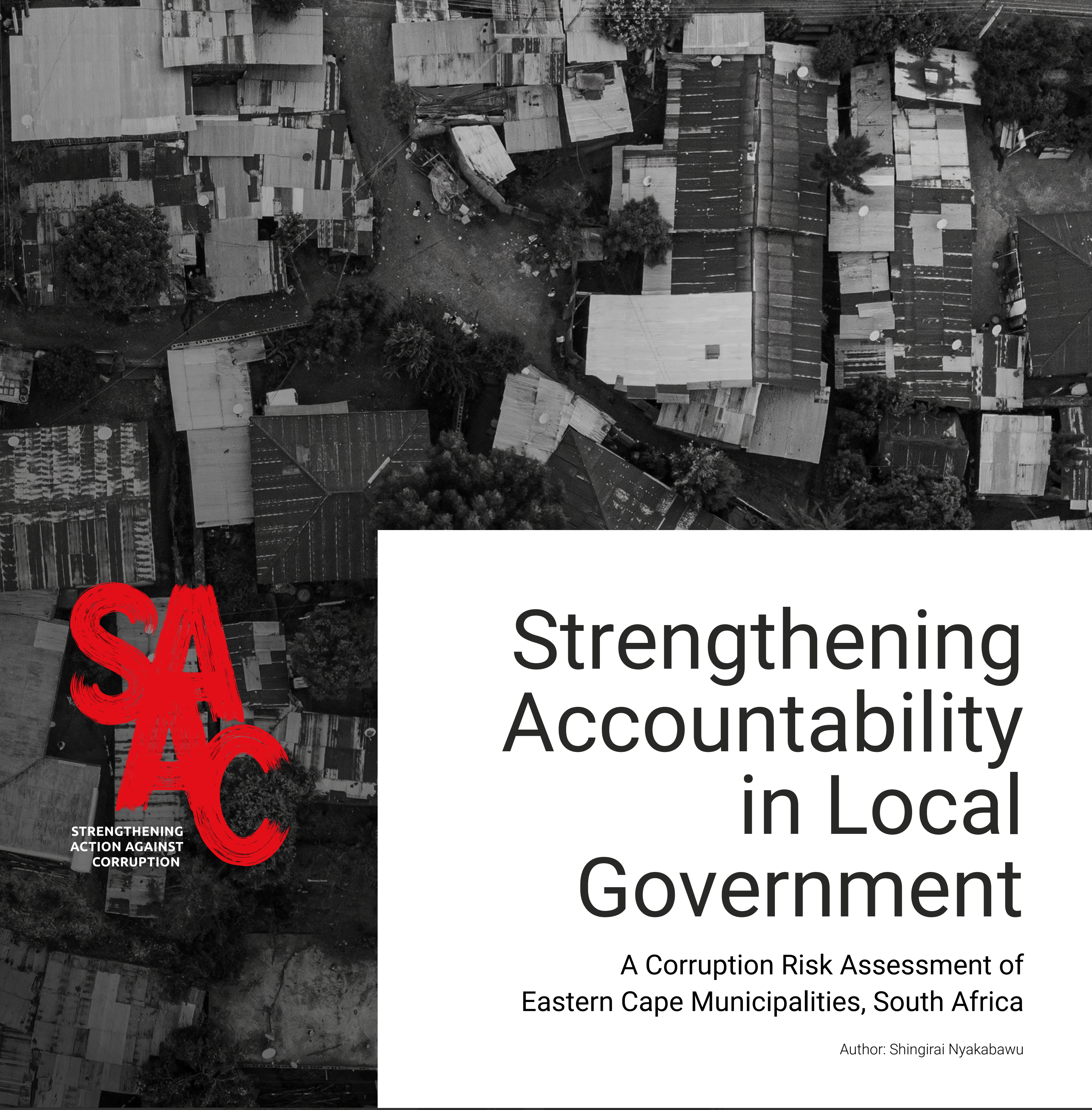

Strengthening Accountability in Local Government

A Corruption Risk Assessment of Eastern Cape Municipalities, South Africa

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CORRUPTION

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Strengthening Action Against Corruption

Inside the Report

Executive Summary

This report presents findings from a corruption risk assessment of nine municipalities in the Eastern Cape province, with a focus on procurement, recruitment, and financial management processes.

Data were collected by fieldworkers across Nelson Mandela Bay Municipality (NMBM), Buffalo City Metropolitan Municipality (BCMM), Nyandeni, Emalahleni, Senqu, Makana, Kouga, Ingquza Hill, and Umzimvubu municipalities. Focus group discussions constituted the primary qualitative method, conducted with civil society stakeholders and community residents. These engagements were supported by documentary analysis, including Auditor-General of South Africa (AGSA) reports across successive audit cycles, municipal policies, and newspaper articles. However, engagement with municipal officials was constrained by institutional reluctance to participate in the research process.

Key findings show that corruption risks are concentrated within financial management, procurement, and recruitment systems. In financial management, risks relate mainly to unauthorised expenditure and failure to respond to audit findings, with municipalities such as Makana reflecting systemic breakdowns in record-keeping through repeated disclaimer audits. Procurement risks are highest during the needs assessment and contract management phases, where weak oversight creates opportunities for irregularities. In recruitment, the prolonged use of acting positions in Nelson Mandela Bay functions as an informal patronage mechanism that bypasses merit-based appointments.

Despite these challenges, the assessment also identified pockets of resilience. Senqu Municipality demonstrates how sustained clean audits can be achieved through layered assurance systems, while improvements in Kouga and Umzimvubu indicate that strengthened oversight can reverse patterns of mismanagement.

Introduction

Municipalities represent the "coalface" of the South African developmental state, where government policy meets the daily realities of citizens. In the Eastern Cape, however, the promise of essential service delivery is increasingly undermined by institutional decay. Since 2022, the Hawks have investigated corruption-related matters in 17 of the province's 39 municipalities (Corruption Watch, 2025)[1], while the National Prosecuting Authority (NPA)[2] has secured notable convictions involving the diversion of public resources.

When recruitment is unduly influenced or procurement is manipulated, the consequences extend beyond technical compliance failures; it is a water pump that remains broken, a road that stays unpaved, and refuse that remains uncollected. The widening gap between public expenditure and lived conditions of communities reveal that corruption has shifted from isolated administrative lapses into a systemic leakage of public resources that directly erodes the well-being of the province's most vulnerable residents.

In response to these challenges, the Strengthening Action Against Corruption (SAAC) project seeks to bridge information asymmetries between municipal institutions and communities. Funded by the European Union and implemented through a partnership between Transparency International (TI), Corruption Watch, and the Social Change Assistance Trust (SCAT), the initiative supports community-based organisations (CBOs) and community advice offices (CAOs) across the Eastern Cape. This assessment serves as a technical "map" for these civic actors, using a decision-stage analytical framework to identify discretion points where risks of corruption are most likely to arise.

CORRUPTION RISK ASSESSMENT

A corruption risk assessment is a diagnostic instrument designed to identify weaknesses within systems that may create opportunities for corruption to occur. TI defines it as a preventive tool that examines processes, controls, and institutional arrangements to determine where vulnerabilities exist and how they may be mitigated (TI, 2011)[3]. Similarly, Corruption Watch (2022)[4] underlines that risk assessment evaluates both the susceptibility of systems to exploitation and their capacity to prevent, detect, and respond to corrupt conduct. A risk assessment can be organisation-wide or targeted at specific functions, projects, or operational areas.

Building on these definitions, the purpose of a corruption risk assessment is not to determine whether corruption has already occurred, nor to identify individual perpetrators. Rather, it focuses on identifying structural exposure to corruption before misconduct materialises. This approach differs from perception-based surveys or forensic investigations. This distinction can be clarified along three dimensions:

Preventative vs reactive:

it centres on the potential for corruption rather than its proven existence or magnitude (TI, 2011).

Systematic vs individual:

it shifts analytical focus from individual wrongdoing to institutional design and systemic exposure. It recognises that corruption risk is often produced by structural weaknesses rather than isolated ethical failure.

Impact-orientated:

At its core, a risk assessment evaluates both the likelihood of corruption, and the potential institutional impact should it occur.

A corruption risk assessment allows for analysis of systemic vulnerabilities embedded within policies, administrative procedures, and decision-making processes. It maps operational stages, identifies discretion points, evaluates risk exposure, and proposes mitigation measures aimed at strengthening institutional integrity and accountability. In applying this approach, this assessment focuses on three key functional domains.

