referrals to ministers; and 13 via direct responses from the Speaker.

3.3.19 A total of 138 stakeholder engagement sessions and educational workshops were conducted through which 8 289 participants were equipped with an understanding of the role of Parliament in the budget process, the Division of Revenue Bill, the Marriage Bill, and the relationship between the P20 and the Youth. About 32 public education materials were developed based on the programme of Parliament as well as generic materials in support of the two houses and their committees. Up to 803 000 people were reached via 8 community radio programmes.

Inter-Governmental Relations

3.3.20 Co-operative Governance is a constitutional principle that guides collaboration across national, provincial, and local spheres of government. The NCOP facilitates active participation of special delegates, who have voting rights, and representatives of the South African Local Government Association (SALGA), who are non-voting members, in debates on provincial and municipal matters.

3.3.21 In the period under review, the NCOP received two formal notices of interventions in terms of section 139 of the Constitution submitted by the Free State provincial executive, and affecting the local municipalities of Nala the Matjhabeng.

3.3.22 The NCOP also received four written notices in terms of Section 106(1)(a) of the Local Government: Municipal Systems Act, No. 32 of 2000 affecting the local municipalities of Mkhanyakude, Umdoni, Nkomazi, and Beaufort West.

International Relations

3.3.23 In the period under review Parliament participated in the BRICS Parliamentary Forum, SADC PF Plenary Assembly, and the IPU 150th Assembly.

3.3.24 The BRICS Parliamentary Forum took place in Brazil from 3 to 5 June 2025 and adopted a joint declaration reaffirming shared commitments to combat terrorism, regulate emerging technologies, the need for climate and sustainability initiatives, and support for inclusive development within the BRICS framework. South Africa's delegation was led by Mr L Govender, MP.

3.3.25 The SADC Parliamentary Forum Plenary with the theme “AI in Parliamentary Processes” took place in Zimbabwe from 31 May to 7 June 2025. It was resolved to

prioritise parliamentary oversight, promote regional policy harmonisation, support the development of a normative framework on AI, and advance AI ethics to safeguard citizens and align AI implementation with the developmental aspirations of the SADC region. A Whole-of-SADC Enterprise Architecture (WoSEA) to build a harmonised, digitally integrated region that leverages AI and emerging technologies was also adopted. South Africa submitted three motions, all of which were adopted. The South African delegation was led by the Speaker of the National Assembly, Ms Thoko Didiza, MP. The 58th SADC PF Plenary Assembly will be hosted by the South African Parliament and will be held in the first week of December 2025.

3.3.26 The IPU 150TH Assembly took place in Switzerland from 5 to 9 April 2025. The South African delegation participated in co-drafting and voting in favour of an emergency resolution titled *'The need for urgent action on the recent violation of the ceasefire agreement by Israel in Palestine, the escalating conflicts in the DRC, Sudan, and the compounding effects of global warming'*. South Africa also led the endorsement of women candidates from Botswana and Cote d'Ivoire to the IPU Bureau of Women Parliamentarians. A resolution on the role of Parliaments in advancing a two-State solution in Palestine was adopted and urges parliaments to use their legislative powers to reinforce support for a two-state solution to ensure the recognition of both Israel and Palestine as independent sovereign states. A further resolution on parliamentary strategies to mitigate the long-lasting impact of conflicts, including armed conflicts, on sustainable development was also adopted. The South African delegation was led by the Speaker of the National Assembly.

PART C

4. Human Capital Report

4.1 Overview

4.1.1 Human Capital Development Strategy has been developed and was being socialised across the institution. As part of this process, a strategic planning conference—*'Recharging Human Capital – Becoming the Heartbeat of a High-Performance Parliament'*—was held.

4.1.2 The Human Capital Division has prioritised the delivery of: a future-ready, agile workforce; digital human resources transformation; employee health and well-being; a human resources business partnering model; and policy reforms.

4.2 Summary of operational performance

4.2.1 Table 5 below provides a summary of the Human Capital division's operational performance in the period under review.

Output Area	Target Status	Key notes
Organisational realignment	Met	Phase 1 completed: visionary meetings, workshops, change management
Performance culture	Not met	3,47% shortfall in scorecard completion; support to managers planned
Learning and development	Met	259 employees trained; capability framework developed
Occupational Health	Met	525 clinic visits; wellness activities conducted
Employee relations	Met	7 disciplinary cases; 10 grievances; 6 CCMA referrals

Table 5: Human Capital Division Operational Performance (Source: Presentation by Parliament on the 2025/26 First Quarter Performance Report, 2025)

Learning and Development

4.2.2 Training was provided in the following areas: governance and compliance (24 attendees); behavioural skills (73 attendees); digital skills (162 attendees); adult education with enrolments through the Services SETA (37 employees); and ICDL programme (7 employees progressing).

Employee Wellness

4.2.3 The division recorded:

- 525 visits to the Wellness Clinic;
- health screenings covering 60 flu vaccines, 461 occupational consultations, and return to work assessments;

- 9 wellness training events were held recording the participation of 103 employees and covering, amongst others, parenting, and mental health; and
- the wellness strategy has been drafted and is an integral pillar of the human capital division strategy

Talent acquisition

- 4.2.4 In the period under review 22 internal and 11 external appointments were made, prioritising language practitioners, researchers, committee secretaries, and committee assistants. Most vacancies have since shifted to various stages of recruitment.
- 4.2.5 The institution's staff turnover remained low at a 0.33 per cent resignation rate.
- 4.2.6 The institution remained challenged by delayed approvals and configuration of panels.
- 4.2.7 At the time of reporting the recruitment improvement plan had been developed to expedite the filling of vacancies, a talent acquisition team and technology to support the recruitment process were in place.

PART D

5. Financial Performance

5.1 Overview

- 5.1.1 The Executive Authority approved the appropriation of the 2025-2026 budget after the end of the first quarter. Therefore, spending in the first quarter was in accordance with section 19 of the FMPPLA which provides that if the budget is not passed before the start of the financial year, funds may be withdrawn from the National Revenue Fund for institutional requirements during that financial year, and as a direct charge against the fund until the budget is passed. For this reason, Parliament's actual expenditure for the quarter under review was the same as the budget for the quarter resulting in 100% spending against the quarterly budget.

5.1.2 Table 6 below summarises spending in terms of the appropriation fund at the end of the period under review.

	April – June 2025				Annual (2025/26)			
Main Division	Budget R'000	Actuals R'000	Variance R'000	%	Annual Budget R'000	Actuals R'000	Budget available R'000	%
Administration: Operations	177 763	177 763	-	100	898 965	177 763	721 202	20
Rebuilding Fund	4 649	4 649	-	100	1 789 244	4 649	1 784 595	0,2
Administration: Total	182 412	182 412	-	100	2 688 209	182 412	2 505 797	7
Legislation and Oversight	189 591	189 591	-	100	992 066	189 591	802 475	19
Associated Services	218 950	218 950	-	100	885 312	218 950	666 362	25
Sub-Total	590 953	590 953	-	100	4 565 587	590 953	3 974 634	13
Direct Charges	138 263	138 263	-	100	519 083	138 263	380 820	27
Total per Programme	729 216	729 216	-	100	5 084 670	729 216	4 355 454	14

Table 6: Expenditure across programmes (Source: Presentation by Parliament on the 2025/26 First Quarter Performance Report, 2025)

5.1.3 Per the table above Parliament spent R729,216 million or 14 per cent of its R5,084,670 billion annual allocation. Included in the expenditure is amounts of R4,649 million and R138,263 million spent in respect of the Rebuilding project and direct charges, respectively. Work amounting to R116,8 million was completed in respect of the rebuilding project and will be reflected in the second quarter report.

5.2 Summary of expenditure in respect the 2025/26 appropriated budget

5.2.1 As of 30 June 2025, Parliament has spent R729,2 million or 14 per cent (including direct charges and rebuilding expenses), of the R5,085 billion budget allocated for the 2025/26 financial year. Excluding the Rebuilding Fund the spending stood at 22 percent or R724,5 million of the R3,295 billion annual budget.

Programme 1: Administration

- 5.2.2 The institution spent 7 per cent or R182,4 million of the R2,688 billion annual budget for Programme 1: Administration. Excluding the Rebuilding Fund the spending is R177,8 million or 20 per cent of the R898,9 million annual budget.
- 5.2.3 Spending in respect of the Rebuild Fund stood at R4,6 million against the allocated annual budget of R1,789 billion. Work amounting to R116,8 million was completed during the quarter and the expenditure will reflect in the second quarter report.

Programme 2: Legislation and Oversight

- 5.2.4 R189,5 million or 19 per cent of the R992 million annual budget for Programme 2: Legislation and Oversight had been spent by 30 June 2025.

Programme 3: Associated Services

- 5.2.5 Associated Services programme has spent R218,9million or 25 per cent of the R885,3 million annual budget of Programme 3: Associated Services had been spent by the end of June 2025.

5.3 Summary of appropriation statement by economic classification

- 5.3.1 Table 7 below illustrates the expenditure across economic classification.

Main Division	April – June 2025				Annual (2025/26)			
	Budget	Actuals	Varia		Annual	Actuals	Budget	
	R'000	R'000	R'000	%	Bud get R'000	R'000	availa ble R'000	%
Compensation of Members	138 263	138 263		100	519 083	138 263	380 820	27
Compensation of Members (PARMED)	23 915	23 915		100	85 046	23 915	61 131	28
Compensation of Employees	308 002	308 002		100	1 383 180	308 002	1 075 178	22
Goods and Services (APP)	66 843	66 843		100	526 783	66 843	459 940	13

Goods and Services (Members entitlements)	48 708	48 708		100	179 907	48 708	131 199	27
Transfers	141 780	141 780		100	600 312	141 780	458 532	24
Capital Expenditure	1 705	1 705		100	1 790 359	1 705	1 788 654	0,0
TOTAL	729 216	729 216		100	5 084 670	729 216	4 355 454	14

Table 7: Expenditure in terms of economic classification (Source: Presentation by Parliament on the 2025/26 First Quarter Performance Report, 2025)

Compensation of Members

5.3.2 An amount of R138,2 million or 27 per cent of the annual budget of R519,1 million was spent Members remuneration. Indications point to an amount of R553,1 million being spent by the end of the financial year, resulting in budget shortfall of R34 million. Any amount overspent was claimed from the National Revenue Fund in terms of section 23 of the FMPPLA.

Parmed (Medical Aid for former Members)

5.3.3 An amount of R23,9 million or 28 per cent pf the R85 million annual budget was spent in the first quarter for medical aid contributions for former members of Parliament and provincial legislatures. Indications point to an amount of R100 million being required for paying the contributions for the financial year, resulting in shortfall of R15 million. Additional funding will be requested during the 2025/26 adjustment budget process.

Compensation of employees

5.3.4 An amount of R308 million or 22 per cent against the annual budget of R1,383 billion was spent in the first quarter on salaries of Parliament's employees.

Goods and services (APP)

5.3.5 An amount of R66,8 million or 13 per cent against the R526 million annual budget has been spent on goods and services related to the APP. The low spending was due to the

budget not having been allocated to business units timeously to enable better planning and spending.

Goods and services (Members' entitlements)

5.3.6 An amount of R48,7 million or 27 per cent of the R179,9 million annual budget was spent on Members entitlements in line with the Members' Handbook. Indications pointed to an amount of R201,8 million will be required for paying the entitlements for the financial year, resulting in shortfall of R21,8 million. Additional funding will be requested during the 2025/26 adjustment budget process.

Transfers

5.3.7 An amount of R141,8 million or 24 per cent of the R600,3 million annual budget was spent on transfers to represented political parties.

Capital expenditure

5.3.8 Only an amount of R1,7 million of the R1,790 billion annual budget for capital expenditure was spent in the first quarter. Excluding the Parliament rebuild project, the actual spending for the quarter represents 12 per cent of the R14,6 million annual budget.

5.3.9 Work amounting to R116,8 million has been completed in respect of the rebuild project and the expenditure will reflect in the second quarter report.

PART E

6. Observations

The Executive Authority should provide the JSCFMP with a response to the recommendations below within 30 days of the adoption of this report by the NA and the NCOP.

