

KwaZulu-Natal Department of Transport

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About the Institution

The KwaZulu-Natal (KZN) Department of Transport (DoT) is responsible for developing, maintaining and overseeing the province’s road and public transport networks. KZN DoT is required to align with the policies and standards set by the National Department of Transport. It reports to the KZN Member of the Executive Council (MEC) for Transport and Human Settlements, and the Head of Department (HoD) is the accounting officer. In 2024/25, its expenditure was R13bn.¹

Flag Status

1	2	3	4	5	6	7	8	9
								
Improper appointments	Co-opting key functions	Climate of fear or favour	Corrupt awards	Financial malpractice	Obstructing accountability	Manipulating perceptions	Private gain	Shadow network

ISS Analysis

- ACTis has raised two flags and placed three under monitoring.
 - Recent allegations suggest that corruption at the KZN DoT may extend beyond isolated procurement irregularities. Reports that senior executives may have run an extortion and patronage network align with findings of corrupt awards and financial malpractice. Weak consequence management and ineffective financial controls have enabled irregular transactions and protected implicated officials, allowing alleged misconduct to persist.
 - Corruption, particularly in procurement and contract management, has undermined infrastructure development across KZN.
- Organised criminal networks are deeply involved in KZN’s construction sector.

 - Increased attention and oversight from the KZN Premier and the MEC for Finance appear to be strengthening accountability and helping expose corruption. Media investigations are playing an important role in exposing corruption and maladministration.
 - Imposing consequences will be key to disrupting corruption networks active in the Department. The former HoD’s suspension was a significant step, but allegations against his successor raise concerns about continuity rather than renewal. The outcomes of investigations into both past procurement irregularities and more recent



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Flag lowered



Under monitoring

allegations of bribery and extortion will determine whether corruption is embedded within weak departmental systems or driven by individual office-bearers.

- Ongoing investigations by the Special Investigating Unit (SIU) and project audits by the Auditor-General of South Africa (AGSA) are positive and may lead to punitive sanctions for those responsible.

Findings

Flag #1

Improper Appointments



The flag is raised due to concerns about the suitability and conduct of senior leadership.

- KZN Premier Thami Ntuli suspended HoD Siboniso Mbhele in October 2025 after a forensic investigation was launched into allegations that Mbhele approved irregular contracts and contract variation orders (see Flag #4: Corrupt Awards). In February 2026, Zibusiso Dlamini, former HoD for the KZN Department of Agriculture, was appointed HoD for Transport.² It is unclear if Mbhele was dismissed or resigned.
- In June 2026, Izwi Labantu Forum (ILF), a farmers' rights body representing small-scale farmers in KZN, accused Dlamini of corruption while he was at the KZN Department of Agriculture and Rural Development. The allegations were reportedly contained in an affidavit submitted as part of a criminal case opened by ILF Chairperson Norma Mbatha. Mbatha alleged that front companies submitted inflated claims for work that was not performed under the Department's mechanisation programme, including one for R1.1m in December 2024.³
- In April 2024, Sabelo Madela was appointed Chief Director for the Pietermaritzburg region despite allegations of corruption and fraud in a previous job. Madela was Director of Technical Services at the Umkhanyakude District Municipality in northern KZN but resigned before the Municipal Council could initiate an investigation into his misconduct.⁴

Flag #3

Climate of Fear or Favour



The flag is being monitored to determine whether officials implicated in misconduct are being protected.



Flag raised



Flag lowered



Under monitoring

- In 2025, an internal forensic investigation reportedly found that officials implicated in a range of tender irregularities faced no consequences.⁵ In 2024/25, the AGSA found that the KZN DoT failed to hold disciplinary hearings for 'confirmed cases of financial misconduct committed by officials.'⁶

Flag #4

Corrupt Awards



The flag is being monitored to determine whether procurement irregularities and alleged interference in contract awards form part of a broader pattern.