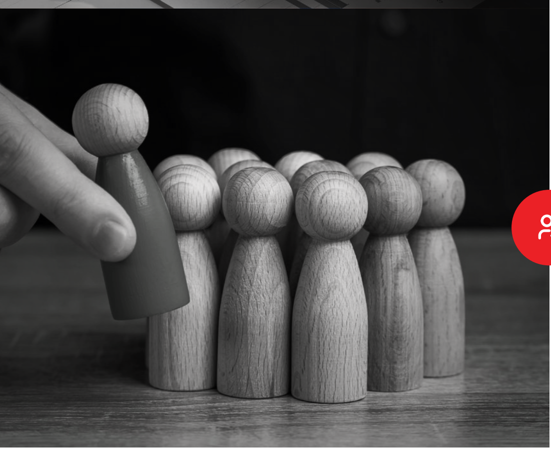
These domains, namely procurement, recruitment, and financial management, are characterised by elevated corruption exposure, although they constitute central instruments of municipal authority and resource control:

Procurement

Procurement constitutes one of the highest corruption risk areas within municipal governance due to opportunities for abuse of power, bribery, patronage, favouritism, peculation, nepotism, and misappropriation[5]. Ribbon-cutting ceremonies marking projects such as roads and bridges are often politically attractive because they signal visible delivery. However, they also incentivise corruption, as projects may be prioritised less for their social or economic value and more for the opportunities they create for kickbacks, patronage, and political gain[6].

Financial management

In parallel, recruitment shapes the competence, independence, and ethical orientation of the administrative system. Corruption risks in recruitment pose significant institutional threats, as the appointment of unqualified or incompetent personnel weakens administrative capacity and undermines effective municipal service delivery.



Recruitment

Complementing these domains, financial management governs revenue collection, budgeting, expenditure control, and statutory reporting and is central to economic and infrastructural development in local governmen[t7]. Where financial management systems are weak, risks of irregular expenditure, resource misallocation, and poor service delivery increase significantly, making it a critical domain for corruption risk assessment[8].

[1]Corruption Watch. 2025. About the SAAC Project. https://www.corruptionwatch.org.za/strengthening-action-against-corruption-saac-about-2/ [2]National Prosecuting Authority. 2022. NPA's municipal corruption crackdown in the Eastern Cape. https://www.npa.gov.za/media/npas-municipal-corruption-crackdown-eastern-cape [3]Transparency International. 2011. Corruption Risk Assessment and Management Approaches in the Public Sector [4]Corruption Watch. 2022. Risk assessment – what is it and how does it help fight corruption? https://www.corruptionwatch.org.za/risk-assessment-what-is-it-and-how-does-it-help-fight-corruption/ [5]Lyra, M.S., Damásio, B., Pinheiro, F.L. and Bacao, F., 2022. Fraud, corruption, and collusion in public procurement activities, a systematic literature review on data-driven methods. Applied Network Science, 7(1), p.83. [6]Graycar, A., 2019. Mapping corruption in procurement. Journal of Financial Crime, 26(1), pp.162-178. [7]Mantzaris, E.A., 2014. Municipal financial management to fight corruption and enhance development: A holistic approach. https://repository.up.ac.za/items/c2d0ea0b-1138-40e7-803a-76a6a9c15fb5 [8]Laubscher, L.H., 2012. Challenges on financial control and accountability in South African municipalities. Journal for New Generation Sciences, 10(1), pp.63-79.

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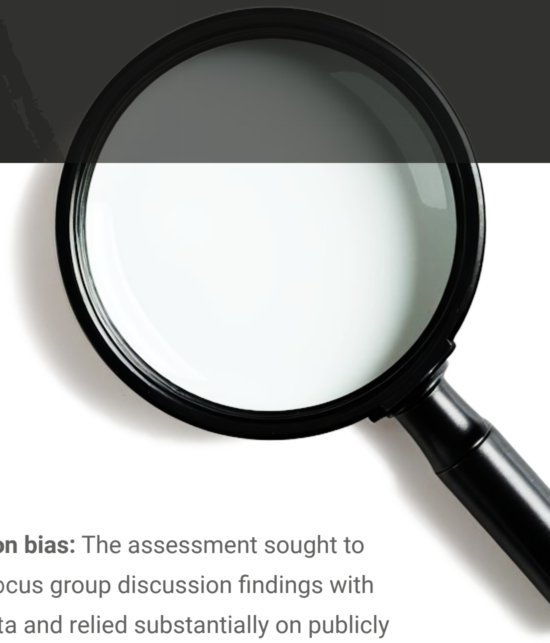
Methodology

This corruption risk assessment used a context-specific methodology developed with project partners, CAOs, and CBOs in the Eastern Cape. The framework focused on corruption risks within public procurement, financial management, and recruitment, with attention given to key decision points where officials exercise discretion over budgets, appointments, and procurement. Further methodological details can be accessed here[9]. Data were collected across nine Eastern Cape municipalities using a standardised assessment template administered by trained fieldworkers through focus group discussions (FGDs) and document reviews. The study also drew on AGSA reports, municipal governance and budget documents, and newspaper reports.



Challenges in accessing municipalities

The study initially planned to include interviews with municipal officials involved in decision-making. However, direct engagement proved difficult, as approval procedures were bureaucratic and time-consuming. Approval was ultimately granted only in Nelson Mandela Bay Metropolitan Municipality, but the interviews were scheduled for March 2026, which fell outside the project timeline ending in December 2025. This limited access to internal administrative perspectives and necessitated greater reliance on documentary evidence to supplement the FGDs.

Ethics and limitations

Strict ethical protocols were observed during all focus group engagements. Informed consent was obtained prior to participation. Participants were briefed on the purpose of the study, its non-investigative nature, and the voluntary basis of engagement. Participant anonymity was ensured to all participants, and no identifying information was disclosed in the report. Instead, responses are presented using generic identifiers such as “FGD participant in X municipality” to protect confidentiality while preserving analytical value. The following limitations should be noted to contextualise the findings:

- **Documentation bias:** The assessment sought to corroborate focus group discussion findings with secondary data and relied substantially on publicly available documentation. However, the availability of evidence varied across municipalities. Metro municipalities such as Nelson Mandela Bay and Buffalo City had extensive documentation, while Makana also had relatively strong coverage due to sustained activism and media attention. In contrast, municipalities such as Kouga, Emalahleni, and Senqu had limited media coverage and publicly available records, with some yielding only a few reports over several years. This uneven distribution of evidence may have affected the depth of analysis across cases.

- **Non-forensic scope:** The study did not involve forensic financial investigation. It therefore does not quantify financial losses beyond amounts already reflected in publicly reported audit findings.

[9] Duri, J. 2025. Toolkit for assessing corruption risks in local municipalities of South Africa: focus on financial management, procurement and recruitment processes https://www.corruptionwatch.org.za/wp-content/uploads/2025/12/Corruption-Risk-Assessment-Toolkit_Digital.pdf

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Corruption risks in financial management: key findings

Effective financial management is central to the credibility, performance, and sustainability of any municipality. Prudent fiscal stewardship ensures that public funds are allocated in a transparent manner to address community needs. Core financial responsibilities include budgeting, spending, payroll administration, financial reporting, and audit responsiveness. These functions are essential for delivering infrastructure, sanitation, electricity, healthcare, and other basic services.

Municipal financial management is guided by the Municipal Finance Management Act (MFMA)[10], Municipal Structures Act (MSA)[11], Municipal Standard Chart of Accounts (mSCOA)[12], National Treasury regulations, and internal mechanisms such as budget policies, supply chain management (SCM) policies, payroll policies, and audit and internal control frameworks.

Despite these regulatory and institutional frameworks, the assessment identifies vulnerabilities across the financial management cycle, which undermine transparency and create opportunities for financial mismanagement and corruption.

Corruption risks in budget formulation

An open budget formulation process requires municipalities to release draft budgets early, disclose the assumptions informing revenue and expenditure projections, and clearly explain the rationale behind spending priorities and allocations. This helps to build trust between decision-makers and communities. The Municipal Systems Act (2000), Section 16, requires municipalities to promote participatory governance by creating mechanisms that enable local communities to participate in municipal affairs, including integrated development planning, budgeting, and strategic service delivery decisions[13].

In many municipalities, draft budgets and preliminary financial information are not consistently made available for public inspection. This limits residents' ability to understand how municipal project priorities and spending decisions are determined. This enables arbitrary allocation of resources or internal adjustments without clear justification.

In BCMM, a FGD participant stated that "the municipality does not involve the public in the Integrated Development Plan (IDP) process" and instead "invite their comrades... they do not invite the public." Similarly, in Makana, a FGD participant reported inaccessible meetings, inadequate notice periods, and rushed consultations, with one participant noting that "the IDP session was held at 17h00 in a community hall where the lights do not work."