6.1 Public Participation

6.1.1 The JSCFMP has noted Parliament's poor record in respect of public participation initiatives, It has noted that in the first quarter the target set in relation to such

participation has been met however concerns remain about the reported successes impact. *The administration should provide the JSCFMP with a comprehensive report detailing the public participation initiatives undertaken in the first quarter, and how their impact was measured. The report should be submitted within 30 days of the adoption of this report.*

6.2 Filling of vacancies and organisational realignment

- 6.2.1 The Committee welcomes progress made in the filling of vacancies particularly those in respect of language services and committee support services, but remains concerned about the wisdom of recruitment while the organisational review process is incomplete. *The administration should provide the JSCFMP with a detailed update on the organisational realignment project, the costed (current) organogram, and the impact of the unfunded vacancies on institutional performance, and all future quarterly reports must include an update on the organisational re-alignment process.*

6.3 Rebuild project

- 6.3.1 Members noted the expenditure in respect of the rebuild project, and remained concerned about possible delays in the project which could result in it not being completed by November 2026. *Parliament must make every effort to ensure that project timelines were realistic and that they were adhered to. Each quarterly update on the project must include a detailed breakdown of expenditure and delivery in order to allow the JSCFMP to track progress made in the project.*

Report to be considered.

2. Report of the Joint Standing Committee on the Financial Management of Parliament on the Draft 2026/27 Annual Performance Plan of the Parliament of the Republic of South Africa, dated 14 October 2025

The Joint Standing Committee on the Financial Management of Parliament, having considered the draft 2026/27 Annual Performance Plan of the Parliament of the RSA, reports as follows:

1. Introduction

1.1 Section 4 of the Financial Management of Parliament and Provincial Legislatures Act, No. 10 of 2009 (the FMPPLA) provides for the establishment of an oversight mechanism to maintain oversight of the financial management of Parliament. The Joint Standing Committee on the Financial Management of Parliament (the JSCFMP) was established in terms of the Joint Rules of Parliament. The Committee has the powers afforded to parliamentary committees under sections 56 and 69 of the Constitution.

1.2 Parliament derives its mandate from:

- Chapter 4 of the Constitution of the Republic of South Africa, 1996, No 108 of 1996, which sets out its composition, powers and functions;
- the FMPPLA which regulates the institution's financial management;
- the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act No 4 of 2004 which defines and declares the national and provincial legislatures' powers, privileges and immunities;
- the Money Bills Amendment Procedure and Related Matters Act No 9 of 2009 (Money Bills Act) which provides procedures to amend money bills;
- the National Council of Provinces (Permanent Delegates Vacancies) Act No 17 of 1997 which provides for the processing of vacancies among the permanent delegates in the National Council of Provinces (NCOP);
- the Determination of Delegates (National Council of Provinces) Act No 69 of 1998 which provides for processes around the determination of delegates to the NCOP;

- the Mandating Procedures of Provinces Act No 52 of 2008 which provides for a uniform procedure in terms of which provincial legislatures confer authority on their delegations to cast votes on their behalf, as required by section 65(2) of the Constitution; and
 - the Remuneration of Public Office Bearers Act No 20 of 1998 which provides for a framework for determining the salaries and allowances of public office bearers.
- 1.3 Section 17(2)(b) of the FMPPLA requires that the Executive Authority must table the draft annual performance plan and draft budget at least one month before the draft budget must be submitted to the National Treasury. The draft 2026/27 draft annual performance plan was referred to the JSCFMP 12 June 2025.
- 1.4 The Committee met with the Executive Authority and the administration of Parliament on 9 September 2025 to interrogate the draft annual performance plan for the purpose of reporting its findings and recommendations to Parliament. The Executive Authority i.e. the Speaker of the NA, Ms Thoko Didiza, MP and Ms Refilwe Mtsweni-Tsipane, MP led the delegation which comprised, amongst others, Mr X George, Secretary to Parliament, Ms Brenda Mashika, Division Manager: Strategy and Governance Management, and Ms N Mpefumlo, acting Chief Financial Officer (CFO).
- 1.5 This report comprises three parts:
- Part A, a brief overview of the 7th Parliament mission, vision and priorities;
 - Part B, a summary of programme performance and related budgets; and
 - Part C, observations and recommendations.

PART A

2. 7th Parliament vision, mission and priorities

2.1 Vision and Mission

- 2.1.1 The 7th Parliament has as its vision to be a transformative and activist Parliament that improves the quality of life of South Africans and ensures enduring equality in society;

and its mission, to represent the people and to ensure government by the people in fulfilling its constitutional functions of passing laws and overseeing executive action.

- 2.1.2 To execute its vision and mission, Parliament has adopted the following values: openness, responsiveness, accountability, integrity, professionalism, teamwork, and mutual respect.

2.2 Priorities

- 2.2.1 The medium-term development plan (MTDP) 2024-2029 is built on three strategic priorities:

- inclusive growth and job creation;
- reducing poverty and addressing the high cost of living; and
- building a capable, ethical and developmental state.

- 2.2.2 The MTDP provides targets and measures for each strategic priority. These indicators will equip Parliament and provincial legislatures to monitor the service delivery and the overall impact of the MTDP on society. To assist in this regard, Parliament must:

- strengthen its oversight of the executive to ensure government accountability;
- facilitate meaningful public participation and involvement in legislative processes and collaboration with civil society to ensure that government actions reflected citizens' needs and concerns;
- improve processes for appointments to public institutions; and
- ensure that the state maximises the value of its international participation.

- 2.2.3 In pursuit of the above, the 7th Parliament has identified the following strategic priorities:

- strengthening oversight mechanisms;
- enhancing the legislative process and public involvement;
- improving public office appointments; and
- improving international engagement.

PART B

3. Programme performance and budget information

3.1 Programme information

3.1.1 The programme structure supports the outcomes and strategic intent of the strategic plan. The budget programme and organisational structures will be reviewed regularly to improve the implementation of the plan.

3.2 Programme 1: Administration

3.2.1 Programme 1 provides strategic leadership, management, and corporate services to Parliament. It comprises the following sub-programmes: Executive Authority; Office of the Secretary; Corporate and Support Services.

Outcome 1

3.2.2 The 7th Parliament intends to automate and develop systems for core parliamentary processes, and develop a transformative human capital strategy in order to improve institutional performance and effectiveness through information and culture optimisation.

3.2.3 Table 1 below, contains the output indicators under Outcome 1.

No	Output indicators	Annual Target	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.	Number of systems developed to automate core parliamentary processes	Develop three systems to automate core parliamentary processes: <ul style="list-style-type: none"> • Online bill tracking • Digital Service Delivery Dashboards Online submissions	Complete analysis and initial design for all systems: <ul style="list-style-type: none"> • Online bill tracking • Digital Service Delivery Dashboards Online submissions	System designs and proof of concept completed: <ul style="list-style-type: none"> • Online bill tracking • Digital Service Delivery Dashboards Online bill submissions	Initial Systems development: <ul style="list-style-type: none"> • Online bill tracking • Digital Service Delivery Dashboards Online bill submission	Final system development and User acceptance testing completed. <ul style="list-style-type: none"> • Online bill tracking • Digital Service Delivery Dashboards

		for public office bearer nominations	for nominations			Online bill submission
1. 2	Percentage implementation of Human Capital strategy initiatives.	100% implementation of annual Human Capital strategy initiatives	Develop implementation plan for annual Human Capital strategy initiatives	30% implementation of annual Human Capital strategy initiatives	60% implementation of annual Human Capital strategy initiatives	100% implementation of annual HC strategy initiatives

Table 1: Outcome 1 – Output indicators (Source: Parliament presentation to the JSCFMP)

- 3.2.4 Openness and transparency in a democratic society are achieved through freely available information especially in relation to government performance. Such information must be accessible to the citizens for real-time interaction as part of their meaningful participation with parliamentary processes. Data is a strategic asset to Parliament especially to support the work of members, and to provide the reliable analysis and insights required for effective oversight functions. Improving Parliament’s effectiveness and performance therefore requires the re-engineering of its business processes in order to organise information flows appropriately.
- 3.2.5 Parliament plans to implement a digital transformation strategy prioritising core business and support processes that will introduce monitoring and evaluation capabilities, analytical tools and predictive capabilities for proactive oversight action. The digital transformation strategy will enable Parliament to organise information to ensure availability in real time, and accessibility to all stakeholders through an integrated digital approach. Parliament’s day-to-day business processes will therefore be simplified and streamlined to improve productivity, and to ensure that information was available as intended. In 2026/27 the priority will be to automate core parliamentary processes to enable efficient operations.
- 3.2.6 The effective functioning of Parliament depends on the efficiency of its business processes *and* the knowledge and information services provided to members to perform their constitutional functions. The quality of knowledge and information services depended on the availability of skilled and engaged employees. Parliament must therefore invest in the skills and well-being of employees to ensure that they were motivated and empowered to realise the vision of Parliament.
- 3.2.7 Parliament aims to implement people management practices that will allow all employees to live the institutional values, and to create an environment where employees could realise their full potential. In 2026/27 the institution aims to develop

a human capital strategy and commence its implementation in the hopes of realising a high-performance culture.

Budget

3.2.8 Table 2 below reflects the proposed budget for this programme.

Sub-programme	Medium-term expenditure estimate		
	2026/27	2027/28	2028/29
R thousands			
Executive Authority	147 646	156 079	167 016
Office of the Secretary	1 695 800	256 902	266 371
Corporate Services	725 908	777 726	831 131
Total	2 569 354	1 190 707	1 264 518
Economic classification			
Current payments	1 056 243	1 126 555	1 207 968
Compensation of employees	840 009	895 277	963 385
Goods and services	216 234	231 278	244 583
Transfers and subsidies	0	0	0
Payments for capital assets	1 513 111	64 152	56 550
Total	2 569 354	1 190 707	1 264 518

Table 2: Programme 1 proposed budget (Source: Parliament of the RSA presentation to the JSCFMP)

Risk and mitigation strategies

3.2.9 The institution identified the following risks and associated mitigation strategies to ensure the achievement of the targets under this outcome:

- the development and implementation of a funding model to ensure resource optimisation and financial sustainability and to address the current unsustainable funding for Parliament's constitutional mandate and strategy;
- the implementation of a facilities management strategy to ensure a professional and safe working environment, and space to address the inadequate physical infrastructure which may hamper the execution of Parliament's constitutional mandate;
- the implementation of a human capital strategy and development of a learning organisation to address human capital constraints which may result in non-performance;
- the implementation of the 7th Parliament broadcast strategy to address the limited resources and other constraints which may hinder the effective execution of that strategy;

- the implementation of a digital transformation strategy and data governance to leverage technology and ensure a modern institution and proper knowledge management to address obsolete or outdated technological infrastructure, and the possible adverse effects of artificial intelligence (AI) which may hinder Parliament's ability to fulfil its constitutional mandate; and
- the increase in cyber-attacks will be addressed through attention to the security gaps, identifying critical and high-risk areas in the vulnerability assessment, and the implementation of security controls, information security awareness, and an awareness campaign for employees and members.

3.3 Programme 2: Legislation and Oversight

3.3.1 Programme 2: Legislation and Oversight provides procedural, information, content and administrative support to the NA and the NCOP, and their committees. The programme comprises the following sub-programmes: NA, NCOP, public participation, and external relations; shared services; and sectoral parliaments and joint business.

Outcome 2

3.3.2 During the 7th Parliament, the administration intends increasing government responsiveness and accountability by strengthening oversight of the executive through: an annual status report on executive responsiveness to house resolutions; the implementation the Accountability report recommendations; and the implementation of the 7th Parliament Oversight Priority Plan by identified parliamentary committees.

3.3.3 Table 3 below contains the output indicators under Outcome 2.

No	Output indicators	Annual Target 2026–2027	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.1	Annual status report on Executive Responsiveness to House Resolutions produced	Produce an annual status Report on Executive Responsiveness to House Resolutions	Quarterly Report on Executive Responsiveness to House Resolutions	Quarterly Report on Executive Responsiveness to House Resolutions	Quarterly Report on Executive Responsiveness to House Resolutions	Annual status report on Executive Responsiveness to House Resolutions
2.2	Number of recommendations from the Accountability Report implemented	Implement 2 Recommendations from the Accountability Standards Report	Develop an implementation plan	Progress report on the implementation of Accountability Standards recommendations	Progress report on the implementation of Accountability Standards recommendations	Final implementation of 2 recommendations from the Accountability Report

2.3	Percentage annual implementation of Oversight Priority Plan for prioritised Committees	90% annual implementation of Oversight Priority Plan for identified Committees	Identify selected committees for implementation of OPP	50% annual Implementation of Oversight priority plan for identified committees	70% annual Implementation of Oversight priority plan for identified committees	90% annual Implementation of Oversight priority plan for identified committees
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Table 3: Outcome 2 - output indicators (Source: Parliament of the RSA presentation to the JSCFMP)

- 3.3.4 Per the Constitution Parliament must maintain oversight of the executive to ensure a government that is open, responsive and accountable. To strengthen accountability and ensure an increase in the pace of service delivery, Parliament will seek to improve aspects within its oversight mechanisms and processes including the tracking and monitoring of executive responses to resolutions, the setting of accountability standards, implementing oversight priorities for parliamentary committees, and improving processes for the appointment and removal of public office bearers. The interventions should assist Parliament to address current challenges related to maintaining oversight of the executive, and accountability.
- 3.3.5 During the 7th Parliament, the institution aims to improve existing mechanisms for effective oversight and accountability by tracking and reporting on the responsiveness of the executive to parliamentary resolutions. A Responsiveness Report will be submitted to the Executive Authority, indicating the percentage of responses received from the executive on resolutions taken. The data will be gathered using a tracking and monitoring system. Appropriate action will be initiated to ensure an increase in the responsiveness rate. Parliament will develop accountability standards to guide the consequences for non-responsiveness.
- 3.3.6 The oversight work of parliamentary committees requires the implementation of a monitoring process. This process will be informed by the oversight priority areas. To this end, an Oversight Priority Plan was developed and piloted in previous years. In 2026/27, the implementation of the plan will be expanded to more committees. This will allow the 7th Parliament to align with the MTDP priorities and the pursuit of NDP goals.