- The SIU is investigating corruption and maladministration in four KZN DoT bridge projects alleged to have occurred between 2016 and 2024.⁷
- In April 2026, a bus operator contracted by the KZN DoT alleged that its contract had been irregularly cancelled. Mduduzi Sithole, owner of Zululand Bus Service, which operated routes in northern KZN, alleged that his company's contract, worth R6m per month and due to run until 2028, was abruptly cancelled in January 2025 and awarded to Ikhwezi Bus Services. Sithole alleged the cancellation occurred after he stopped providing financial favours to KZN DoT officials (see Flag #8: Private Gain) and that Ikhwezi was appointed without a procurement process. He also alleged that officials deliberately failed buses during compliance inspections to extort money from service providers. In October 2025, Sithole wrote to Premier Ntuli requesting intervention. The Premier reportedly responded that the matter had been referred to the provincial forensic investigation unit. The Department defended its decision, stating that the contract allowed for the appointment of a substitute operator if a service provider failed to deliver. The contract is subject to ongoing litigation.⁸
- The 2025 forensic investigation into Mbhele's conduct reportedly revealed that he irregularly awarded a R673m contract for subsidised public transport services to Ugu Transport Services in 2024. Although the Bid Evaluation Committee claimed they received four bids, records show only one bid was officially registered. The tender requirements required operators to hold licences for the specific routes, limiting eligibility to those already serving those routes and excluding other qualified competitors. The bid's validity had expired, and Chief Financial Officer (CFO) Thabani Nkosi refused to extend it, but Mbhele proceeded with the award.⁹ The KZN Premier said he will ask the SIU to help investigate the contract.¹⁰
- The same forensic investigation reportedly found that, in 2022, Mbhele approved variation orders for two road contracts that the Bid Adjudication Committee recommended should not be approved and that the AGSA had already deemed irregular. This added R146.2m in unbudgeted costs to the two projects. The KZN Premier said he will ask the SIU to help investigate these contracts.¹¹



Flag raised



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Under monitoring

- In 2025, contract awards for school transport services in the province were reportedly irregular. The Bid Evaluation Committee allegedly took only six hours to review 800 submissions and select 63 service providers. Bidders who did not meet the required threshold of R300 000 in their bank accounts were not automatically excluded, while others who did meet this requirement were excluded. MEC for Finance Francois Rodgers cancelled the tender after receiving a report detailing the irregularities and recommending that the process be restarted.¹²
- Irregularities were reportedly found in five road rehabilitation tender awards managed by the Independent Development Trust (IDT) on the Department's behalf in 2022. This included a R197m contract awarded to Bulkeng, in which the tender's scoring was allegedly manipulated, and some documents appeared to have been forged. Bulkeng was previously implicated in corruption related to an IDT contract with the National Department of Health, which was cancelled and is under investigation by the Directorate for Priority Crime Investigation (DPCI), with a referral already made to the National Prosecuting Authority.¹³
- The AGSA's audit of road repair projects following the April 2022 floods found extensive irregularities in the Department's awarding of 389 projects valued at R2.1bn, including a contract awarded to suppliers with links to the Department's employees.¹⁴
- Sources within the KZN DoT have alleged that senior executives have been running an extortion racket, soliciting kickbacks from service providers under the guise of official departmental procedures. This includes demanding a 5% fee of the total contract value as a precondition for smooth project execution and approval.¹⁵

Flag #5

Financial Malpractice



The flag is raised because persistent weaknesses in financial management have contributed to substantial and recurring financial irregularities.

- The AGSA has identified recurring irregular expenditure and multiple Material Irregularities over the past nine years. The Department's annual irregular expenditure decreased from R3.02bn in 2022/23 to R1.68bn in 2023/24, and to R1.33bn in 2024/2025 (still over 10% of the Department's annual budget). However, its cumulative irregular expenditure remains at R32bn (246% of 2024/25 expenditure), with less than 1% condoned (investigated and pardoned) and very few recoveries made.¹⁶
- The AGSA found a lack of internal financial controls during the 2024/25 audit and reported ineffective monitoring of financial and performance reporting, as well as non-compliance with key legislation. This led to material findings.¹⁷



Flag raised



Flag lowered



Under monitoring

- The 2025 forensic investigation reportedly found that KZN DoT overspent by R254m on a public transport contract after former HoD Mbhele ignored CFO Nkosi's warnings about unbudgeted payments.¹⁸
- In 2021, the acting Cost Centre Manager fraudulently processed and authorised a payment of R499 540 using a cancelled purchase order for the Mansibeni Supply Project. It is unclear if any disciplinary processes were implemented or funds recovered.¹⁹

Flag #8

Private Gain



The flag is being monitored to determine whether Department officials are deriving undue personal or political benefits from their positions and influence.