These conditions create corruption risks through tokenist consultation practices, lack of oversight over budget formulation processes, abuse of power in decision-making, and the inflation of proposed budget allocations and project costs.

[10]Republic of South Africa. (2003). Municipal Finance Management Act, No. 56 of 2003 [11]Republic of South Africa. (1998). Municipal Structures Act, No. 117 of 1998 [12]National Treasury. 2026. Municipal Standard Chart of Accounts (mSCOA) eLearning https://lg.treasury.gov.za/ibi_apps/portal/Municipal_Chart_of_Accounts (accessed 02/04/2026) [13]Republic of South Africa. (1998). Municipal Structures Act, No. 117 of 1998

Corruption risks in spending authorisation and financial reporting

Municipal expenditure must be lawful and aligned with the approved annual or adjusted budget. Spending authorisation is governed by delegations of authority and strict procedural requirements. Transparent financial reporting enables oversight bodies and communities to track expenditure and detect irregularities. Under Section 126(2) of the MFMA, municipalities must submit annual financial statements to the AGSA within two months of the financial year end. The AGSA (2023/24) highlighted the need for improvements in financial management and accountability across municipalities. While Nelson Mandela Bay, Buffalo City, and Makana submitted financial statements within the legislated timeframe, the quality of these submissions was inadequate, with material weaknesses identified during the audit process[14].

In contrast, municipalities such as Kouga, Senqu, and Umzimvubu did not receive findings on the financial statements submitted for auditing, indicating comparatively stronger financial reporting practices. Makana Municipality has experienced consecutive disclaimer audit opinions, indicating a sustained breakdown in financial management and record-keeping. This has prompted an investigation by the Special Investigating Unit to examine unauthorised, irregular, and wasteful expenditure, as well as any unlawful or improper conduct by municipal officials, employees, suppliers, or service providers[15]. Oversight structures such as the municipal public accounts committee (MPAC) in Makana appear unable to enforce consequences effectively, with the AGSA (2023/24) noting "Leadership did not effectively fulfil its oversight responsibilities on implementing and monitoring internal controls and compliance with laws and regulations"[16].

In BCMM, irregular expenditure reached R1.32-billion in 2023/24. Funds allocated for essential services have been diverted[17]. Prolonged vacancies in NMBM in key positions, including municipal manager and chief financial officer, have undermined segregation of duties and weakened review processes[18]. For example, in its 2023/2024 audit, the AGSA issued a qualified opinion on NMBM's financial statements, citing "the metro had a senior management vacancy rate of 60%, a vacant chief financial officer position and a suspended city manager. The council did not fill the senior management vacancies as it was also unstable because the mayor changed during the year."[19].

Even municipalities with improved audit outcomes remain exposed. In Umzimvubu, criminal investigations in January 2025 led to arrests linked to fraudulent vouchers and bogus transactions exceeding R2-million. This demonstrates that formal audit improvement does not eliminate operational risk[20]. The AGSA flagged the possibility that Nyandeni made payments for infrastructure goods and services that were never delivered[21]. Such findings highlight systemic weaknesses in spending authorisation, exposing the municipality to risks of ghost projects, overbilling, and collusion between officials and suppliers.

Across municipalities, FGDs also highlighted year-end "rush spending", where accelerated procurement following underspending on capital projects creates opportunities for inflated pricing, weak due diligence, and collusion. These conditions expose municipalities to embezzlement, inflated expenditure, and unauthorised spending, ultimately diverting resources away from essential service delivery and undermining fiscal discipline.

[14]AGSA. 2024. Eastern Cape province. https://mfma-2024.agsareports.co.za/province/eastern-cape [15]Amner, R. 2025. Makana Municipality is 'actively harming' residents – AG report https://grocotts.ru.ac.za/2025/05/31/makana-municipality-is-actively-harming-residents-ag-report/ [16]Eliss, E. 2024. SIU launches comprehensive investigation into Makana municipality's five-year service delivery crisis. https://www.dailymaverick.co.za/article/2024-10-24-siu-launches-comprehensive-investigation-into-makana-municipalitys-five-year-service-delivery-crisis/ [17]Dingito, C. 2025. Buffalo City Metro under fire for audit and governance failures https://elitshanews.org.za/2025/03/14/buffalo-city-metro-under-fire-for-audit-and-governance-failures/ [18]AGSA. 2025. Eastern Cape Province. https://mfma-2024.agsareports.co.za/pages/province-eastern-cape [19]Auditor General. 2024. Nelson Mandela Bay. https://mfma-2023.agsareports.co.za/municipality/1-nelson-mandela-bay-metro [20]Daily Dispatch. 2025. Preservation order granted in alleged R2.1m fraud case at Umzimvubu municipality https://www.dailydispatch.co.za/news/2025-06-15-preservation-order-granted-in-alleged-r21m-fraud-case-at-umzimvubu-municipality [21]AGSA. 2025. Nyandeni Local Municipality. https://mfma-2024.agsareports.co.za/municipality/1-nyandeni

Corruption risks in payroll management

Payroll systems represent high-frequency transaction environments. Integrity in payroll management ensures salaries are paid only to legitimate employees.

The risk of ghost workers emerged as a significant concern. In Nyandeni, an FGD participant remarked that there was “inconsistent documentation for acting allowances and overtime”. In NMBM, failures to verify employees on the payroll contributed to reports of millions lost to ghost workers[22,23]. In Umzimvubu, an FGD participant noted that “salaries are paid but the person does not even work here”. In BCMM, an FGD participant linked weak consequence management to concerns over “fictitious employees or unauthorised appointments on the payroll”. In Kouga, an FGD participant raised concern about inconsistent documentation for overtime, acting allowances, and contract amendments that create opportunities for unauthorised payroll adjustments.

These weaknesses expose municipalities to risks of ghost workers, duplicate payments, and inflated salary claims, diverting resources away from service delivery. By contrast, Senqu Municipality demonstrated stronger payroll governance through regular payroll audits, employee verification processes, PERSAL testing, and cross-referencing with SARS and Home Affairs records, supported by disciplinary and recovery measures where irregularities are detected.

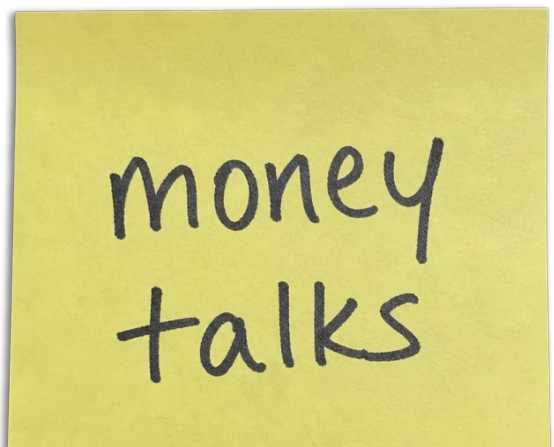
Drivers of financial management corruption risks

The systemic risks identified in the preceding sections are not incidental; they are sustained by specific structural and institutional drivers. These enabling factors create a permissive environment where financial regulations can be bypassed with limited oversight or resistance.

INADEQUATE RESPONSE TO AUDIT FINDINGS

Effective governance requires decisive action on audit findings. Failure to respond effectively to audit findings creates conditions in which financial irregularities become normalised and repeated over time. When audit recommendations are not implemented, weaknesses in internal controls, procurement oversight, and expenditure verification remain unresolved, allowing opportunities for corruption, manipulation, and unauthorised expenditure to persist. Over five years, the AGSA has issued qualified and adverse audit opinions for NMBM, with only one unqualified audit outcome recorded in 2022/23[24]. These audit outcomes highlight recurring weaknesses in financial controls and irregular expenditure and indicate that prior misstatements and control deficiencies have not been fully corrected[25]. Similarly, in BCMM, qualified audit outcomes continue due to weaknesses in procurement, contract management, and consequence management2[6]. BCMM was the highest contributor to irregular expenditure in the Eastern Cape, accounting for R1.31-billion. This constituted a significant portion of the province’s overall non-compliant municipal spending for the 2023–2024 period[27].