Risk and mitigation strategies

- 3.3.7 The institution identified the following risks and associated mitigation strategies to ensure the achievement of the targets under this outcome:

- enhancing the system for tracking and monitoring the responses of the executive to resolutions executive in order to address ineffective oversight by parliamentary committees and the houses over the executive and state organs which could lead to a lack of accountability; and
- enhancing of the country outcome indicator dashboard on selected NDP/MTDP indicators to address the under-utilisation of data which may hamper real-time monitoring and optimal support of the core work of Parliament.

Outcome 3

3.3.8 The Constitution requires that Parliament should provide meaningful opportunities for the public to get involved in legislative and other parliamentary processes. To this end Parliament should create platforms for engaging with the public and targeted sectors of society, particularly with vulnerable and marginalised communities. In respect of involving the public in the legislative process, several court challenges have resulted in legislation passed by Parliament being found unconstitutional, compelling the institution to rectify the main shortcoming in respect of its legislative process, specifically public involvement in it.

3.3.9 During the 7th Parliament the institution will annually implement identified public participation improvements to meaningfully allow citizens to participate in parliamentary processes.

3.3.10 Table 4 below contains the output indicators under Outcome 3.

	Output indicators	Annual Target 2026–2027	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
3.1	Percentage implementation of identified annual public participation improvements	90% implementation of identified annual public participation improvements	Develop implementation plan for identified public participation improvements	30% implementation of identified annual public participation improvements	60% implementation of identified annual public participation improvements	90% implementation of identified annual public participation improvements

Table 4: Output 3- outcome indicators (Source: Parliament of the RSA presentation to the JSCFMP)

3.3.11 During 2026/27 Parliament will enhance the legislative process and public involvement by implementing the following interventions and reforms:

- develop standards, processes and procedures for meaningful and adequate public participation, and align these to a human and financial resource plan to enable execution of the public participation model;
- identify all resources, stakeholders and partners in public participation at all spheres of government to consolidate and advance initiatives;
- provide professional development and identified training interventions to ensure appropriate capacity to undertake effective public engagement and facilitation, especially at provincial level;
- repurpose and reposition constituency offices, and define operational mechanisms, capacitation, desired outcomes for such offices in order to resource them accordingly;
- identify all relevant stakeholders to support public participation and include them in the programme of action;
- implement innovative public education programmes to target voting populace especially youth, people living with disabilities and rural communities through various channels such as podcasts, social media and public hearings;
- provide a public participation model with multilingual resources;
- review and adapt ICT infrastructure to keep pace with changing preferences and enhance engagement with quality, timely information in order to facilitate collaboration, feedback and decision making on parliamentary processes;
- institutionalise a high-level steering committee to coordinate public involvement efforts;
- pursue a citizen participation survey to monitor that all the reforms implemented have improved accessibility, language improvements, communication strategic and sufficient resource provision, capacity development and effective public education; and
- implement an integrated approach to monitoring, evaluation and reporting for valuable insights.

Risk and mitigation strategies

3.3.12 The institution will implement public participation improvements including the adequate provision of funds and resources to address inadequate public participation in parliamentary business, and which may result in unconstitutional laws being passed.

Outcome 4

3.3.13 Members of Parliament are public representatives tasked with the execution of Parliament’s mandate, powers and functions. Their capacity to do so is critical to the success of the institution. Investment in the continued learning environment will build sufficient and appropriate skills and capabilities to address the complex challenges facing the country.

3.1.14 During the 7th Parliament the institution intends implementing annual member capacity building programmes, and integrated members capacity strategy initiatives to achieve enhanced capacity for members.

3.1.15 Table 5 below contains the output indicators under Outcome 4.

No	Output indicators	Annual Target 2026–2027	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
4.1	Member capacity-building programme implemented	Implement annual member capacity-building programme	Develop annual member capacity-building programme	Implement capacity-building programme for Members	Implement capacity-building programme for Members	Implement capacity-building programme for Members
4.2	Percentage implementation of annual integrated member capacity strategy initiatives	Develop Integrated member capacity-building strategy	Develop implementation plan for identified public participation improvements	30% implementation of identified annual public participation improvements	60% implementation of identified annual public participation improvements	90% implementation of identified annual public participation improvements

Table 5: Output 4- outcome indicators (Source: Parliament of the RSA presentation to the JSCFMP)

3.1.16 A comprehensive programme for member capacity building should focus on equipping them with digital literacy skills to fully embrace a digitally transformed parliament. The following programmes are among those that will be on offer:

- academic programmes with institutions of higher learning;
- short learning programmes on core, sector specific and soft skills;
- bursaries;
- internal training programmes; and
- peer learning initiatives.

3.1.17 In addition, Parliament will conduct a situational analysis and review of capacity building for members and its resourcing in order to make evidence-based

recommendations in respect of future capacity-building initiatives aimed at fulfilling the critical skills, and knowledge needs and requirements of parliamentarians.

Risk and mitigation strategies

3.3.18 The institution identified insufficient time to conduct member training due to competing priorities in the parliamentary programme as a potential risk to the achievement of targets under this outcome. To address it, professional development programmes will be aligned to the parliamentary programme.

Outcome 5

3.1.19 During the 7th Parliament, the institution intends implementing impactful law-making. To assist them in doing so impact assessments will be implemented for identified committees.

3.1.20 The law-making function will be enhanced, and Parliament has identified several initiatives to be implemented to ensure that laws passed by Parliament meet constitutional standards. The identified reforms are intended to deliver the desired change towards impactful law-making that improves the quality of life for all citizens.

3.1.21 Table 6 below contains the output indicators under outcome 5.

No	Output indicators	Annual Target 2026–2027	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
5.1	Percentage annual implementation of impact assessment for identified committees	95% annual implementation of impact assessment for identified committee	Develop pre-post Legislation impact assessment implementation plan	50% annual Implementation of pre-post Legislation impact assessment	70% annual Implementation of pre-post Legislation impact assessment	95% annual Implementation of impact assessment

Table 6: Outcome 5 – Output indicators (Source: Parliament of the RSA presentation to the JSCFMP)

3.1.22 It is crucial for Parliament to adopt an integrated approach to improving the legislative process. The following interventions will be implemented to reform the legislative process:

- conducting legislative impact assessments;
- implementing measures to elevate the drafting capacity of Parliament;

- establishing mechanisms for proactive identification of legislative needs based on emerging societal challenges;
- enhancing coordination between the NA and the NCOP to reduce duplication and delays; and
- investing in technology to support more efficient legislative drafting and tracking.

Risk and mitigation strategies

3.1.23 The institution will implement legislative improvements to address ineffective law-making that may result in unconstitutional legislation.

Budget

Table 7 below reflects the proposed budget allocated for this programme.

Sub-programme	Medium-term expenditure estimate		
	2026/27	2027/28	2028/29
R thousands			
National Assembly	57 450	61 889	66 695
National Council of Provinces	72 656	77 921	83 165
Shared services	879 292	941 495	1 070 555
Sectorial Parliaments	43 833	47 269	50 319
Total	1 053 231	1 128 574	1 270 734
Economic classification			
Current payments	1 047 485	1 125 074	1 266 910
Compensation of employees	690 534	743 992	801 507
Goods and services	356 951	381 082	465 403
Transfers and subsidies	0	0	0
Payments for capital assets	5 746	3 500	3 824
Total	1 053 231	1 128 574	1 270 734

Table 7: Programme 2 proposed budget (Source: Parliament of the RSA presentation to the JSCFMP)

Programme 3: Associated Services

3.1.24 Programme 3 provides facilities and financial support for political parties, including leadership, administrative and constituency support. It comprises the following sub-programmes: Members' facilities; Transfer: political party allowances; Transfer: Parliamentary Budget Office.

3.1.25 There are no outcomes and indicators under this programme, and the institution has not identified any risks associated with this programme.

Budget

3.1.26 Table 8 below reflects the proposed budget for Programme 3.

Sub-programme	Medium-term expenditure estimate			
	R thousands	2026/27	2027/28	2028/29
Members' Facilities		308 095	326 344	342 431
Transfer: Political Party Allowances		627 815	656 206	687 704
Transfer: Parliamentary Budget Office		22 127	23 657	25 671
Total		958 037	1 006 207	1 055 806
Economic classification				
Current payments		330 222	350 001	368 102
Compensation of employees		123 599	133 427	144 034
Goods and services		206 623	216 574	224 068
Transfers and subsidies		627 815	656 206	687 704
Payments for capital assets		0	0	0
Total		958 037	1 006 207	1 055 806

Table 8: Programme 3 proposed budget (Source: Parliament of the RSA presentation to the JSCFMP)

4. Overview of overall budget allocation

4.1 Medium Term Expenditure Estimate

4.1.1 Table 9 below contains the 2026/27 to 2028/29 proposed expenditure for Parliament (Vote 2).

Programme	Medium-term expenditure estimate			
	R thousands	2026/27	2027/28	2028/29
Programme 1: Administration		2 569 354	1 190 707	1 264 518
Programme 2: Legislation and Oversight		1 053 231	1 128 574	1 270 734
Programme 3: Associated services		958 037	1 006 207	1 055 806
Subtotal		4 580 622	3 325 488	3 591 058
Direct charge against the National Revenue Fund		538 568	562 922	589 942
Total		5 119 190	3 888 410	4 181 000

- 4.1.2 The administration advises that the 2026/27 proposed budget is in the process of being reviewed and revised, and that the final version would be presented in 2026 once a final budget has been allocated by the National Treasury.
- 4.1.3 Further consultations between the Executive Authority and the Minister of Finance were scheduled for September 2025, and National Treasury was expected to provide an indicative budget allocation for 2026/27 between November and December 2025. The final allocation would be confirmed by February 2026, with the approval and allocation to be made in March of that year.

PART C

5. Observations and Recommendations

The Executive Authority should provide the JSCFMP with a response to the recommendations below within 30 days of the adoption of this report by the NA and the NCOP.