- Zululand Bus Services' owner, Sithole, alleged that he provided multiple bribes and financial favours to senior KZN DoT employees to keep his company's contract (See Flag #4: Corrupt Awards).
 - Sithole was allegedly summoned to Florida Road in Durban, where a senior official instructed him to place R25 000 in a compartment of the official's vehicle.
 - A KZN DoT official allegedly requested a stake in Sithole's business, citing financial difficulties. Sithole allegedly provided the official with two buses.
 - Sithole also alleged that he was pressured to provide buses free of charge for African National Congress (ANC) political events, including rallies and youth gatherings in KZN and other provinces. He also alleged that he paid for accommodation and catering at political events, and on one occasion for funeral-related expenses.²⁰



Flag raised



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Under monitoring

Recommended Actions

	DUTY BEARER	ACTION(S)	ASSOCIATED FLAGS
1.	KwaZulu-Natal Premier	Investigate allegations that the newly appointed HoD was involved in corrupt activities while working for the KZN Department of Agriculture and Rural Development.	Flag #1: Improper Appointments
2.	KwaZulu-Natal Department of Transport	- Review and address consequence management failures for both staff and non-performing contractors. - Implement the AGSA's recommendations on consequence management, strengthening supply chain management controls, and improving project management and oversight.	Flag #3: Climate of Fear or Favour
3.	Directorate for Priority Crime Investigation	- Investigate reports of systemic corruption and extortion of suppliers within KZN DoT's procurement processes. - Investigate allegations that contractors have been pressured into providing resources to political parties.	Flag #4: Corrupt Awards
4.	Special Investigating Unit	Seek an expansion of the current Proclamation to cover recent contracts flagged as corrupt in media reports.	Flag #4: Corrupt Awards
5.	KwaZulu-Natal Provincial Legislature Committee on Transport and Standing Committee on Public Accounts	- Monitor investigations into and the disciplinary process against the former HoD. - Continue to scrutinise contract management and financial systems.	Flag #1: Improper Appointments Flag #5: Financial Malpractice



Flag raised



Flag lowered



Under monitoring

The 9 Flags

Flag #1

Improper Appointments

Improper appointments, dismissals or failure to remove individuals in senior positions may be used to drive a corrupt agenda.

Flag #2

Co-opting Key Functions

Informal control may be established over critical functions within the institution to abuse them.

Flag #3

Climate of Fear or Favour

The working culture favours loyalty over duty; alignment with a corrupt agenda is rewarded, and resistance is punished.

Flag #4

Corrupt Awards

Contracts, licences, partnerships, loans and/or investments may be awarded irregularly and repeatedly benefit the same actors.

Flag #5

Financial Malpractice

The institution's financial management practices may be abused to advance a corrupt agenda.

Flag #6

Obstructing Accountability

The institution's internal operations might be deliberately obscured to hide potential misconduct.

Flag #7

Manipulating Perceptions

A public narrative that frames misconduct as innocence may be promoted.

Flag #8

Private Gain

Illicit gains may be distributed to benefit the same actors.

Flag #9

Shadow Network

The same public and private actors may collude to gain control over an institution's assets and functions, benefiting repeatedly.

About ACTis

What is ACTis?

The Anti-Corruption Tracker Information System is an initiative of the Anti-Corruption and Accountability Project at the Institute for Security Studies. It provides analysis on corruption and state capture in South Africa, to inform early intervention and enforcement. It utilises a system of indicators and an AI-driven data-collection and analysis tool, validated by human experts. It identifies risks within individual government institutions and produces actionable recommendations to address them, with a view to disrupting patterns of state capture and corruption.

Findings are shared directly with government and other duty-bearers, civil society organisations, the media and the public, empowering authorities to intervene, strengthening accountability, and enabling citizens activism.

Links to ACTis Information:

Further project information may be found at the following links:

[Terms and Definitions](#)

[Project Methodology and Analytical Framework](#)

[About the Anti-Corruption and Accountability project](#)

[About the Institute for Security Studies](#)

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Flag raised



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Under monitoring