[22]https://www.facebook.com/TheHeraldNMB/posts/nelson-mandela-bay-may-be-bleeding-millions-of-rand-to-more-than-50-ghost-employ/860482493181036/ [23]Nkosi, M. 2025. Should Metro Call Ghost Busters. https://www.theherald.co.za/politics/2025-11-09-should-metro-call-ghostbusters/ [24]Auditor General. 2024. Nelson Mandela Bay Metro. https://mfma-2023.agsareports.co.za/municipality/1-nelson-mandela-bay-metro [25]Ellis. E. 2025. Auditor-General's damning findings reveal Nelson Mandela Bay's struggles with waste and mismanagement https://www.dailymaverick.co.za/article/2025-02-05-auditor-generals-damning-findings-reveal-nelson-mandela-bays-struggles-with-waste-and-mismanagement/ [26]Dingito, C. 2025. Buffalo City Metro under fire for audit and governance failures https://elitshanews.org.za/2025/03/14/buffalo-city-metro-under-fire-for-audit-and-governance-failures/ [27]Dingito, C. 2025. Buffalo City Under Fire for Audit and Governance Failures. https://elitshanews.org.za/2025/03/14/buffalo-city-metro-under-fire-for-audit-and-governance-failures/



More severely, in Makana, the AGSA repeatedly found that leadership failed to act on previous findings and did not monitor recovery plans. The AGSA further noted that the municipal manager's action plans were inadequate, and that executive leadership failed to respond to prior finding. Oversight by the mayor, council, and provincial treasury was also ineffective resulting in active harm to the citizens[28]. In 2020, the Eastern Cape High Court ordered the dissolution of the Makana municipal council, but the municipal council ignored the High Court order and remained in office until the end of its elected term in 2021[29]. This reflects a deeper institutional failure, where even binding judicial authority does not translate into administrative compliance. In addition, in Nyandeni, repeated deficiencies in supply chain documentation, asset management, and financial reporting indicate weak implementation of corrective measures[30].

CAPACITY CONSTRAINTS AND LEADERSHIP DEFICITS

The limited implementation of audit recommendations is closely linked to capacity constraints and leadership deficits within municipal administrations. Key technical, compliance, and managerial positions remain vacant, are filled in acting capacities, or are occupied by individuals lacking requisite qualifications. Constant turnover in strategic posts disrupts continuity, reduces institutional memory, and creates opportunities for unauthorised expenditure and payroll manipulation. In Nyandeni, the 2022/23 MPAC foreword explicitly mentions "high turnover at senior administrative leadership"[31]. In NMBM, the AGSA's 2023/2024 qualified audit opinion cited weak internal financial controls, lack of accountability, and leadership instability[32]. This reflects governance failures rather than isolated technical errors[33].

In Makana, the history of administrative and political instability means that there is no leadership tone from the top[34]. The AGSA 2023/2024 noted in respect of Makana that "Leadership did not effectively fulfil its oversight responsibilities on implementing and monitoring internal controls and compliance with laws and regulations. The audit action plan was not effectively monitored and implemented"[35]. Persistent non-compliance means officials may continue approving irregular transactions and failing to verify expenditure, with little risk of detection or sanction, thereby increasing municipal vulnerability to corruption and financial loss.

WEAK OVERSIGHT AND INADEQUATE CONSEQUENCE MANAGEMENT

Oversight mechanisms exist formally but are unevenly enforced. Audit findings are not consistently acted upon. Municipal councils and municipal public accounts committees are often politically aligned with executive leadership. Provincial Department of Cooperative Governance and Traditional Affairs (CoGTA) interventions may lack sustained enforcement capacity. National Treasury powers, while significant on paper, are typically triggered only after significant deterioration has occurred. This institutional failure was reflected in the 2020 Eastern Cape High Court ruling on Makana Municipality, where the court stated that government respondents had been "resting on their laurels for an inordinately lengthy period of time" and that, without civil society intervention, "'same old, same old' would have remained the order of the day, with Makana continuing to deteriorate at the rate it has been doing."[36]

[28]Grocotts Mail. (2024, May 31). Makana Municipality is actively harming residents: AG report. Retrieved from https://grocotts.ru.ac.za/ [29]Unemployed People's Movement v The Minister of Cooperative Governance and Traditional Affairs, Case No. 995/2018 [30]AGSA. 2025. Nyandeni Local Municipality. https://mfma-2024.agsareports.co.za/municipality/1-nyandeni [31]Nyandeni. 2024. Nyandeni Local Municipality Oversight Report 2022/33 https://nyandenilm.gov.za/storage/documents/363daf32cf7b35cf193be362d54c591d.pdf [32]The Herald. 2025. Report flags political bias instability and unqualified staff in municipality https://www.theherald.co.za/news/2025-04-07-report-flags-political-bias-instability-and-unqualified-staff-in-municipality/ [33]Ibid. [34]PMG. 2022. Report of the Portfolio Committee on Cooperative Governance and Traditional Affairs on Oversight Visit to Makana 16-19 September 2022, dated 25 October 2022 https://pmg.org.za/tabled-committee-report/5168/ [35]Ellis, E. SIU launches comprehensive investigation into Makana municipality's five-year service delivery crisis https://www.dailymaverick.co.za/article/2024-10-24-siu-launches-comprehensive-investigation-into-makana-municipalitys-five-year-service-delivery-crisis/ [36]Ibid.

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Corruption risks in procurement

Municipal procurement is the primary interface between public funds and the private sector. It is governed by a rigorous set of frameworks including the Supply Chain Management (SCM) Policy, aligned with the Municipal Finance Management Act (MFMA), the Preferential Procurement Policy Framework Act (PPPFA), and Broad-Based Black Economic Empowerment (B-BBEE) principles. While these frameworks are designed to promote fairness, transparency, competitiveness, and economic transformation, the assessment identifies systemic failures across the procurement lifecycle.

Corruption risks at needs assessment

The needs assessment stage is foundational to procurement because it determines which projects are prioritised and how public resources are allocated. Ideally, this process should align procurement decisions with IDPs and service delivery and budget implementation plans. However, across municipalities, limited transparency in procurement planning creates opportunities for undue political influence in project prioritisation, favouritism in procurement planning, and abuse of emergency procurement provisions, undermining fairness, accountability, and value for money in service delivery.

In NMBM, an FGD participant highlighted exclusionary and opaque procurement planning as a key risk, noting that “procurement plans and decisions are not made public”, while decisions are taken internally by municipal officials, limiting opportunities for “new businesses and local service providers to participate in the tendering process”. Similarly, an FGD participant in BCMM stated that communities “only see when those projects arrive on site”, with little understanding of how municipal priorities are determined. This lack of transparency weakens public scrutiny and increases the risk that projects reflect political interests rather than actual community needs.

Another major vulnerability relates to the use of non-competitive and emergency procurement processes. While such mechanisms may be necessary in exceptional circumstances, they create opportunities for favouritism, inflated pricing, and the appointment of politically connected individuals or preferred suppliers outside open competition. Risks are further heightened in procurement below prescribed thresholds, particularly below R200 000, where simplified procedures and reduced scrutiny allow repeated low-value awards to the same service providers, enabling incremental forms of procurement manipulation and collusion.

Corruption risks in tender advertisements

Transparent and widely advertised tender processes are essential for fair competition and value for money. However, weaknesses at the tender advertisement stage create opportunities for collusion, advance disclosure to preferred bidders, and manipulation of procurement outcomes. In BCMM, an FGD participant stated:

> While the tender system appears transparent, with public and timely advertisements, there are some underlying weaknesses. The process is implicitly predetermined, with deals sealed before the tender is advertised, and preferred bidders being privately informed and provided with advantageous information.

Such practices create an uneven playing field, undermine fair competition, and increase the likelihood of inflated pricing and predetermined outcomes. Another FGD participant in BCMM stated:

> Sometimes certain individuals who are associated or linked with members of the tender-awarding committee receive privileged information. This includes receiving actual information about how to obtain tenders, predetermined outcomes, and leaked details such as where to file bidding documents and how to win tenders. Meanwhile, those not connected to someone inside the committee hardly ever receive tenders.

Concerns regarding collusion and advance disclosure were reinforced after the assessment, where a businessman allegedly thanked BCMM for tender specifications days before the advertisement was issued[37]. The AGSA 2023/24 also said in BCMM, some invitations for competitive bidding were not advertised for the required minimum period[38]. The AGSA 2023/24 also flagged serious procurement irregularities, such as goods and services valued above R750 000 procured without inviting competitive bids, in violation of supply chain management regulations[39]. These practices suggest deliberate restriction of competition through inadequate advertisement periods and selective dissemination of tender information, reducing competition and weakening value for money in procurement processes.

In Nyandeni, AGSA identified missing or incomplete procurement documentation, including advertisement records, making it difficult to verify whether tenders were publicly advertised for the prescribed period[40]. In Emalahleni, FGD participants in Dordrecht reported that tenders are often advertised only in Lady Frere, limiting access for suppliers in other areas and reinforcing perceptions of exclusion. Such practices restrict equal participation and create opportunities for favouritism by limiting awareness of tender opportunities to a narrow group of suppliers.

Corruption risks in shortlisting of tenders

An impartial shortlisting process is essential to ensure merit-based competition. However, where evaluation criteria are vague, inconsistently applied, or influenced by political and personal interests, opportunities for favouritism, bribery, and collusion increase significantly.