5.1 Multi-Party Budget Forum

- 5.1.1 Members observed that more transparency was required in the manner Parliament's budget was determined. All represented political parties ought to be consulted in the process. The Executive Authority *The Executive Authority should consider establishing a multi-party budget forum before the next budget proposal is finalised to ensure that Parliament's budget is prepared in consultation and with adequate transparency.*

5.2 Funding model

- 5.2.1 The Committee notes progress made as far as the consultation with the Financial and Fiscal Commission (FFC) around the development of a funding model for Parliament. Such a funding model will address some of the funding challenges that impact Parliament's ability to implement its strategy, and meet its constitutional obligations. *The institution should prioritise the finalisation of the funding model and the JSCFMP should receive quarterly updates in respect of progress made as far as establishing a funding model for Parliament, and negotiating a more appropriate approach to allocating its budget with the National Treasury.*

5.3 Legislative improvements to improve law-making

- 5.3.1 It is noted that the institution intends to implement legislative improvements to address ineffective law-making that may result in unconstitutional legislation being passed by Parliament. Given the impact of adverse judgements on Parliament's reputation, and the resources wasted on processes that do not deliver constitutionally sound legislation, improvements in this regard are welcomed. *The JSCFMP should be provided with the detail and timelines for the improvements and how these would be institutionalised.*

5.4 Committee budgets

- 5.4.1 When the 2025/26 budget was considered the JSCFMP had supported the uniform budgets allocated across all parliamentary committees because at that time there had been no baseline. *The JSCFMP recommends that committees be held accountable for the funds allocated to them on 2025/26, and that their expenditure and performance in 2025/26 should inform a more systematic approach to allocating budgets to committees based on their specific responsibilities and programmes.*

5.5 Executive responsiveness

- 5.5.1 The JSCFMP remains concerned about the poor responsiveness of the executive to parliamentary questions, particularly in the NA. The efforts to hold the executive accountable for non-responsiveness, whether through not responding at all or through inadequate responses, are welcomed. *Such efforts should be redoubled to ensure that they result in qualitative improvements to executive responses, and speedy feedback to citizens. Quarterly performance reports should include detailed progress reviews that include the details of those who fail to respond as required.*

5.6 Broadcast Strategy

- 5.6.1 The 7th Parliament's broadcast strategy is a key component in efforts to improve access to Parliament and public participation. The draft APP, however, provides little detail about the risks to the implementation of the strategy that may have been identified and

how those would be mitigated. *The JSCFMP should receive a detailed report on the risks that have been identified and how these would be remedied.*

5.7 Digital Transformation Strategy

- 5.7.1 The intention to implement a digital transformation strategy to address outdated IT infrastructure and the adverse effects of AI. Of concern is the increase in cyber-security attacks that has been reported. *The JSCFMP should be provided with an update on the current status of the IT infrastructure, any risks that have been identified and efforts and timelines of the plans to address them in the interim and long-term; as well as how the increase in cyber-security attacks would be addressed.*

5.8 Public Participation

- 5.8.1 The interventions listed under paragraph 3.3.11 above are noted, in particular the establishment of a high-level steering committee to coordinate public involvement efforts. *The JSCFMP recommends that the steering committee be established as soon as possible to ensure that 7th Parliament improves radically on the institution's previous performance in respect of its constitutional obligations relating to public participation.*

Report to be considered

National Assembly

1. BUDGETARY REVIEW AND RECOMMENDATIONS REPORT OF THE PORTFOLIO COMMITTEE ON COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS, DATED 21 OCTOBER 2025

Having assessed the 2024-25 financial and non-financial performance of the Departments of Cooperative Governance and Traditional Affairs, the Municipal Infrastructure Support Agent, the South African Local Government Association, the Municipal Demarcation Board and the CRL Rights Commission, the Portfolio Committee on Cooperative Governance and Traditional Affairs reports as follows:

1. OVERVIEW

As part of the of the 2024-25 Budgetary Review and Recommendations process, the Portfolio Committee received briefings on the 2024-25 Annual Reports of the Departments of Cooperative Governance and Traditional Affairs, the South African Local Government Association, the Municipal Infrastructure Support Agent, the Municipal Demarcation Board, and the Commission for the Protection and Promotion of the Rights of Cultural, Religious and Linguistic Communities. An overall improvement in audit outcomes has been registered compared to the previous financial year.

In 2023-24, the Department of Cooperative Governance, the CRL Rights Commission, the Municipal Demarcation Board and the Municipal Infrastructure Support Agent achieved unqualified audit opinions with findings, while the South African Local Government Association and the Municipal Infrastructure Support Agent sustained unqualified audit findings with no findings ('clean audits'). In 2024-25, the CRL Rights Commission and the Demarcation Board improved to clean audits, raising the total number of clean audits in the portfolio to four during the period under review, while the Municipal Infrastructure Support Agent regressed from a clean audit in 2023-24 to an unqualified audit opinion with findings.

The Department of Cooperative Governance stagnated on unqualified audit opinions with findings on compliance related matters. The Auditor-General highlighted concerns around record keeping at both the Department of Cooperative Governance and the Municipal Infrastructure Support Agent. Improvements in the achievement of pre-determined objectives,

which averaged 80 percent, were also noted except in the Department of Cooperative Governance and the Municipal Infrastructure Support Agent where critical service delivery targets were not met. These include targets relating to Municipal Infrastructure Grant expenditure where the supported municipalities did not always spend the recommended 8 percent on infrastructure maintenance.

All departments and entities submitted their annual financial statements by the legislated date and there were no material audit findings relating to the quality of performance reports, which was a significant improvement from the practice in prior years. The Auditor-General attributed this to improvements in the functionality of internal audit units, which play a critical role in enabling the audit committees to perform their oversight work. To ensure better monitoring and accountability in relation to the achievement of government's Medium Term Development Plan targets, the Auditor-General has recommended that all the departments and entities in the portfolio should incorporate the Medium Term Development Plan indicators into their Annual Performance Plans.

The Portfolio Committee has been advised to monitor, as part of its oversight work, the inclusion of these Medium Term Development Plan indicators. The level of integrity in the audit portfolio was noted to be sound but more needed to be done to prevent the incurring of unauthorised and irregular expenditure. It was further recommended that audit committees should broaden their scope beyond financial matters and consider the service delivery implications thereof.

2. SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION

The South African Local Government Association briefed the Committee on its 2024-2025 Annual report, highlighting its six mandates including local government representation, employer body role, capacity building, support and advice, knowledge sharing, and strategic profiling. These are anchored in various pieces of legislation and policy including the South African Constitution (1996), the Local Government: Municipal Systems Act (2000), the Intergovernmental Relations Framework Act (2003) and the White Paper on Local Government (1998). The association was reported to have delisted as a Public Finance Management Act Schedule 3A entity, a development that allows exemption from tax and more flexibility in the pursuit of the six mandates.

2.1. Non-financial performance

As tabulated below, the association achieved 98 percent of its performance targets in the 2022-2023 financial year, dipped to 87 percent in 2023-2024, and recovered to 98 percent in 2024-2025. The association expressed high satisfaction with the latter performance.

Outcomes	2022-2023	2023-2024	2024-2025
Outcome 1: SALGA: An Agile Force of Influence	11/11	6/6	23/23
Outcome 2: Customised innovative solutions	4/4	4/5	5/5
Outcome 3: Capable and reputable local government	8/8	5/5	17/19
Outcome 4: Effective Networks and IGR	3/3	1/1	15/15
Outcome 5: Inclusive socioeconomic return	13/14	12/14	14/15
Outcome 6: Developmental LG for global competitiveness	15/15	6/8	15/15
	54/55	34/39	90/92
Overall Performance	98%	87%	98%



Key reported achievements during the period under review include concluding a five-year salary and wage collective agreement with the unions for 2024-2029 period, which has seen significant labour stability in the sector; capacity training for 4,312 municipal officials; and the establishment of a Youth Commission focusing on young councillors in anticipation of this demographic's prevalence in the aftermath of the 2026 local government elections. It is envisaged that, post the elections, the organisation will administer training to 9500 councillors. During the period under review, the association was involved in 367 labour-related legal cases representing 87 municipalities. Challenges were noted in meeting some performance targets in respect of outcomes three and five.

2.2. Financial performance

An unqualified audit opinion (with no findings) for the 13th consecutive year has been maintained despite the governance and financial challenges experienced in the municipal space. The association continuously grapples with the question of transmitting this performance to its member municipalities. The association reported to have performed within the allocated budget, which amounted to R975.2m in 2024-25 including membership levies, investment income, a government grant and sponsorships. As seen in the table below, membership levies continue to constitute the bulk of the organisation's income stream.

R million	2025	2024	2025 % change
Membership Levies	818.9	785.8	4.2
Other Revenue	59.5	62.1	(4.2)
Investment Revenue	96.9	91.5	5.9
Total revenue	975.2	939.3	3.8
Expenses			
Personnel expenses	493.8	427.4	15.5
Programme Implementation costs	233.1	212.8	9.5
Administrative overheads	160.0	140.0	14.3
Depreciation and amortisation	7.6	6.2	24.1
Other operating expenses	24.8	28.9	(14.3)
Total Expenses	919.3	815.3	12.8
Surplus for the period	55.9	124.0	(54.9)

Revenue increased with 4%

- Membership Levies 4% increase – inflationary
- Other revenue reduction of 4%
- Investment revenue 6% increase

Expenditure increased with 13%

- Total salary costs 16% increase due to approved positions
- Programme costs 10% increase
- Admin costs 14.3% increase due to ICT, Marketing, Repairs & Maintenance, etc.

Surplus overall decreased with 55%

SALGA has deemed the continued overreliance on membership fees to be unsustainable due to the financial constraints faced by most of its member municipalities. Alternative ways of raising funds or business development solutions are therefore being explored to mitigate against this reliance on membership levies. As the nature of the organisation's work is human resource intensive, there is a commensurate upward trajectory in salary expenses. Significant cost savings have been attained through the adoption of a hybrid work model. The entity continues to be a going concern and has been issued with no material audit findings in terms of both the Labour Relations Act (1995) and the Broad-Based Black Economic Empowerment Act (2003).

3. DEPARTMENT OF COOPERATIVE GOVERNANCE

Among the deliverables that informed the Department of Cooperative Governance's activities during the period under review was the development of disaster risk reduction and national fire safety and prevention strategies, assessment of municipal spatial development frameworks for compliance with the Spatial Planning and Land Use Management Act, and the assessment of various district and metropolitan municipalities on the implementation of District Development Model catalytic projects.

3.1. Non- financial performance

During the period under review, the Department did not improve in terms of achieving its predetermined objectives, having been found to have performed less optimally on the targets relating to the professionalization of local government, the review of disaster management plans, and Municipal Infrastructure Grant expenditure. While the Department had an

implementation plan around the public service professionalisation framework as it pertains to local government, there remained gaps around the implementation of professionalisation measures such as the keeping of a comprehensive list of municipal officials dismissed for misconduct as required in terms of Section 57A of the Local Government: Municipal Systems Act as amended. The Department's reliance on manual processes and reports from municipalities contributed to the identified gap.

Improvements in municipal senior management appointment processes were noted; however, there remained a concern around the granting of concurrence by the Member of the Executive Council responsible for local government. Interventions in municipalities remained prolonged for several years without yielding the anticipated outcomes. Late submission of funding applications by municipalities hindered the timely transfer of municipal disaster relief and recovery grants. There were also instances where grants were not used for the intended purposes, which affected service delivery negatively. The Department's interventions around Municipal Infrastructure Grant expenditure were mainly quantitative and focused less on qualitative considerations such as whether the intended service delivery objectives had been achieved. There was a backlog in the tabling of the reports envisaged in sections 47 and 48 of the Local Government: Municipal Systems Act, which hindered the exercise of oversight and accountability by both national and provincial legislatures.

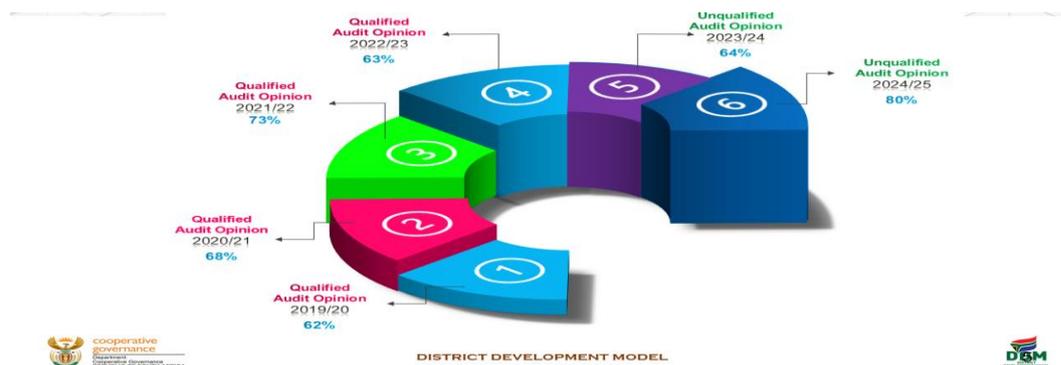
The Department has had a dedicated focus on the top ten priority distressed municipalities; however, high density and high impact municipal spaces such as metros and secondary cities also demanded more focused attention. The Auditor-General has cited ineffective oversight and service delivery capacity deficiencies among the root causes underlying the Department's performance deficit in these areas. These deficiencies also manifested in the lack of a coherent Information and Communication Technology strategy for municipalities. As the coordinating institution, the Department is expected to play a broader role in the municipal Information and Communication Technology environment and have a clear mandate in this regard.

Programme 1: Administration registered the lowest performance, having regressed from 100 percent target achievement in 2023-24 to 20 percent in 2024-25. Of the five targets set under this programme, only the target relating to the achievement of an unqualified audit opinion was attained. This underperformance, which the Department characterised as dismal, was attributed to a failure to sufficiently target entities owned by the youth, women and people with disabilities during the Department's procurement processes as per government's policy

directive. As a corrective measure, the Department has developed a procurement framework targeting the designated groups.

