

AN ACADEMIC ESSAY

# CRISIS OF MANGAUNG

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## **Introduction**

Local government institutions play an important role in ensuring effective service delivery, accountability, and socio-economic development. In South Africa, municipalities are responsible for providing essential services such as water, sanitation, electricity, and infrastructure maintenance. However, several municipalities continue to experience governance crises characterised by financial instability, corruption, administrative inefficiency, and poor service delivery. One municipality that has increasingly become associated with these challenges is Mangaung Metropolitan Municipality in the Free State Province.

Over the past decade, Mangaung has faced recurring qualified audit outcomes, financial mismanagement, infrastructure deterioration, and political instability. These challenges have negatively affected service delivery and weakened public trust in local government institutions. This essay critically examines the crisis within Mangaung Metropolitan Municipality through Governance Theory and New Public Management (NPM). The essay argues that the municipality's crisis reflects both governance failure and administrative inefficiency.

## **Background on the Mangaung Crisis**

Mangaung Metropolitan Municipality has experienced severe financial and governance challenges for several years. According to Parliament of South Africa (2026), the municipality has been under provincial intervention since 2020 and national intervention since 2022 because of ongoing financial instability and governance failures. A Financial Recovery Plan (FRP) was introduced to improve financial management and governance systems, yet implementation has remained slow.

Parliamentary reports indicate that Mangaung spent 113% of its budget while achieving only 50% of its service delivery targets (BloemNews Express 2026). The Auditor-General further found that only 58% of the recovery plan activities had been implemented after twenty-two months (Parliament of South Africa 2026). This demonstrates weak institutional accountability and ineffective policy implementation.

The municipality also faces major infrastructure challenges. Parliament of South Africa (2026) reports that Mangaung loses nearly half of its water supply through leaks, burst pipes, and illegal connections, while owing approximately R642 million for bulk water. In addition, infrastructure projects continue to experience delays, affecting service delivery and financial sustainability.

## **THEORETICAL FRAMEWORK**

### **Governance Theory**

Governance Theory focuses on how institutions manage public resources and maintain accountability. Rhodes (1996:652) defines governance as the interaction between institutions and networks involved in public administration. Governance includes accountability, transparency, participation, and institutional effectiveness.

Hyden, Court and Mease (2004) argue that good governance depends on strong institutions capable of enforcing compliance and ensuring effective management. Governance Theory is useful in analysing Mangaung because recurring audit failures and political instability demonstrate weaknesses in institutional accountability and oversight.

### **New Public Management (NPM)**

New Public Management focuses on efficiency, performance management, and accountability in public institutions. Hood (1991:4) explains that NPM encourages governments to adopt private-sector management principles to improve service delivery and financial control.

NPM emphasises measurable outcomes, efficient resource allocation, and managerial accountability. Dunleavy et al. (2006) further argue that public institutions must modernise administrative systems to improve governance effectiveness. Mangaung's ongoing operational and financial difficulties reflect failures in performance management and administrative efficiency.

## **Auditor-General Findings**

The Auditor-General identified several weaknesses in Mangaung's financial management systems. According to Parliament of South Africa (2026), the Auditor-General could not verify information relating to water revenue, overtime payments, and certain goods and services paid for by the municipality. These findings indicate poor financial controls and weak accountability systems.

Mangaung also received qualified audit outcomes for three consecutive years between 2022 and 2025 (Mangaung Metropolitan Municipality 2026). Qualified audits reflect material problems in financial reporting and compliance. From a Governance Theory perspective, recurring audit failures indicate institutional weaknesses and ineffective oversight.

The municipality's annual report further identifies operational risks such as abuse of overtime systems, theft of assets, and non-compliance with laws and regulations (Mangaung Metropolitan Municipality 2025). Although governance structures such as audit committees and risk management systems exist, they have not effectively resolved these problems.

## **Service Delivery Failures**

Service delivery failures remain one of the most visible consequences of Mangaung's governance crisis. Residents continue to experience challenges relating to water supply, sanitation, roads, and infrastructure maintenance. The municipality identified "road infrastructure collapse" as one of its major strategic risks during the 2024/2025 financial year (Mangaung Metropolitan Municipality 2025).

Water losses also represent a major operational challenge. Parliament of South Africa (2026) reports that almost half of Mangaung's water supply is lost through leaks and illegal connections. This not only affects service delivery but also undermines financial sustainability.

BloemNews Express (2026) further reports that the municipality spent only 2% of its budget on repairs and maintenance despite severe infrastructure deterioration. From an NPM perspective, this demonstrates poor resource allocation and ineffective strategic planning.

## **Political and Administrative Challenges**

Political instability has weakened governance within the Mangaung Metropolitan Municipality. According to municipal records, the municipality had seven municipal managers between 2021 and 2023 (Mangaung Metropolitan Municipality 2026). Frequent leadership changes disrupted policy continuity and weakened institutional coordination.

The municipality has also faced corruption-related investigations involving the Hawks and the Special Investigating Unit (SIU). Parliament of South Africa (2026) reports that investigations include allegations relating to procurement irregularities, fraudulent appointments, and overtime payments. These investigations further damage public trust and institutional credibility.

Although the municipality maintains anti-fraud and corruption structures, the annual report acknowledges that investigations are often delayed because of inadequate staffing capacity within the Anti-Fraud and Corruption Unit (Mangaung Metropolitan Municipality 2025).

## **Critical Analysis**

The crisis within Mangaung demonstrates the relationship between governance failure and administrative inefficiency. Governance Theory explains how weak accountability systems, poor oversight, and political instability contributed to institutional decline. At the same time, NPM highlights failures in performance management, financial control, and operational efficiency.

Despite the existence of governance structures and recovery plans, the municipality continues to experience recurring audit failures and service delivery problems. This suggests that governance systems are ineffective in practice and that administrative reforms have not addressed underlying structural challenges.

## **Recommendations**

Mangaung Metropolitan Municipality should strengthen accountability and oversight systems to improve governance effectiveness. Stable leadership appointments and reduced political interference are necessary to restore institutional continuity.

The municipality should also improve financial management systems, modernise billing systems, and increase investment in infrastructure maintenance. Furthermore, anti-corruption mechanisms should be strengthened through improved staffing capacity and stricter consequence management.

## **Conclusion**

The crisis within Mangaung Metropolitan Municipality reflects serious governance and administrative challenges within South African local government. Through Governance Theory and New Public Management, this essay has demonstrated how weak accountability systems, political instability, financial mismanagement, and operational inefficiency contributed to municipal decline.

Recurring qualified audits, infrastructure failures, corruption investigations, and poor service delivery collectively demonstrate the severity of the municipality's crisis. Sustainable recovery will require stronger institutional accountability, effective leadership, and improved administrative capacity.

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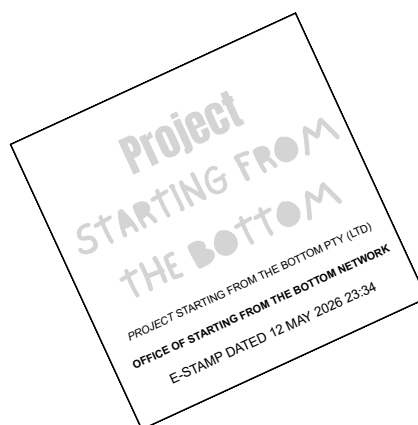
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