Across municipalities, FGD participants raised concerns that certain contractors are repeatedly shortlisted regardless of past performance. In Umzimvubu, an FGD participant stated that “certain contractors are repeatedly shortlisted”, suggesting that the process is “not open or competitive”. Such patterns create perceptions of favouritism and weaken confidence in the integrity of procurement systems. Other FGD participants in Umzimvubu criticised the lack of transparency in the shortlisting processes, noting that “we only hear who won, but we never see why” and “there is no explanation of how the scores were given”.

Similarly, another BCMM participant stated that tender committees are dominated by politically aligned individuals. An FGD participant remarked that:

> "The tendering process in the municipality is like being a player and referee at the same time. Those on the tender committee mainly carry a membership card of the ruling party. Almost every department at the municipality has an ANC person strategically positioned to safeguard the interests of those with common political interests. These individuals influence processes, procedures, and outcomes because they are the ruling party and have presiding votes over everything happening at the municipality".

Another FGD participant in BCMM further alleged that "officials demand bribes or other forms of compensation in exchange for awarding tenders", illustrating risks of bribery and collusion in evaluation processes. Such practices distort competition, inflate costs, and increase the likelihood that contracts are awarded to less qualified suppliers.

In NMBM, FGD participants raised concerns regarding supplier collusion, inflated, pricing and the alleged awarding of tenders to "friends, family members, or political associates." Risks are heightened where shortlisting decisions are concentrated in individuals rather than committees, increasing opportunities for abuse of power and arbitrary inclusion or exclusion of suppliers. In Nyandeni, FGD participants alleged that evaluation committee members received "pre-marked documents" or were "advised" on preferred bidders before scoring began, suggesting manipulation of evaluation processes and potential undeclared conflicts of interest within procurement decision-making structures.

Corruption risks in tender awards

The weaknesses at the shortlisting stage significantly increase the likelihood of downstream procurement irregularities. Tender awards should be governed by clear and objective criteria, with transparency reinforcing accountability and public trust. However, corruption risks arise where final award decisions appear biased, irregular, or inconsistent with evaluation outcomes, including the awarding of contracts to bidders who do not meet key requirements, or unexplained changes to scoring and evaluation criteria.

In Ingquza Hill, a judicial finding ruled that the municipality failed to properly publicise a bid award and did not inform an unsuccessful bidder, breaching transparency obligations[41]. Such failures in disclosure limit public scrutiny and create opportunities for favouritism and manipulation of award outcomes.

In Makana, contracts worth millions were awarded without proper competitive processes, while the AGSA repeatedly cited uncompetitive and unfair procurement practices, with accumulated irregular expenditure exceeding R2-billion. This reflects manipulation in evaluation and adjudication processes. Accordingly, the SIU is currently investigating the following tenders awarded: Makana Bulk Sewer Upgrade Phase 1, Professional Engineering Services for Groundwater Development, Water Conservation and Demand Management, Re-appointment of MBB Consulting for Water Conservation, Electrification of Greater Makana Areas, Municipal Internet Services, and Operation of the Makana Landfill Site[42].

In BCMM, the AGSA 2023/2024 audit report reveals discrepancies in tendered amounts: where the tendered amount per the bid closing register differed to the tendered amount per the bidding documents and award letter by approximately R1-million[43]. A second bid register, also dated 31 May 2022, was later submitted, reflecting a different amount. These misalignments may indicate potential procurement irregularities.

The same AGSA 2023/2024 audit report also attests that persons in the service of BCMM had a private or business interest in contracts awarded by the municipality but failed to disclose such interest, in contravention of SCM Regulation 46(2)(e) and the code of conduct for staff members issued in terms of the Municipal Systems Act. Non-disclosure of evaluation outcomes, bid results, and conflicts of interest weakens transparency, limits accountability, and increases opportunities for kickbacks, political patronage, and procurement decisions that favour politically or personally connected suppliers.

Corruption risks in contract management

Contract management is a major area of vulnerability. Even where procurement and award processes are formally compliant, weak contract monitoring and enforcement undermine project implementation and service delivery outcomes. FGD participants across municipalities reported delays in project completion, inadequate performance monitoring, and continued payments to contractors despite failure to meet contractual specifications.

In NMBM, non-compliance with contract terms was evident in a case where procurement exceeded the budget by roughly R24-million, even though delivered materials were insufficient and subsequent verification found many of the installed units either missing or unusable . Such weak monitoring and enforcement of contractual obligations increase opportunities for payment for non-performance and substandard delivery, resulting in financial losses and poor service delivery outcomes.

In BCMM, participants cited “white elephant” projects, including the Mdantsane Swimming Pool and Court Crescent recreational park, as examples of misaligned spending where the municipality has spent over R56.9-million on the pool between 2012 and 2024 with little progress. An additional R14.5-million was proposed for rehabilitation and completion. More than 60 companies, some linked to BCMM officials, received payments and over R13.7-million paid to 46 service providers who were not involved in the project . Such patterns suggest risks of misallocation of funds, inflated project costs, and weak accountability over contractor performance.

An FGD participant in BCMM stated that “if one of their comrades or allies, who they've awarded a tender to, is not performing, it's difficult to hold them accountable”, suggesting that political relationships undermine enforcement of contractual obligations. Similarly, in Makana, an FGD participant noted that communities often only learn contractor details “after they have either deserted the project without finishing it or having provided a substandard service”. In Umzimvubu, an FGD participant further reported that “projects take months longer than planned, but the contractor still gets paid”, while “deadlines do not seem to matter”. These findings point to weak contract oversight and limited monitoring of supplier performance, creating conditions for bribery and collusion where contractors continue receiving payments despite delays or non-performance.
The absence of public project updates, particularly for delayed projects, further weakens accountability and increases the risk of ghost projects and failure to deliver goods or services within agreed timelines.

Drivers of procurement corruption risks

The procurement lapses detailed in the previous section, ranging from selective advertising to the payment of "ghost" contractors, are not merely administrative failures. They are the visible symptoms of much deeper institutional and political drivers. While the procurement lifecycle provides the opportunity for corruption, the factors detailed in this section create conditions that enable such conduct to persist.

UNSTABLE COALITIONS, ADMINISTRATIVE INSTABILITY, AND CONFLICTS OF INTEREST

Political instability and factional competition significantly enable procurement risk. In NMBM, FGD participants noted that unstable coalition governments and internal factional battles create environments where appointments and tenders become negotiating tools rather than instruments of service delivery. As already noted elsewhere, NMBM has experienced high turnover in senior management positions, resulting in prolonged acting appointments that contribute to institutional instability and weak administrative continuity.
High numbers of acting managers further weaken institutional independence, as acting officials often lack the authority and stability required to resist political pressure. This creates decision-making environments where procurement outcomes are shaped more by political negotiation than compliance with procurement regulations and administrative procedures.

Across municipalities, the AGSA 2023/2024 report noted that municipal officials have been found to conduct business with municipalities without declaring conflicts of interest. In Makana, Amner (2025) identified the supply chain management office as a key site of corruption, illustrating this through several governance and procurement irregularities . These included the endorsement of a conflicted chief financial officer without proper due diligence, support by ANC councillors for unlawful and irregular procurement contracts that did not comply with procurement legislation, failure to publish service delivery contracts and committee records on the municipality's website, and the writing off of millions of rands in unauthorised, fruitless, and irregular expenditure without accountability or approval from the MEC or minister of finance.

Inadequate responses to audit findings further entrench procurement vulnerabilities. Auditor-General findings repeatedly identify irregular tender processes alongside weak implementation of corrective measures. Where irregularities are not investigated promptly, disciplinary action is delayed, or where oversight committees lack independence, non-compliance becomes normalised within institutional practice. Weak consequence management reduces deterrence and signals tolerance for procurement irregularities, reinforcing conditions under which corruption risks can persist.