Having achieved 87 percent of performance targets compared to 14 percent in the previous financial year, Programme 2: Local Government Operations and Support has registered significant improvement. However, critical service delivery targets relating to, among others, the implementation of District Development catalytic projects and Municipal Infrastructure Grant expenditure were not achieved. Programme 3: Policy, Governance and Administration achieved 88 percent of the targets set, an improvement from the 82 percent seen in the previous financial year. The envisaged invitation to support Parliament in the processing of the Intergovernmental Monitoring Support and Interventions Bill did not materialise, thus contributing to the less than 100 percent achievement.

Programme 4: National Disaster Management Centre achieved 75 percent of the targets set, with the finalisation of the review of the South African disaster management system being among the outstanding performance targets. A notable milestone has been realised in connection with the involvement of the Defence Department in disaster response. Programme 5: Community Work Programme recorded no performance shortcomings as 100 percent of the targets were achieved, compared to 50 percent in the previous financial year. The Department's overall performance on the achievement of predetermined objectives equated to 80 percent during the period under review, which is the highest performance registered over the last five financial years as depicted in the graph below.



3.2. Financial performance

The Department has stagnated on unqualified audit opinions (with findings) due to material findings on compliance around the management of Community Work Programme assets. This, and the overspending on the budget over the last two financial years, resulted in the incurring of unauthorised expenditure to the value of R171m. The Department attributed the

overspending to delays in offloading unqualifying Community Work Programme participants, particularly those receiving or qualifying to receive old age grants. A directive from National Treasury, as well as a 35 percent reduction in budget allocation to the Community Work Programme, necessitated this offloading.

Preventive controls have reportedly been implemented to prevent future recurrence of unauthorised expenditure, and this, as well as the incorporation of strategic plan and annual performance plan targets into senior management's performance contracts, are envisaged to assist the Department towards achieving a clean audit in 2025-26. As a coordinating institution, the Department is expected to lead by example as the continued incurring of material audit findings will make it difficult to convince municipalities to have better audit outcomes. However, over the last ten years, the Department's audit performance - apart from the serious audit regressions seen in 2017/18 and 2018/19 - has been on an upward trajectory as illustrated in the graph below.



Source: Department of Cooperative Governance (2025).

As at 31 March 2025, the Department had an irregular expenditure balance of R775m incurred in connection with the Community Work Programme. The Auditor-General has deemed the investigations and consequence management implemented in this regard to have been adequate. The balance of fruitless and wasteful expenditure as at 31 March 2025 amounted to R5.8m and related to payments made to deceased participants and government employees. The table below indicates that, of the Department's R125.8bn adjusted appropriation in 2024-25, R124.3bn or 98.8 percent was spent, an improvement from the 97 percent expenditure rate registered in the previous financial year.

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
Appropriation per programme									
Programme									
1. Administration	359,430	25,426	-	384,856	362,532	22,324	94.2 %	364,939	363,567
2. Intergovernmental Support	18,755,533	2,365	-	18,757,898	18,756,416	1,482	100.0 %	18,046,432	18,015,620
3. Intergovernmental Policy and Governance	101,581,300	(13,270)	-	101,568,030	99,855,350	1,712,680	98.3 %	95,574,137	92,546,145
4. National Disaster Management	2,042,393	(26,096)	-	2,016,297	2,011,712	4,585	99.8 %	2,466,564	2,272,132
5. Centre Community Work Programme	3,157,267	11,575	-	3,168,842	3,338,607	(169,765)	105.4 %	3,521,670	3,602,630
Total	125,895,923	-	-	125,895,923	124,324,617	1,571,306	98.8 %	119,973,742	116,800,094

Source: Department of Cooperative Governance (2025).

For the period under review, the Department processed 25 096 invoices, which were all paid within 30 days. Since the last reporting period, the Department has not registered any progress relating to the recovery of the outstanding R79m lost through an incorrect payment made to a supplier six years ago (the Sekhukhune matter). The Department has implemented all the actions recommended by the Auditor-General in this regard and the matter was now resting with law enforcement. Consequently, the material irregularity relating to the Sekhukhune matter has been closed. However, during the period under review, the Department incurred a new material irregularity relating to the no-compliant write-off of assets relating to the Community Work Programme. The Department was reportedly addressing this material irregularity and envisaged to have it closed by February 2026.

4. MUNICIPAL INFRASTRUCTURE SUPPORT AGENT

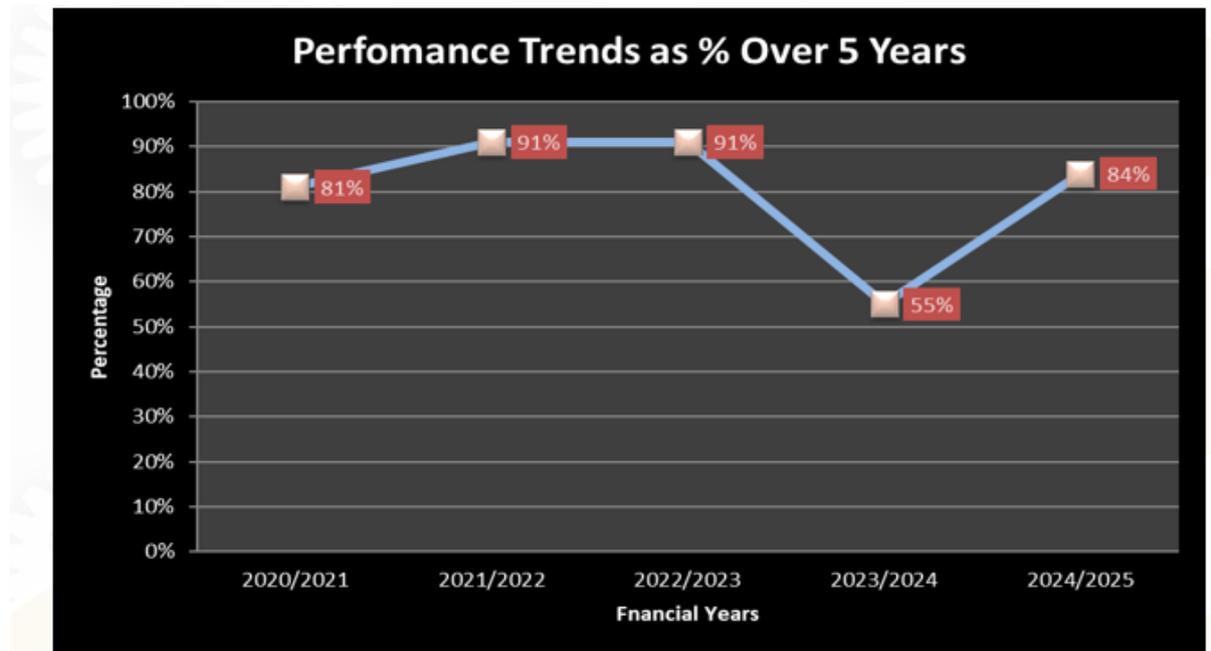
During the period under review, the Municipal Infrastructure Support Agent reported to have provided technical support to municipalities across a range of matters, including electricity demand management, climate change adaption and water services.

4.1. Non-financial performance

Of the entity's 19 output indicators, 16 were achieved, translating to a performance rate of 84.2 percent. This is an improvement from the performance dip experienced in the previous financial year. Programme 1: Administration achieved 100 percent of the performance targets set. Budgetary constraints militated against the achievement of all targets in Programme 2: Technical Support Services, as the technical support was limited to the development of funding proposals and could not be extended to the actual rehabilitation of the waste water treatment works concerned. In Programme 3: Infrastructure Delivery Management Support Services,

there was one non-achieved target relating to the deployment of technical experts in two District Development Model spaces through strategic partnerships. The entity explained that, owing to capacity constraints within the Programme responsible for this indicator, support from the National Business Initiative was solicited but could not be provided, due to resource constraints within organization itself.

The graph below summarises the entity's performance trends over the last five financial years.



Source: Municipal Infrastructure Support Agent (2025)

4.2. Financial performance

The Municipal Infrastructure Support Agent has regressed from a clean audit in 2023-24 to an unqualified audit opinion with findings in 2024-25. The regression related to material findings on the accuracy of the annual financial statements submitted for auditing, alluding to weaknesses in the in-year reporting process. The entity appeared to have no sustainable action plan to maintain a clean audit. A post audit action plan to address these findings was reportedly being finalised. The Table below summarises the entity's budget allocation and expenditure trends during the period under review.

Programme R'000	Audited Outcomes			Approved Budget	Medium-Term Expenditure Estimates		
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
ADMINISTRATION	84,697	92,254	105,991	109,115	113,312	118,434	123,761
TECHNICAL SUPPORT SERVICES	320,224	186,183	227,532	237,725	248,590	259,825	271,491
INFRASTRUCTURE DELIVERY MANAGEMENT SUPPORT SERVICES	171,194	38,768	73,156	24,238	25,352	26,498	27,688
SUB-TOTAL	576,115	317,205	406,679	371,078	387,254	404,757	422,940

Source: Municipal Infrastructure Support Agent (2025)

The entity recorded under expenditure of its budget allocation owing to R124m in surplus funds that were approved for retention. The surplus funds were earmarked for the filling of vacant posts and the implementation of activities relating to the Eastern Seaboard Development Programme. The filling of vacancies was delayed due to the time-lags associated with the requirement that posts should first be pre-approved by the Department of Public Service and Administration and National Treasury before advertisement.

5. DEPARTMENT OF TRADITIONAL AFFAIRS

The Department of Traditional Affairs' report for the period under review highlighted several successful initiatives including compliance management, financial management, the training of officials, coordination efforts around the reduction of Gender Based Violence, and customary law development.

5.1. Non-financial performance

Of the Department's 19 performance targets during the period under review, only one was not achieved, as seen in the Table below.

Programme	Total number of Annual targets	Number of targets achieved	Number of targets not achieved
Administration: Department Management	2	2 (100%)	0
Administration: Corporate and Financial Services	2	2(100%)	0
Research, Policy and Legislation	8	8(100%)	0
Institutional Support and Coordination	7	6 (86%)	1 (14%)
Total	19	18 (95%)	1 (5%)

Source: Department of Traditional Affairs (2025)

Under the Institutional Support and Coordination Programme, the Department had targeted to consult with six sector departments in connection with the matters raised by traditional leaders during the 2017 Traditional Leaders' Indaba. The Department could only consult with four of the six sector departments due to delays emanating from the transition to the new administration and the inauguration of new ministers.

5.2. Financial performance

Following a regression to an unqualified audit opinion with findings in 2023-24, the Department has reverted to a clean audit in 2024-25. As tabulated below, the Department registered R6m underspending on its allocated budget, most of which pertained to the budget for compensation of employees. The Department could not fill vacancies on time due to the time-lags associated with the requirement that posts should first be pre-approved by the Department of Public Service and Administration and National Treasury before advertisement. The Department is also known to have participated in an expired contract that resulted in the incurring of irregular expenditure to the value of R5.1m.

Programme	2024/25				2023/24	
	Final Approved Budget	Actual Expenditure	Variance	Actual Expenditure as % of final budget	Final Approved Budget	Actual Expenditure
	R'000	R'000	R'000	%	R'000	R'000
Prog. 1: Administration	65,382	62,344	3,038	95.4%	69,249	68,805
Prog. 2: Research, Policy and Legislation	29,888	28,617	1,271	95.7%	31,817	26,103
Prog. 3: Institutional, Support and Coordination	92,013	90,320	1,693	98.2%	92,055	91,905
TOTAL	187,283	181,281	6,002	96.8%	193,121	186,813
Economic Classification						
Current payments	138,403	132,627	5,776	95.8%	142,588	137,351
Compensation of employees	97,988	92,752	5,236	94.7%	93,997	90,922
Goods and services	40,415	39,875	540	98.7%	48,591	46,429
Transfers and subsidies	47,020	47,018	2	100.0%	47,326	47,325
Provinces and municipalities	12	12	-	100.0%	-	-
Departmental agencies and accounts	45,671	45,671	-	100.0%	46,998	46,998
Households	1,337	1,335	2	99.9%	328	327
Payments for capital assets	1,860	1,636	224	88.0%	3,207	2,138
Machinery and equipment	1,860	1,636	224	88.0%	150	-
Heritage assets	-	-	-	-	3,000	2,138
Transport equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	57	-
Payment for Financial Assets	-	-	-	-	-	-
TOTAL	187,283	181,281	6,002	96.8%	193,121	186,813



The Department's capacity to execute the functions expected of it remained hamstrung by inadequate funding. The Department expressed its determination to continue doing its best despite the meagre resources at its disposal.