[37]Maliti, S. 026. Chippa Mpengesi thanked BCM officials for alleged tender specs leak 4 days before ad https://www.news24.com/politics/chippa-mpengesi-thanked-bcm-officials-for-alleged-tender-specs-leak-4-days-before-ad-20260311-1194
[38]Dingito, C. 2025. Buffalo City Under Fire for Audit and Governance Failures. https://elitshanews.org.za/2025/03/14/buffalo-city-metro-under-fire-for-audit-and-governance-failures
[39]Ibid.
[40]AGSA. 2025. Nyandeni Local Municipality. https://mfma-2024.agsareports.co.za/municipality/1-nyandeni
[41]Kuzobalula v Ingquza Local Municipality and Another (4797/2023) [2024] ZAECMHC 16 (28 March 2024)
[42]Central News. 2024. SIU Investigates Alleged Maladministration in Makana Municipality: Evidence Seized in Search Operation
[43]https://centralnews.co.za/siu-investigates-alleged-maladministration-in-makana-municipality-evidence-seized-in-search-operation/
[44]AGSA.2024. Buffalo City Metropolitan Municipality. https://mfma-2023.agsareports.co.za/district/1-buffalo-city-metro/
Mail and Guardian. 2024. Nelson Mandela Bay Faces SIU Probe Over Dodgy Street Light Tenders. https://mg.co.za/news/2024-07-19-nelson-mandela-bay-faces-siu-probe-over-dodgy-street-light-tenders/
[45]Dingito, C. Buffalo City Metro under fire for audit and governance failures https://elitshanews.org.za/2025/03/14/buffalo-city-metro-under-fire-for-audit-and-governance-failures/
[46]Amner, R. 2025. Makana is a dysfunctional and a law-breaking municipality https://grocotts.ru.ac.za/2025/02/28/makana-is-a-dysfunctional-and-a-law-breaking-municipality/

04.

Corruption risks in recruitment

The integrity of municipal financial and procurement systems depends significantly on the competence and ethical conduct of staff. As such, procurement and financial vulnerabilities cannot be separated from weaknesses in recruitment processes. Where recruitment is shaped by patronage, political influence, or opacity, municipalities institutionalise corruption risks by appointing officials who prioritise political loyalty or personal interests over professional responsibility. Although municipalities operate within formal regulatory frameworks intended to ensure merit-based and transparent appointments, implementation gaps continue to create corruption risks that weaken institutional capacity, undermine accountability, and erode public trust.

Corruption risks in job advertisements

The first major vulnerabilities in municipal recruitment emerge during job advertisement and shortlisting processes. Although vacancies are formally advertised through municipal websites, notice boards, newspapers, and social media platforms, recruitment procedures and evaluation criteria are not always clearly disclosed, limiting transparency and public understanding of how appointments are made. In Makana, a municipal manager was appointed without open advertisement[47].

Weak transparency in advertising processes creates opportunities for favouritism, nepotism, and politically influenced recruitment by limiting access to vacancies and narrowing the pool of qualified applicants.

While job advertisements may be formally compliant, high vacancy rates in senior management positions increase recruitment risks by resulting in prolonged acting appointments. Frequent changes in acting officials weaken accountability, reduce institutional continuity, and create opportunities for discretionary decision-making with limited oversight. Over time, acting officials may be permanently appointed without undergoing transparent and competitive recruitment processes, entrenching patronage networks and weakening institutional integrity. In NMBM, an FGD participant highlighted "backdoor appointments", where favoured individuals were placed in acting senior positions for extended periods before being regularised through less transparent internal processes.

Shortlisting processes also emerged as a major area of concern across municipalities. In Umzimvubu, an FGD participant alleged that individuals were shortlisted based on "family ties, friendships, and internal connections" rather than qualifications or experience. Another FGD participant in Umzimvubu stated that because "detailed recruitment procedures and shortlisting criteria are not fully disclosed, the process appears opaque or biased".

Such practices undermine merit-based recruitment and create opportunities for political interference, abuse of power and, nepotism in selection processes.

[47]Amner, R. 2025. Makana is a dysfunctional and a law-breaking municipality https://grocotts.ru.ac.za/2025/02/28/makana-is-a-dysfunctional-and-a-law-breaking-municipality/

Corruption risks in the interview process

The interview stage is intended to provide a structured and equitable assessment of candidates' qualifications, experience, and suitability for municipal positions. However, across municipalities, weak oversight, poor documentation, and limited transparency create opportunities for abuse of power, favouritism, bribery, and conflicts of interest. In Umzimvubu, an FGD participant noted that there is "limited public knowledge about specific policies detailing how favouritism or undue influence is prevented during interviews", adding that communities are unaware of how interview panels are constituted or whether safeguards exist to prevent "political, familial, or personal biases". The absence of clear requirements for interview panel members to declare conflicts of interest creates conditions where politically connected or personally related candidates may be favoured during interview processes.

In Makana, an FGD participant described interviews as "a theatrical exercise designed to create a paper trail that legitimises an illegal decision", suggesting that interview processes are sometimes used to validate pre-selected candidates rather than conduct genuine competitive assessments. The same participant alleged that shortlisted candidates who are not preferred may still be invited "with no genuine chance of success", sometimes referred to as "ghost interviews".
The participant further stated that interview scoring criteria may be adjusted to justify predetermined appointments and that interview processes are often poorly documented, with minutes, score sheets, and evaluation rationales "missing, fabricated, or withheld", making it difficult to verify fairness or challenge recruitment decisions.

In BCMM, an FGD participant suggested that personal networks play a decisive role in appointments with reports of candidates "needing to know someone inside" (BCMM FGD participant) or "having to pay to be considered" (Umzimvubu FGD participant), which they felt was made possible by the lack of oversight. This points to conflicts of interest where interview panel members participate in recruitment decisions involving candidates with whom they have personal, familial, or political relationships

Corruption risks in background checks and vetting

Effective vetting protects municipalities from appointing unqualified or unethical individuals. Policies require reference checks and qualification verification. Although municipal policies require reference checks, qualification verification, and background screening, FGD participants indicated that these processes are vulnerable to manipulation, political interference, and collusion.

In Makana, an FGD participant described employment and background checks as a "systemic enabler of irregular appointments", alleging that forged qualifications, fabricated work histories, and manipulated reference checks are deliberately overlooked to favour politically connected candidates. The participant further stated that senior officials or councillors may pressure HR staff or screening providers to "overlook" criminal records, fake qualifications, or disciplinary histories involving preferred candidates. These practices create opportunities for collusion and manipulation of background checks, allowing unqualified or unethical individuals to enter municipal administration

Similarly, in Umzimvubu, an FGD participant stated that although the municipality formally conducts reference checks in line with its employment policy, officials may "alter, hide, or falsify" background verification processes to ensure preferred candidates pass screening despite "fake qualifications" or prior misconduct. The participant further alleged that some candidates are shielded from proper vetting due to "political influence or internal pressure", creating unequal recruitment practices and undermining fairness in appointments. These allegations point to risks of political influence, manipulation of vetting processes, and weak accountability within recruitment systems

Corruption risks in hiring decisions

Hiring decisions are primarily vested in the municipal manager and the municipal council, depending on the level of the position. For senior management posts, particularly those classified as Section 56 or 57 employees who report directly to the municipal manager, the municipal council makes the final appointment based on recommendations from the selection panel or executive structures. For other administrative positions, the corporate services manager retains ultimate responsibility for implementing the employment policy and overseeing staffing decisions. For senior management positions, because final hiring decisions rest heavily with the municipal manager or municipal council, candidates may be selected based on personal relationships, political alignment, or favouritism, rather than qualifications and competence. This undermines fair competition and the principle of merit-based recruitment.

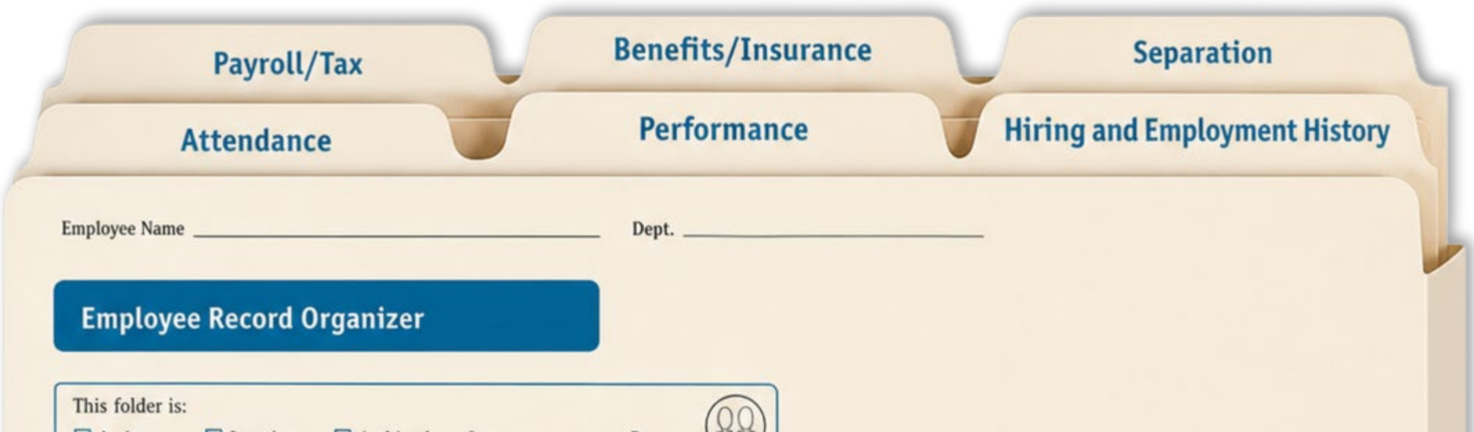
In Makana, the council endorsed the employment of a conflicted chief financial officer without any proper due diligence[48]. A relative of the chief financial officer was then employed at the supply chain management office without proper due diligence. The Herald (2025) reported that NMBM gives opportunities to unqualified politically connected individuals, which results in poor service delivery as work is not done properly, leading to service failures and inefficiencies[49]. These risks at the final hiring stage consolidate weaknesses identified across earlier recruitment phases. In Umzimvubu, an FGD participant alleged that certain senior positions were awarded to candidates “perceived to be politically connected with the ANC” as the dominant political party within the municipality. Such practices create opportunities for undue political interference and patronage in appointment processes.

Drivers of recruitment corruption risks

The recruitment vulnerabilities identified across job advertisement, shortlisting, interviewing, vetting, and final hiring decisions are rarely isolated administrative failures. Rather, they reflect deeper political, institutional, and structural conditions that enable patronage and weaken merit-based recruitment systems. Across municipalities, recruitment risks are sustained by political influence, weak accountability, and limited transparency in hiring processes. In municipalities such as Makana and NMBM, media reports and FGDs linked governance weaknesses to politically influenced appointments and patronage networks, where recruitment decisions may reflect loyalty and factional interests rather than competence. These conditions shift recruitment away from merit-based evaluation toward politically mediated outcomes, particularly where administrative appointments intersect with party-political structures.

Limited transparency regarding recruitment procedures, shortlisting criteria, interview scoring, and final appointment decisions further weakens oversight and creates opportunities for manipulation and favouritism. Municipalities experiencing governance instability often face weak record-keeping, inadequate vetting systems, and inconsistent implementation of recruitment procedures. In such contexts, fraudulent qualifications, undisclosed misconduct and irregular appointments may go undetected.

[48] Amner, R. 2025. Makana is a dysfunctional and a law-breaking municipality https://grocotts.ru.ac.za/2025/02/28/makana-is-a-dysfunctional-and-a-law-breaking-municipality/
[49] The Herald. 2025. Report flags political bias instability and unqualified staff in municipality https://www.theherald.co.za/news/2025-04-07-report-flags-political-bias-instability-and-unqualified-staff-in-municipality/



05.

Pockets of resilience in municipalities

The structural drivers of risk detailed in the previous sections – political patronage, opacity, and weak consequence management – often create a sense of inevitability regarding municipal corruption. However, the data reveals that these risks are not insurmountable. While the previous sections focused on the mechanics of failure, this identifies municipalities that have successfully strengthened their internal controls and oversight to reverse systemic decline. These examples serve as a critical counter-narrative, proving that even in high-risk environments, administrative discipline and political will can yield measurable improvements in governance.

Image source: https://businesstech.co.za/news/government/857675/new-825-metre-bridge-completed-in-south-africas-r53-billion-mega-project/

Senqu Local Municipality

Senqu Local Municipality stands out as one of the better governed municipalities in the Eastern Cape. Although historical cases of fraud and corruption were reported, including arrests of senior officials in 2013 and subsequent investigations, the municipality implemented corrective measures aimed at strengthening institutional controls.

Senqu adopted a formal "Zero Tolerance to Fraud and Corruption" policy supported by prevention and detection controls[50]. The policy states that all fraud and corruption cases will be investigated and pursued through "all remedies available within the full extent of the law," alongside the implementation of appropriate prevention and detection mechanisms. These controls include financial oversight systems, internal checking mechanisms, and compliance procedures embedded within the municipality's policies and administrative systems.

A notable feature is the use of a combined assurance model structured around five lines of defence. Management functions as the first line of control. Operational actions implement decisions. Internal control mechanisms reinforce accountability. Risk management identifies and mitigates exposure. Finally, independent combined assurance provides external verification. This layered structure strengthens oversight across financial, procurement, and recruitment processes.

The municipality's audit performance reflects these institutional reforms. Senqu reportedly achieved nine consecutive clean audits between 2013/14 and 2021/22[51]. After a lapse in 2021/22, it regained clean audit status in 2022/23. This trajectory indicates sustained internal control discipline rather than isolated improvement.

[50]Senqu Local Municipality. 2024. Fraud Prevention Plan. https://senqu.gov.za/wp-content/uploads/2024/09/FRAUD-PREVENTION-PLAN.pdf [52]AGSA. 2025. Senqu Local Municipality. https://mfma-2024.agsareports.co.za/municipality/1-senqu

Image source: https://www.kouga.gov.za/

Kouga Local Municipality

Kouga achieved its first clean audit in the 2023/2024 financial year. According to municipal reporting, no instances of irregular, fruitless, wasteful, or unauthorised expenditure were recorded during that period[52]. Financial statements were appropriately prepared and submitted within regulatory timeframes. Kouga's improvement reflects strengthened financial controls and responsiveness to audit findings. The achievement illustrates how consistent implementation of internal controls and consequence management can reverse prior weaknesses. Sustained vigilance will be required to ensure that clean audit status reflects embedded governance maturity rather than short-term correction.

[52]AGSA. 2025. Kouga Local Municipality. https://mfma-2024.agsareports.co.za/municipality/1-kouga

Ingquza Hill Local Municipality

Ingquza Hill demonstrates strengthened council-level oversight through its MPAC, which examines performance reports, legislative compliance, use of municipal resources, and audit findings. It has authority to invite external auditors to meetings and incorporate public participation to improve transparency. During the 2023/24 annual report review, MPAC recommended specific remedial actions, including interrogation of departmental under-performance, implementation of the audit action plan to prevent recurring findings, improved project reporting accuracy, recovery of improperly retained funds, and urgent updating of internal policies.

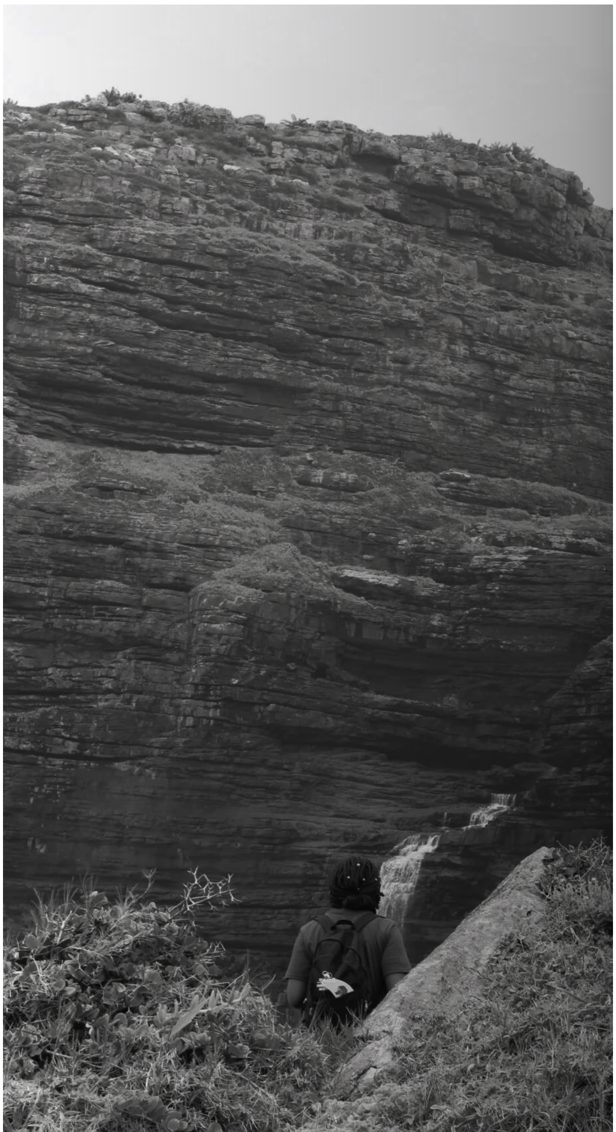


Image source: https://www.ihlm.gov.za/tourism/

06.

Recommendations

Recommendations are structured according to the three focus areas identified in the assessment, namely financial management, procurement, and recruitment. The recommendations are directed toward provincial CoGTA/government, municipalities, and civil society and residents as key actors in strengthening accountability and reducing corruption risks.