6. MUNICIPAL DEMARCATION BOARD

The Municipal Demarcation Board prefaced its submission to the Portfolio Committee by reporting its resolution to place the Chief Executive Officer on precautionary suspension. The Board expressed its commitment to finalise the matter expeditiously as to ensure continued administrative stability. In the meantime, the Board remained fully functional and on course to realise the deliverables relating to the 2026 local government elections. Two meetings have been convened with the Independent Electoral Commission to discuss ward handover, which is the prerequisite for the commencement of the Commission's preparatory processes. The Board had envisaged to have the ward handover process finalised by November 2025 but has been constrained by delays in the finalisation of maps by three provinces. The Portfolio Committee was assured that all outstanding matters would have been concluded by end of December 2025 to enable the Commission to start with its processes.

6.1. Non-financial performance

Achievement of annual performance plan targets during the period under review amounted to 88 percent, which was below the usual 90 percent mark. The graph below indicates that, of the 17 targets set, two were not achieved.



Source: Municipal Demarcation Board (2025)

The deferred municipal outer boundary determination and re-determination cases, which were finalised after financial year end, and delays in municipal capacity assessment data collection, accounted for the deviation from the normal performance norm. In Programme 1: Administration, performance in terms of affording procurement opportunities to entities owned by youth, women and people with disabilities improved compared to prior years, following the use of National Treasury's central supplier database.

All the targets set under Programme 2: Demarcation and Spatial Transformation Excellence, were achieved. Under Programme 3: Research, Spatial Information and Intelligence Development, the Board had set out to collect 60 percent of data from municipalities for the purposes of conducting municipal capacity assessments as required in terms of the Municipal Demarcation Act. However, 56.6 percent of the data could be collected due to log in delays into the Board's database. The Board also achieved all the targets set under Programme 4: Stakeholder Engagement. Characterising the Board's overarching priorities under this Programme were intensive public consultation processes around the ward delimitation process, followed by consultations with technical stakeholders on the preparation of draft wards after the Members of the Executive Councils responsible for local government had determined the

number of councillors, based on the formula published by the Minister of Cooperative Governance and Traditional Affairs.

The Board reportedly opted for a more granular approach to public consultation, extending the focus beyond the metro and the district level to the local level. There were also four additional stakeholder awareness campaigns conducted, above the targeted ten. The number of municipal wards has increased to 4488 overall, with some municipalities experiencing an increase while others saw a decrease. The increase and decrease in the number of wards in a municipality is a function of the formula determined by the Minister of Cooperative Governance and Traditional Affairs and used by the Members of the Executive Councils responsible for local government to determine the number of councillors. The latter in turn determines the number of municipal wards.

Following the municipal outer boundary determination and re-determination process, the gazetting of the formula by the Minister of Cooperative, the determination of the number of councillors by the Members of the Executive Councils responsible for local government, and the delimitation of wards, the Board was now considering objections relating to the latter process. Thereafter, the final wards will be determined. Communities were reported to have been largely comfortable with the 80 percent of wards published thus far, although there were some exceptions.

Financial constraints and dependencies on municipalities due to lack of regional presence remained inhibiting factors for the Board. Poor municipal service delivery has also seen an increase in demand for municipal outer boundary re-determination as a means for the dissatisfied communities to opt out. The Board, however, was not convinced that opting out would resolve the service delivery related challenges. In the Board's view, the Independent Municipal Demarcation Authority Bill, currently being processed in Parliament, will go a long way towards addressing many of the challenges experienced around municipal demarcation. The Board has done, and continues to do, everything within its power to ensure that all the necessary processes for the 2026 local government elections are completed on time and that the Independent Electoral Commission is not unduly delayed. The support received from the South African Police Service in this regard was commended.

6.2.Financial performance

During the period under review, the Board improved from an unqualified audit opinion with findings to a clean audit, which was credited to the late Chief Financial Officer's diligent effort

in responding to the identified audit weaknesses. Of the Board's R77.5m total revenue, R81m was spent, resulting in R3.5m cost overrun, as illustrated in Table below. The travelling costs associated with the ward delimitation public consultation process, and the legal costs emanating from litigation around the municipal outer boundary determination and re-determination process, accounted for the budget overrun. The Board also reported to have lost R7m over the last two financial years due to budget cuts. Employee related costs amounted to 56 percent of the operating budget as the Board relies on internal research capacity and technical expertise to deliver on its pre-determined objectives.

	R'000
Government grant	74 191
Other Income	3 316
Total Income	77 507
Employee costs	(45 460)
Administrative costs	(22 635)
Other operating costs	(12 942)
Total Expenditure	(81 038)
Deficit	(3 531)



7. CRL RIGHTS COMMISSION

As a prelude to the Commission's presentation, the Chairperson, Ms. T. Mkhwanazi-Xaluva, reflected on the controversies surrounding the establishment of a section 22 committee (as per section 22 of the CRL Rights Commission Act) to consult religious communities around the development of a code of conduct and a self-regulating mechanism for the religious sector. The matter was not new and has been discussed as far back as the Fifth Term of Parliament, following the tabling of the Commission's *Report on the Commercialisation of Religion* and the subsequent related recommendations by the Portfolio Committee on Cooperative Governance and Traditional Affairs. The establishment of the consultative committee gave expression to the Commission's intent to allow the religious sector to take responsibility and assume the lead in crafting proposals on how the sector could best organise itself as to prevent and sanction harmful religious practices. The Commission's role in this regard was limited to providing administrative support.

The consultative committee has started with the Christian religious community as it had the largest representation and accounted for most of the problems that needed to be addressed. Notwithstanding the committee's plan to cover all the nine provinces and ensure that no religious community is left out including Islamic, Indigenous African, Jewish, Bahai and Rastafarian spiritual families, there remained a misconception that the consultative process favoured certain Christian religious communities and excluded the rest. In refuting this misconception, the Chairperson cited recent discussions with the Moslem religious community around the development of its own self-regulation systems to address areas of grievances such as the commercialisation of holy pilgrimages.

The Commission intends increasing its presence in the social media space as to better counter misleading narratives and illusions of state regulation of religion. The Commission would appreciate an opportunity to come back to the Portfolio Committee and expatiate in detail on how it envisages to implement the recommendations emanating from the Fifth Term of Parliament. The delegation that will share this vision with the Portfolio Committee will include members of the committee envisaged in section 22 of the CRL Rights Act (2002).

7.1. Non-financial performance

The Commission's 2024-25 Annual Performance Plan targets were pursued across four programmes linked to four performance outcomes. In Programme 1: Administration, all targets were achieved including a clean audit and a reduction in unauthorised, irregular, fruitless and wasteful expenditure. There number of training sessions conducted on workplace skills development was more than the original target. All performance targets set under Programme 2: Investigation and Conflict Resolution were also achieved, including a reported improved turnaround time for the resolution of the cultural, religious and linguistic complaints carried over from the previous financial year. The ten cases constituting the backlog from the prior year were successfully concluded. The handling of complaints was slightly above the original 80 percent target set out in the Annual Performance Plan.

The Programme's work also involved the review of by-laws and legislation that affected cultural, religious and linguistic communities. Inputs were made into the Traditional Health Practitioners' Bill, legislation on life partnership and cohabitation, and by-laws on noise regulation and land use schemes. A total of 16 by-laws were reviewed in 16 municipalities

across the Gauteng and Free State provinces, one of the main findings being that these laws did not always clarify what should happen. Programme 3: Research, Publications and Policy Development has been concerned with strengthening research to inform policy on culture, religion and language. Research reports were produced around the status of the isiHlubi, sePulana, and isiMpondo languages and perspectives from the older generation on the passing down of cultural practices were solicited.

All the performance targets relating to Programme 4: Public Education and Information engagement were achieved. Overall, the Commission achieved 100 percent of the performance targets set out in the 2024-25 Annual Performance Plan as tabulate below:

Programmes	Total No of targets	No. of targets fully achieved	No. of targets not met	Achievement in percentages
Programme 1: Administration	9	9	0	100%
Programme 2: Investigation and Conflict Resolution (ICR)	4	4	0	100%
Programme 4: Research, Publication and Policy Development (RRPD)	1	1	0	100%
Programme 3: Public Education and Information (PEI)	5	5	0	100%
TOTALS	19	19	0	100%

Source: CRL Right Commission (2025)

7.2. Financial performance

The Commission improved from an unqualified audit opinion with findings in 2023-24 to a clean audit, which was said to be indicative of good governance systems within the organisation. An interest of R1.7m was earned from the Commission's budget allocation. There were savings generated from employee costs; however, administrative and operating over expenditure was incurred owing to the hosting of the National Consultative Conference as provided in section 24 of the CRL Rights Commission Act. The table below encapsulates the Commission financial performance during the period under review.

Economic classification	Final allocation R' 000	Actual R' 000	Variance R' 000	Expenditure % of final allocation
Revenue	45, 671	47, 400	1, 729	103.79
Compensation of employees	(33, 012)	(26, 361)	6, 651	79.85
Administrative expenditure	(4, 354)	(8, 987)	(4, 633)	206.41
Operating expenditure	(9, 572)	(9, 859)	(287)	115.01
Total	(46, 938)	(45, 207)	1, 731	96.31

Source: CRL Rights Commission (2025)

8. COMMITTEE OBSERVATIONS

Having interacted with the presentations from the South African Local Government Association, the Departments of Cooperative Governance and Traditional Affairs, the Municipal Demarcation Board, the Municipal Infrastructure Support Agent, and the CRL Rights Commission, the Portfolio Committee observed as follows:

8.1. South African local government association

- ***Disconnect between achievements and underperformance in member municipalities.***

While welcoming and commending the South African Local Government Association's achievement's during the period under review, the Committee noted a disconnect between these achievements and the series of deficits seen in many of the member municipalities. That the responsibility to arrest the situation does not rest exclusively on SALGA was also acknowledged. In response, the SALGA leadership echoed the sentiment, having resolved at the National Executive Committee level to the necessity of looking beyond good organisational performance and making broader impact at the municipal level.

As part of the endeavour to achieve broader impact, the organisation reported to have started utilising the Intergovernmental Relations Framework Act to institute a more collaborative approach to bringing the desired change. Municipalities such as Mbhashe under the Amathole district in the Eastern Cape were cited as instances where this collaborative approach is beginning to yield positive results. Addressing the political relations aspect remained a difficult terrain to navigate. The leadership undertook to provide the Committee with a comprehensive briefing on the National Executive Committee's resolution.

- ***Unpacking SALGA's strategic profiling mandate.*** Having been asked to elaborate on its strategic profiling mandate, SALGA explained that the concept entailed enhancing the stature of the South Africa local government architecture continentally and globally. Strategic profiling within the local space is challenging due to the already highlighted disconnect between developments at the organisational level vis-à-vis what is happening at the municipal space. This is most epitomised in the area of leadership where the practice in SALGA diverges from the practice in many of the member municipalities. Strategic profiling further entails recognising the differences between municipalities and responding to their needs in a differentiated manner.
- ***Employee related costs.*** The Committee sought to be assured that the organisation's budget was focused on the absolute necessities required to achieve the desired impact, and that the high expenditure on employee related costs was justified. In response, SALGA indicated that the execution of its six mandates requires the organisation to source and retain the highest level of skill. This comes with a high price tag as skilled personnel is costly. Employee related costs would consequently be higher than usual as skilled people are the organisation's main asset.
- ***Eskom debt resolution.*** Asked to indicate its intervention in the municipal Eskom debt crisis other than the issuing of position papers, SALGA highlighted the setting of non-cost reflective tariffs as a key challenge. In this regard, the organisation has registered its non-acceptance of the tariffs granted by the National Energy Regulator for South Africa as these have had undesirable financial consequences on municipalities. Discussions with the Department of Electricity and Energy, Eskom and the Department of Cooperative Governance on this matter are ongoing.

Following the June 2024 *AfriForum vs NERSA* High Court Judgement, which found that the Energy Regulator had unlawfully approved tariff increases without conducting proper Cost of Supply Studies, SALGA has also intervened in this area notwithstanding the activity's demand for extensive technical capacity. The organisation has observed with dismay that the Energy Regulator continues to approve tariffs that are not aligned with the Cost of Supply Studies undertaken on behalf of municipalities.

SALGA further reported to have been active in the Eskom debt relief programme, having proposed the reforms around the payable Eskom interest and the restructuring of the Eskom billing period. Active partnership with Eskom on debt recovery remains a challenging endeavour as the utility is reluctant to participate in Treasury's prepaid smart meter programme. There are also outstanding matters around disputed Eskom account reconciliations and instances where the utility was collecting in spaces that were legally the exclusive preserve of a local municipality. Members were further encouraged to take a broader view of the municipal debt crisis that also took cognisance of the debt owed to municipalities. In terms of magnitude, the latter was understood to be a more far reaching crisis than that of the debt municipalities owed to Eskom as it involved more than R400bn.

- ***Waste management.*** Committee members noted the proliferation of illegal dumping, which thrived in the absence of refuse collection services and the non-provision of wheelie bins. For a practical example of this, SALGA was invited to visit the Inanda area in the city of eThekweni. In response, SALGA characterised the situation as a behavioural problem. To address it, the organisation has embarked on a clean cities and towns campaign. Cited as an example was a R25m initiative with the City of Ekurhuleni.
- ***Compliance with municipal staff regulations.*** In response to the question around its intervention to ensure that there is compliance with the Local Government: Municipal Staff Regulations (2021), SALGA indicated that, during the period under review, it has supported five municipalities with staff performance management solutions. As a result, these municipalities are now compliant with the Municipal Staff Regulations.
- ***Support to build capable and reputable local government.*** Members noted that SALGA reported to have supported 175 municipalities towards capable and reputable local government as part of implementing its strategic outcomes, in particular Outcome 3. It was underscored that such intervention should find expression beyond the writing on paper and have tangible evidence on the ground. The reported support provided towards capable and reputable local government was not consistent with the Committee's recent oversight experience. The communication gap between municipalities and residents remains a key unresolved matter. In response, SALGA agreed that it was not enough for the organisation to appear before the Committee and report on good audit outcomes. A

clarion call has been made to all the mayors of the eight metros, who oversee 60 percent of the country's population, to improve communication, coordination and engagement. There has been notable buy-in in this regard.

- ***Holding association members accountable.*** The Committee remained uncertain as to how SALGA approached the issue of holding association members accountable. Most associations have an internal code of behaviour, but it is not apparent whether SALGA had an active role in holding its own members accountable in terms of expected behavioural standards. In response, SALGA noted that the Committee was raising the matter for second time and reiterated that the Organised Local Government Act (1998), the association's founding legislation, prescribed and thereby circumscribed organised local government's scope of action.

The review of the White Paper of on Local Government should find expression in law, including extending organised local government's scope in terms of the Organised Local Government Act. SALGA remains constrained by the absence of a legislative provision empowering it to enforce the expected standards of behaviour on its members. In this regard, the onus remains on the deploying political parties and members' own voluntary cooperation.

8.2. Department of Cooperative Governance

- ***Recognition and acknowledgment of progress made.*** Committee members recognised and acknowledged the significant progress the Department has made in recent years but agreed with the Auditor-General on the matters raised around unauthorised and irregular expenditure, material irregularities, and the professionalisation of local government.
- ***Sekhukhune matter.*** Members noted the involvement of law enforcement in the recovery of the outstanding R79m incorrectly paid to a supplier, which constrained the Department's scope of action in terms of achieving the desired progress in resolving the matter. However, the Committee needed to be kept abreast of developments through monthly reports on the status of the recovery process, as to give the misdirected payment due attention and put the matter to rest. The Department advised the Committee that its legal unit was engaging on the matter. A mediation process was underway, and the Department was anticipating a court award to the value of R7m.

- **Capacity constraints.** As in the previous reporting period, there continued to be concerns around the Department's capacity to oversee municipalities, with the point of debate being around whether the poor state of municipalities could be related to the Department's insufficient capacity. There seemed to be no compelling reason as to why the national and provincial Departments of Cooperative Governance should not be held accountable for the performance of municipalities.
- **Disaster grant expenditure.** The explanation to the effect that the Department could not disburse disaster funding within the stipulated 100 days after the classification of a national disaster due to non-timely submission of funding applications by the affected municipalities was noted to be reasonable but superficial. The matter needed to be interrogated in the context of inequitable allocation of funds to the various disaster-stricken provinces, which links back to the question of whether the Department has sufficient capacity to assist municipalities to prepare the requisite applications or the municipalities are left on their own. Further suggested was the possibility of interrogating the suitability of the 100 day timeline by which disaster funds must be disbursed. In response, the Department undertook to come back to the Committee and present the revised disaster grant allocations for the Eastern Cape, KwaZulu-Natal and Limpopo provinces.
- **Municipal infrastructure grant expenditure.** Noting the Auditor-General's finding relating to the spending of the Municipal Infrastructure Grant for non-intended purposes, members enquired as to whether the Office could assist with a tracking mechanism that would provide early warning and enable the Portfolio Committee to intervene earlier, rather than at the end of the financial year, to ensure that the grant is spent for the intended purposes. The Committee was advised to request the Department to provide regular feedback, including quarterly dashboard indicators per municipality, on Municipal Infrastructure Grant projects and demand consequence management on officials that were not spending the grant for the intended purposes.

The Department noted that the percentages around Municipal Infrastructure Grant expenditure have been on the rise but agreed that, in the final count, the quality of the expenditure is a more meaningful indicator. The Department also agreed to favour the Portfolio Committee with quarterly Municipal Infrastructure Grant expenditure reports.

The transfer of unspent Municipal Infrastructure Grants from one municipality to another due to incapacity to spend was said to be more punitive to the residents than the municipality itself, but legislation still allowed it. The Minister has been vocal about these spending capacity deficiencies and their deleterious effect on residents and believes that remedial work in this regard should start with the municipal council.

- ***Irregular expenditure.*** Concern was expressed around the Department's R775m irregular expenditure balance, which needed some kind of dashboard or tracking mechanism to enable the Portfolio Committee to monitor investigation and implementation of consequence management. Members also noted the audit finding around the incurring of irregular expenditure amounting to R55.8m in connection with the irregular appointment of Community Work Programme Implementing Agents and demanded a way forward on addressing the matter. In response, the Department emphasized that consequence management was contingent on the outcome of investigations. There were written warnings issued in connection with the irregular expenditure; however, several implicated officials have since resigned or were deceased.
- ***Unauthorised expenditure.*** The reported R171m in unauthorised expenditure incurred in connection with the Community Work Programme also did not sit well with the Portfolio Committee. An update on the Programme's status, following previous remodelling efforts, was requested. In response, the Department reiterated that the unauthorised expenditure was related to the budget cuts imposed by Treasury three years ago as well as delays in offloading the 'double dipping' participants from the Community Work Programme. The unauthorised expenditure has been disclosed and discussed with Treasury. The Department has since released the non-qualifying beneficiaries and has experienced no challenges relating to the payment of Community Work Programme wages.
- ***Tabling of section 47 and 48 reports.*** Noting the Auditor-General's findings around the delays in the tabling of the reports envisaged in sections 47 and 48 of the Local Government: Municipal Systems Act, the Committee deemed it critical for the Department to commit itself to specific deadlines for complying with the legislation. In response, the Department indicated that the backlog relating to the tabling of the 2021-22 and 2022-23 reports has been resolved, and the gazetting and tabling of the 2023-24

report was in progress. The legislation provided no specific timeframes for the gazetting and tabling of these reports, a matter that will be addressed through the Local Government: General Laws Amendment Bill.

- ***MEC's concurrence on the appointment of senior managers.*** Members expressed dismay at the tendency of municipal councils to persist with senior management appointments that had not obtained concurrence from the Member of the Executive Council responsible for local government, as required in terms of the Local Government: Municipal Systems Act as amended. The Committee also sought to be favoured with a report on the list of municipal officials that hold positions for which they do not qualify.
- ***Non-fruitful municipal interventions.*** Committee members echoed the Auditor-General's sentiment to the effect that interventions in municipalities remained prolonged for several years without yielding the anticipated outcomes. At the time of the briefing, 41 municipalities were subject to the various provisions envisaged in section 139 of the Constitution but there seemed to be no appreciable improvement that could be measured. On the other hand, serial disclaimers, the passing of unfunded budgets and poor follow-up on consequence management and investigation of unauthorised, irregular, fruitless and wasteful expenditure appeared to continue unabated.

In response, the Department alluded to its municipal turnaround initiatives focusing on, among other things, debt owed to Eskom, debt owed to municipalities, unfunded budgets, reversing negative audit outcomes, functional municipal boundaries and competent municipal administration. In Phase 1 of this initiative, the Department identified the top ten poorest performing municipalities for support and improvement. In Phase 2, which was currently underway, the Department has upscaled the initiative to 30 municipalities.

- ***Public private partnerships.*** Members sought to establish whether the Department considered including as part of its activities Public Private Partnerships on municipal service delivery and infrastructure. In response, the Department indicated that there were currently only two functional municipal Public Private Partnerships, which involved the iLembe District municipality in KwaZulu-Natal and the Mbombela local municipality in Mpumalanga. The timing was good for exploring more Public Private Partnerships as this was a viable method for leveraging funding from the private sector through the Development Bank of South Africa. Public-Public Partnerships, as seen in the

arrangement between the Rand Water Board and the Emfuleni local municipalities, also warranted more consideration.

- ***Professionalisation of local government.*** In response to concerns members raised around the professionalisation of local government, the Department noted that some good progress has been made around this matter, including the establishment of a database of municipal officials that have been subject to disciplinary hearing. Much of this professionalisation work will feature in the Department's agenda for the upcoming year. The Department was looking into automating the list of municipal officials dismissed for financial misconduct and would seek a legal opinion on the possibility of making this list public.
- ***District development model.*** As in the previous years, there continued to be interest on the impact of the District Developmental Model, how it was measured and examples of cases where conditions on the ground improved owing to the Model's implementation. In response, the Department explained that the COVID-19 pandemic disrupted the District Development Model's progress, but the lost ground was being recovered. The Model was not unique to South Africa as other countries, such as China, were also implementing a similar coordination mechanism. The Department was ready to share with the Portfolio Committee a list of the districts where the District Development was in motion as well as those where it was not gaining the desired level of progress.
- ***Paralysis of municipalities by politics.*** Noting the paralysing effect of politics that has been observed in some municipalities, members sought to find out if there was a way to depressurise and relieve municipalities from this stranglehold. In response, the Department characterised the matter as a function of weak political leadership, which spread over to the administrative leadership as seen in the case of the Ditsobotla local municipality in the North West province. This is an issue that needed to be first addressed before the invocation of section 106 of the Local Government: Municipal Systems Act.

8.3. Municipal Infrastructure Support Agent

- ***Errors in the financial statements.*** Members expressed discomfort around a report that said there were errors in the annual financial statements and felt that the audit committee

should have identified the errors. The chief financial officer attributed the errors to a new accounting standard, the principal agent relationship standard, which was implemented for the first time. Other organs of state faced a similar challenge. The Accounting Standards Board and National Treasury have been approached for assistance. The audit committee was reported to have done due diligence on the annual financial statements. The appropriate remedy was to strengthen internal control and undertake a thorough review of the statements before submission to the audit committee. The committee noted that the technical explanation provided was not easy to understand but hoped that the matter would not recur.

- ***Irregular office accommodation contract.*** Having been asked to explain the circumstances surrounding the irregular office accommodation contract that has compelled the National Disaster Management Centre to vacate the entity's office space and building, the chief financial officer indicated that the matter had its genesis in a contract procured by the Development Bank of South Africa in 2012, following the establishment of the Municipal Infrastructure Support Agent by the Department of Cooperative Governance. On finding that the procurement of the contract was irregular, the entity approached National Treasury for condonation, and this effectively removed the irregular expenditure from the entity's books.
- ***Budget under expenditure.*** Members noted that 22 distressed municipalities were reportedly supported but only 64 percent of the allocated 2024-25 budget was spent. Reasons for the under expenditure, as well as a spending plan on the unspent Eastern Seaboard Development Programme budget, were to be provided. In response, the entity explained that limited human resources – including engineers, regional and town planners - forced it to scale down on the number of municipalities that could be supported. There were also no dedicated personnel for the Eastern Seaboard Development Programme; however, the establishment of a special purpose vehicle will respond to this challenge.

8.4. Department of Traditional Affairs

- ***Tracking of resolutions by the National House of Traditional and Khoisan Leaders.*** Members sought to understand how the resolutions of the National House of Traditional and Khoisan Leaders were tracked, and whether there was any feedback to the House on

issues raised with government. The Department clarified that, in terms of feedback, the House was entitled to engage directly with any of the Cabinet Ministers. Regarding the tracking of resolutions, the House utilised a decision matrix rather an electronic system.