Financial management

Provincial CoGTA/government

- Strengthen oversight systems and structures in municipalities, particularly MPACs and internal audit and risk management committees, and ensure these structures meet monthly to monitor recurring disclaimer and qualified audit outcomes through recovery and support plans.
- Strengthen consequence management for recurring audit failures by holding municipal managers and chief financial officers accountable and utilising Section 106 investigations under the Municipal Systems Act where necessary
- Monitor prolonged vacancies in senior financial management positions and ensure municipalities fill critical posts within reasonable timeframes.
- Provide technical support to municipalities on budgeting, payroll controls, financial reporting, and expenditure management.
- MEC for CoGTA should ensure that SIU reports and commissioned forensic investigation reports are tabled before municipal councils for implementation and oversight, since municipalities fund such investigations.

Municipalities

- Strengthen internal financial controls, including expenditure approval systems, payroll verification, and monthly reconciliations.
- Strengthen payroll controls through segregation of duties, regular payroll audits, physical employee verification, secure automated payroll systems, restricted system access, and monthly departmental payroll verification by managers [53]
- Publish citizen-friendly budgets using simplified summaries, visual formats, and local languages to improve accessibility and public understanding.
- Provide at least 30 days' notice before public consultations relating to budgets and IDP processes.
- Municipal speakers should ensure that ward councillors provide written feedback to ward committees and residents on which community needs were included or excluded from the IDP and budget processes.
- Improve responses to audit findings through monitored implementation plans with clear timelines and accountability measures.
- Strengthen record-keeping systems and ensure supporting financial documentation is properly maintained and accessible.

Civil society and residents

- Monitor municipal budgets, audit reports, and expenditure trends released to the public.
- Participate actively in budget and IDP consultation meetings and document concerns relating to financial mismanagement or service delivery failures.
- Request access to municipal financial information through accountability and transparency mechanisms where disclosure is limited.
- Report suspected irregular expenditure, ghost projects, and financial misconduct to oversight institutions and investigative bodies.

[53] PMG. 2025. Elimination of ghost workers in the public service. https://pmg.org.za/committee-meeting/41634/

Procurement

Provincial CoGTA/government

- Strengthen oversight of procurement systems in municipalities experiencing recurring SCM irregularities and audit findings.
- Ensure investigations into irregular procurement, conflicts of interest, and non-competitive tender awards are acted upon promptly.
- Support municipalities with technical training in procurement compliance, contract management, and infrastructure monitoring.

Municipalities

- MECs for CoGTA should ensure that bid committee and bid evaluation committee minutes, together with supporting documents, are tabled before municipal councils and disclosed to all councillors.
- Strengthen independence and oversight of bid evaluation and adjudication committees through mandatory conflict-of-interest declarations.
- Improve contract management through regular site inspections, milestone verification, and enforcement of penalties for non-performance.
- Reduce reliance on emergency and non-competitive procurement except where legally justified.
- Maintain complete procurement records, including bid registers, scoring sheets, adjudication reports, contract monitoring documentation, and minutes and electronic recordings of bid committee and bid evaluation committee meetings.
- Ensure infrastructure projects include regular public progress updates, accessible contractor information, and mechanisms allowing residents and civil society organisations to monitor implementation and report irregularities.

Civil society and residents

- Monitor procurement advertisements, infrastructure projects, and contractor performance within communities.
- Report suspected procurement irregularities, incomplete projects, and conflicts of interest to oversight institutions and investigative bodies.
- Participate in public consultation processes relating to infrastructure and development priorities.
- Use community monitoring and advocacy tools to track project implementation, delays, and service delivery failures.

Recruitment

Provincial CoGTA/government

- Strengthen monitoring of recruitment compliance, particularly regarding senior appointments and prolonged acting positions.
- Enforce compliance with municipal staff regulations and merit-based recruitment procedures.
- Investigate municipalities where political interference, recruitment irregularities, or conflicts of interest are repeatedly reported.
- Support municipalities with recruitment oversight systems and verification tools for qualifications, criminal records, and background checks.

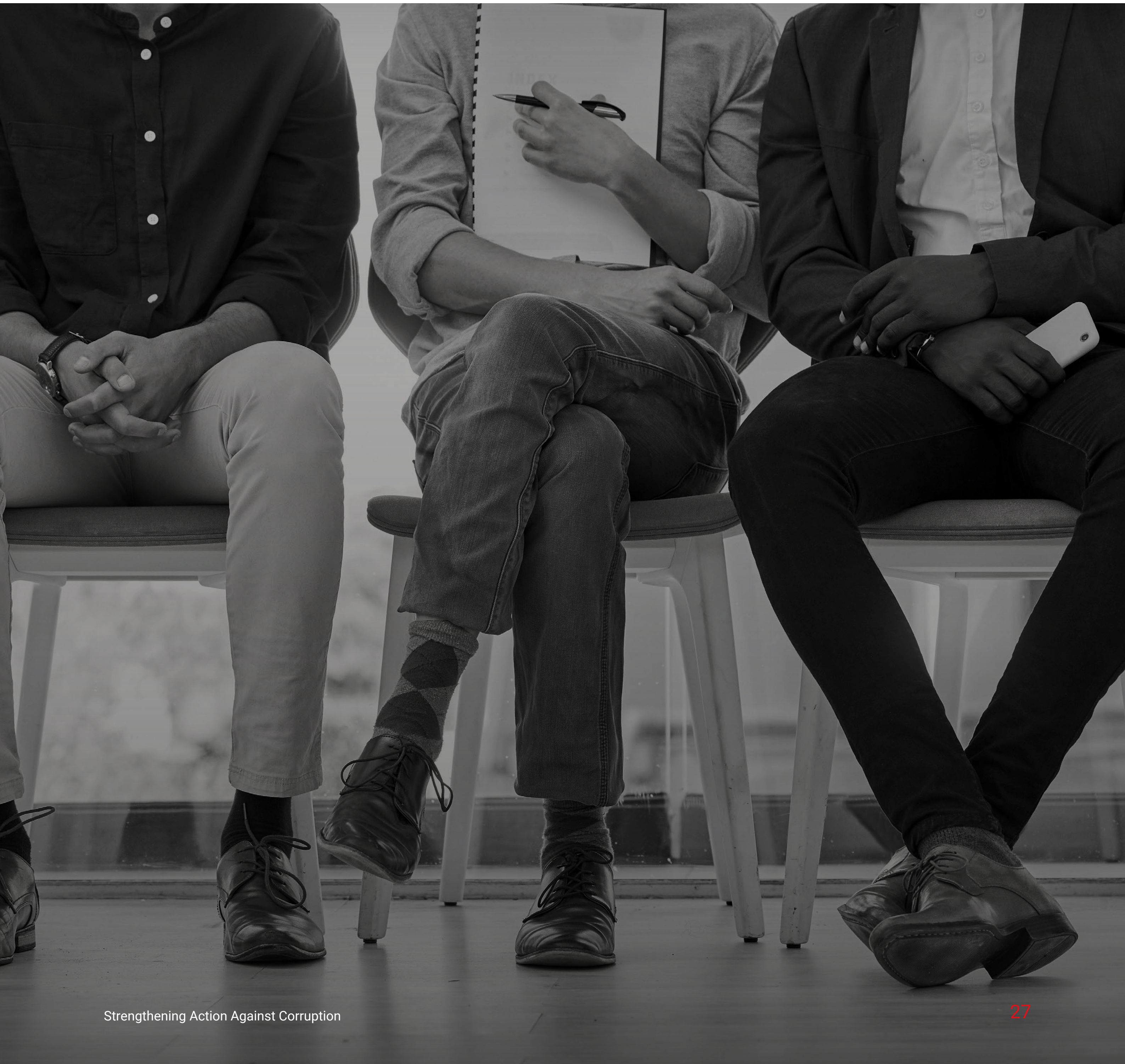
Municipalities

- Municipal councils must ensure full compliance with Sections 160(1)(d), 54A and 55 of the Municipal Systems Act by appointing qualified and competent municipal managers through lawful, transparent, and merit-based recruitment processes
- Ensure all vacancies are publicly advertised through accessible and transparent platforms.
- Publicly disclose recruitment procedures, shortlisting criteria and interview processes to strengthen transparency.

- Require declarations of interest from interview panel members, selection committees and senior officials involved in appointments.
- Reduce prolonged acting appointments by prioritising transparent and competitive recruitment processes.
- Strengthen recruitment vetting systems through mandatory SAQA qualification verification, criminal and misconduct screening, competency compliance checks, independent selection panels, and consequence management for appointments made in contravention of recruitment regulations.

Civil society and residents

- Monitor recruitment notices, acting appointments, and senior management appointments within municipalities.
- Raise concerns regarding nepotism, politically influenced appointments, and irregular recruitment practices through oversight and accountability mechanisms.
- Advocate for transparent and merit-based recruitment systems within municipalities.



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