- ***Issues raised by amakhosi during the National Traditional Leaders' Indaba.*** The Committee expressed interest on the issues raised by *amakhosi* during the 2017 National Traditional Leaders' Indaba. In response, the Department indicated that it had previously submitted to the Portfolio Committee a document detailed the key issues raised by traditional leader around land tenure, mining, rural development and capacity building, among other things. The Department was prepared to re-submit the required information.
- ***Customary initiation.*** From its last oversight visit on customary initiation, the Committee learned that some traditional leaders were reluctant to participate and collaborate in the management of customary initiation. This was in protest to the amendments to the Local Government: Municipal Structures Act, which saw a reduction in the number of traditional leaders that may participate in municipal councils. This has had the inadvertent effect of excluding some traditional leaders, especially those in less senior positions. The curbing of customary initiation malpractices, especially in the Eastern Cape, warranted a joint discussion across several sector departments.
- ***Tools of trade.*** In response to members' comments around the provision of tools trade across all the Houses of Traditional and Khoisan Leaders, the Department emphasized that this issue was a standing item in its Annual Performance Plan. In this regard, the Department sought to bring parity among traditional leaders of the same category, as well as among Kings and Queens across provinces. The lack of parity bred conflict and addressing this will need the necessary support from Treasury. The Finance Minister's pronouncement around the provision of palace infrastructure was a good starting point towards the realisation of the parity principle. Protection services for majesties and chairpersons of National and Provincial Houses of Traditional and Khoisan Leaders remained an area of concern for the Department.

8.5.Municipal Demarcation Board

- ***Duplication of voting districts.*** Members brought to the Board's attention a case in the city of eThekweni where a single Voting District was duplicated across Wards 52 and 53, which was an untenable situation. In response, the Board explained that the Voting District could have been splitting communities, and, in such cases, it was necessary to configure the Voting District such that the splitting of communities is avoided. The Independent Electoral Commission was also due to put new voting stations that will be named differently. If objections had been raised on this matter, they would receive the Board's attention. Members could not follow this explanation but also fundamentally disagreed with its premise. The issue needed to be revisited, and a proper response provided.
- ***Final ward handover to the Independent Electoral Commission.*** Regarding members' request for a concrete commitment around the actual dates (per province) on which the final wards will be gazetted and handed over to the Independent Electoral Commission, the Board explained that the ward handover process was not provincialized. There will only be one final handover to the Independent Electoral Commission, and this will take place in the beginning of December 2025.
- ***Regional representation.*** The Board was invited to explain how it ensured adequate community access to its processes in the absence regional offices. In response, the Board acknowledged that conducting public consultations without regional presence was a serious challenge. Ultimately, the Board wanted regional presence but was constrained by lack of funding. As an interim measure, the Board has assigned provincial responsibilities to its personnel, including Board members.
- ***Budget deficit.*** On the question raised around the R3.5m budget deficit incurred during the period under review, the Board reiterated that the shortfall emanated from the R7m budget cuts over the last two financial years. As it was about to adjust to this, the Board encountered unexpected litigation costs to the value of R2m in connection with the municipal outer boundary determination and re-determination process. The intensive public consultation process and technical meetings placed additional pressures on the budget.
- ***Unresolved ward boundary disputes.*** Members noted that there were unresolved ward boundary disputes dating back to 2021. In the city of Matlosana there was an issue of

adjacent households that voted in different voting stations. The Voting District in Ward 08 was moved to Ward 10, and the Voting District in Ward 37 was moved to Ward 08. No consultation or explanation was favoured to the affected residents, and, to date, there has been no explanation as to why the mistake from 2021 has not been corrected. The affected residents has since resolved to abstain from voting. In response, the Board explained that the ward delimitation process must adhere to specific criteria, which may not satisfy all the communities. However, most of the published wards reflected the general public's preferences.

- ***Splitting of communities.*** Reference was made to a case in the Sol Plaatje local municipality in the Northern Cape where two Khoisan stems in the Platfontein area had been divided over many years. The area has been split into two wards, thus exacerbating the division. The municipality reported to have favoured the Board with a proposal to amalgamate Platfontein into a single ward and feedback had not been received in this regard. Most residents in this community do not have the means to travel to town to lodge objections. There needed to be clarity as to whether public representatives such as Members of Parliament could lodge objections on their constituents' behalf.

In response, the Board advised that the objection period has closed; however, if objections were lodged before the closing date, they will receive the Board's full consideration. It was not always possible to amalgamate wards if the criteria relating to the registered number of voters were not met. Public representatives were welcome and encouraged to lodge proposals and objections on behalf of communities that do not have the means to do so. Communities were exhorted to use every means available at their disposal to access the Board's services.

- ***Improved audit outcome.*** The Board's progress from an unqualified audit opinion with findings in 2023-24, to a clean audit 2024-25, was noted.

8.6.CRL Rights Commission

- ***Consultative process on self-regulation.*** Members sought clarity around the time-frame and budget for the consultations with religious bodies on self-regulation and the development of a code of conduct. A view was also expressed to the effect that the regulation of religious practice fell outside the scope of the Commission's mandate and

that the Commission's activities in this regard raised serious constitutional issues and amounted to undermining the separation of church and state. It was not clear why the Commission was attempting to resuscitate a project that previously failed.

In response, the Commission indicated that the budget amounted to R1.5m and meetings will be convened in churches and community halls to curtail costs. The Commission had no intention of licensing religions and violating the constitutional rights of religious communities. All it sought to do was to implement the recommendations emanating from the Portfolio Committee's 2018 report, and in doing so it has deliberately taken care to avoid the perception that it was violating constitutional rights. The Commission could not understand what was meant by the view that said it was reviving something that had once failed. In the context of the noise and propaganda around the resuscitation of a failed agenda, the Commission found it imperative to come and present its position and not allow its voice to be drowned.

- ***Memorandum addressed to the President.*** Members drew attention to a memorandum addressed to the President, which levelled several allegations against the Commission. In response, the Commission submitted that it was not in receipt of the correspondence in question. The allegation that a National Consultative Conference had not been convened was without substance.
- ***Improved audit outcome.*** The Commission's progress from an unqualified audit opinion with findings in 2023-24, to a clean audit 2024-25, was noted. The Commission was urged to continue on this path as it was important for the entities linked to the cooperative governance and traditional affairs portfolio to show exemplary practice as far audit outcomes were concerned.
- ***Marginalised languages.*** Concern was expressed around the marginalisation of Afrikaans hip hop in mainstream and community radio stations and input sought on the remedial role that the Commission could play in this regard. In response, the Commission agreed that it was within its purview to convince radio stations to look beyond American musicians and put to the foreground indigenous musicians and indigenous stories. The latter was an ongoing project while indigenous youth music was a new area that would soon receive the Commission's attention.

9. COMMITTEE RECOMMENDATIONS

In light of the foregoing observations, the Portfolio Committee recommends as follows:

9.1. South African Local Government Association

The South African Local Government Association should:

- a) Provide the Committee with a comprehensive briefing on its National Executive Committee's resolution regarding the necessity of looking beyond good organisational performance and making broader impact at the municipal level, as to address the disconnect between the organisation's achievements and the series of deficits seen in many of the member municipalities.
- b) Apprise the Committee on the outcome of its discussion with the Departments of Electricity and Energy, Cooperative Governance and Eskom around its non-acceptance of the tariffs granted by the National Energy Regulator for South Africa, as the latter reportedly continued to approve tariffs that are not aligned with the Cost of Supply Studies undertaken by SALGA on behalf of municipalities, resulting in undesirable financial consequences on the latter.
- c) Lobby for the Organised Local Government Act to provide scope for the association to have an active role in holding its own members accountable in terms of expected behavioural standards, as to close the lacuna around a legislative provision empowering the association to enforce the expected standards of behaviour on its members.

9.2. Department of Cooperative Governance

The Department of Cooperative Governance should:

- a) Furnish the Portfolio Committee with a report on the latest developments regarding the recovery of the outstanding R79m incorrectly paid to a supplier (the Sekhukhune matter). Going forward, the Department should make it a standard item to keep the Committee regularly updated on the status of the recovery process.

- b) Provide the latest update regarding the litigation against the Department by a Non-Profit Organisation, Insika Foundation, in connection with the payment of Community Work Programme project management fees.
- c) Address the lack of a coherent Information and Communication Technology strategy for municipalities. As the coordinating institution, the Department is expected to play a broader role in the municipal Information and Communication Technology environment and have a clear mandate in this regard.
- d) Ensure that interventions around Municipal Infrastructure Grant expenditure go beyond the quantitative aspect and focus more on qualitative considerations such as whether the intended service delivery objectives had been achieved. Provide quarterly feedback to the Committee on Municipal Infrastructure Grant projects and ensure that there is consequence management on officials that do not spend the grant for the intended purposes.
- e) Re-introduce in the Annual Performance Plan the inclusion of a target relating to the tabling, in Parliament, of the report envisaged in section 48 of the Local Government: Municipal Systems Act (2000) as to enable the Portfolio Committee to better track performance, hold the Department accountable, and eliminate the multi-year tabling backlog that constrains the effective exercise of oversight and accountability by both Parliament and the provincial legislatures.
- f) Keep the Portfolio Committee apprised of the Department's feedback to the Auditor-General regarding the matters raised around unauthorised and irregular expenditure, as well as material irregularities. As these matters mainly related to the Community Work Programme, there should be a full report on how the Department envisages managing the Programme differently going forward. The Department to also furnish the Portfolio Committee with its anti-corruption strategy.
- g) Enforce the implementation of Municipal Support and Improvement Plans as these have been in the system for some time but not yielding the anticipated outcome. Some municipalities have been under intervention for prolonged periods, with the triggers for the intervention remaining unresolved.

- h) Brief the Committee on the revised disaster grant allocations for the Eastern Cape, KwaZulu-Natal and Limpopo provinces, and favour it with timelines for the completion of the national disaster management system review.
- i) Provide feedback on the work being undertaken in the City of Johannesburg in collaboration with the Presidential Task Team.
- j) Submit a written confirmation, within 30 days, to the effect that the Department will support the parliamentary processes around the Intergovernmental, Monitoring, Support and Interventions Bill and the Local Government: Municipal Structures Amendment Bill, as well as provide the deadline on the tabling of the latter to Parliament.
- k) Attend to the gaps identified by the Auditor-General regarding the implementation of local government professionalisation measures such as the keeping of a comprehensive list of municipal officials dismissed for misconduct as required in terms of Section 57A of the Local Government: Municipal Systems Act and address the Department's reliance on manual processes and reports from municipalities in this regard.
- l) Share with the Portfolio Committee a list of the districts where the District Development was in motion as well as those where it was not gaining the desired level of progress.
- m) Provide a report, within 30 days on the Interministerial Task Team established to respond to the Auditor-General's findings on local government audit performance, including the Task Team's focal areas.

9.3. Municipal Infrastructure Support Agent

The Municipal Infrastructure Support Agent should:

- a) Favour the Portfolio Committee with a report in connection with the irregular office accommodation contract that has compelled the National Disaster Management Centre to vacate the space shared with the entity.
- b) Present to the Portfolio Committee its spending plan on the unspent Eastern Seaboard Development Programme budget.

9.4. Department of Traditional Affairs

The Department of Traditional Affairs should:

- a) Favour the Portfolio Committee with the matters raised by traditional leaders during the 2017 Traditional Leaders' Indaba, including a narrative document on the Interministerial Task Team established to respond to the Indaba resolutions.
- b) Provide the Portfolio Committee with a list of all recognised Kings and Queens.
- c) Furnish the Portfolio Committee with a report clarifying the situation around the appointment of a regent and the recognition of a successor to the late amaMpondo King Zanozuko Sigcau.
- d) Provide the Portfolio Committee with a report around the nature of the support provided to the Majesty's Forum, including budgetary arrangements, policy guide and terms of reference on what can be funded.
- e) Furnish the Portfolio Committee with the latest report on the provision of tools of trade across all the Houses of Traditional and Khoisan Leaders.

9.5. Municipal Demarcation Board

The Municipal Demarcation Board should:

- a) Provide a proper explanation around the duplication of a single Voting District across two wards, with reference to Wards 53 and 54 in the city of eThekweni.
- b) Follow up and report back on the matter raised regarding unresolved ward boundary disputes dating back to 2021, with reference to the city of Matlosana where there was an issue of adjacent households that voted in different voting stations, and unexplained relocation of Voting Districts.

9.6. CRL Rights Commission

The CRL Rights Commission should:

- a) Come back to the Portfolio Committee and expatiate in detail on its vision for the self-regulation of the religious sector, including the development of a code of conduct. The

briefing should start from the Commission's previous interactions with the preceding Portfolio Committee. An invitation in this regard will be extended to the Commission.

- b) Respond to the questions around the section 22 committee as raised in the various letters addressed to the Portfolio Committee and in the memorandum addressed to the President. The Committee Secretariat to share all this correspondence with the Commission.

The Honourable S. van Wyk to:

- c) Table a concrete and focused complaint to the Commission around the perceived marginalisation of Afrikaans hip hop as to be specific about the matter and not discuss it in general terms.

Report to be considered.
