

ACTis provides risk analysis and early intervention recommendations against state capture and corruption in South African government institutions

PROVINCIAL GOVERNMENT

ACT | ACCOUNTABILITY TRACKER

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North West Department of Human Settlements Date issued: 10 August 2026

About the Institution

The North West Department of Human Settlements (NW DoHS) is mandated to plan, coordinate, fund, and support the development of habitable human settlements in the North West province. The Department reports to the North West Member of the Executive Council (MEC) for Cooperative Governance, Human Settlements and Traditional Affairs. The accounting officer is the Head of Department (HoD). Its expenditure for 2024/25 was R2bn.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 three flags for the NW DoHS and placed three under monitoring.
 - The Department has repeatedly awarded tenders to underqualified or non-performing contractors and has failed to monitor projects and verify that work has been completed. The scale of irregular expenditure and its recurrence over time suggest embedded control weaknesses rather than isolated administrative failures. The absence of consequence management for officials involved in irregular expenditure and procurement breaches is a key enabling condition. Implicated officials and contractors who benefit from procurement
- failures continue to operate without sanction, weakening deterrence.

 - These factors may enable undue influence in procurement and payment systems. The persistence and scale of these dynamics indicate an environment in which corrupt actors can operate with limited institutional constraints, particularly in housing construction projects. Accountability processes are both weakened and redirected, with failures to implement audit findings and attempts to deflect responsibility publicly.
 - Maladministration and corruption have contributed to significant failures in housing delivery, with only 33.3% of targets achieved



despite 99.8% of the housing development budget being spent in 2024/25.² This inefficiency is reflected in persistent underperformance, including more than 5 500 incomplete Reconstruction and

Development Programme (RDP) housing units identified in the province, as well as reports of stalled, abandoned or poorly executed housing projects.³

Findings

Flag #1

Improper Appointments



The flag is being monitored to determine whether concerns regarding one senior appointment reflect a broader pattern affecting senior leadership positions.

- The qualifications of Vusi Bidi, the Chief Director for Housing Development, came under scrutiny after the Auditor-General of South Africa (AGSA) and the Department of Public Service and Administration (DPSA) reportedly flagged his appointment. The AGSA and DPSA reportedly recommended that Bidi should not hold the position because the post requires a degree or a National Qualifications Framework Level 7 qualification, and Bidi holds a National Diploma.⁴ Bidi was appointed acting Chief Director in 2016; it is unclear when he was permanently appointed.⁵

Flag #3

Climate of Fear or Favour



The flag is being monitored to check for a broader pattern of an organisational culture that favours those who are compliant and cannot attract skilled employees.

- In 2024/25, the Department recorded a 26% vacancy rate for highly skilled personnel.⁶
- In the 2024/25 audit, the AGSA found that disciplinary action was not taken against officials who permitted irregular expenditure, as required by law.⁷ A 2024 inquiry into the provision of housing in the North West by the South African Human Rights Commission (SAHRC) found that the Department had failed to implement consequence management for officials who approved incomplete, defective or non-existent projects.⁸ The Department acknowledged that no disciplinary action had been taken against implicated officials at the time.⁹
- In a 2025 parliamentary briefing to the Portfolio Committee on Human Settlements, the Director-General of the national Department of Human Settlements, Alex Moemi, reported that consequence management was being implemented in relation to the widespread mismanagement and corruption documented in the SAHRC report. These disciplinary proceedings reportedly involved senior officials.¹⁰



Flag raised



Flag lowered



Under monitoring

Flag #4

Corrupt Awards



The flag is raised due to a pattern of favouring the same companies through irregular contract awards.

- In 2020, allegations emerged that the same companies from certain areas of the province were receiving lucrative annual contracts despite lacking the capacity to deliver. Former chairperson of the North West Provincial Legislature Committee on the Premier, Finance, Co-operative Governance, Human Settlements and Traditional Affairs, Aaron Motswana, told the *Sunday Independent* that they were investigating a construction 'cartel' in the province that repeatedly receives large contracts despite failing to deliver on previous ones.¹¹ The 2024 SAHRC report into housing in the province also highlighted the presence of 'rogue contractors and the phenomenon of contract mafias who insist on being awarded contracts and subcontracts they do not have the capacity to fulfil.'¹²
- There are multiple allegations that contractor R/S Rekopane has been awarded tenders despite repeated non-performance:
 - A 2021 report by the North West Provincial Legislature Committee on the Premier, Finance, Co-Operative Governance, Human Settlements and Traditional Affairs, submitted to the SAHRC in 2024, raised concerns that funds were paid to Rekopane, despite very little work on the Lebaleng Housing project.
 - The report also criticised the Department for failing to blacklist Rekopane for this non-performance; instead, Rekopane continued to receive large contracts for housing projects.¹³
 - In April 2015, Rekopane was reportedly awarded a R61m contract, despite a Construction Industry Development Board rating of 1, which permits the contractor to be awarded tenders under R200 000.¹⁴
 - A 2025 parliamentary oversight report states that Rekopane was awarded a contract in 2014/15 to construct and install internal services for 1 000 low-cost houses in Delareyville. The project remains incomplete 10 years later.¹⁵
- The AGSA has reported recurring incidents of payments for incomplete, poor-quality or non-existent work, including:
 - In 2021/22, R10m was paid to Geotec and R6m to Barzani for a housing project in Wolmaransstad that is not yet completed.
 - In 2019/20, the AGSA identified payments of R134m for goods and services not rendered, as well as payments for completed milestones that had not been achieved.¹⁶



Flag raised



Flag lowered



Under monitoring

Flag #5

Financial Malpractice



The flag is raised due to numerous signs that the Department's financial systems and controls are weak and prone to abuse.

- In 2024/25, the Department recorded R1.6bn in irregular expenditure (80% of the Department's annual expenditure), bringing cumulative irregular expenditure to R6.9bn (345% of annual expenditure).¹⁷ Most of the irregular expenditure was due to contracts awarded without following competitive bidding processes. The AGSA also found that the Department lacked an adequate sourcing strategy.¹⁸
- In the 2024/25 audit, the AGSA identified deficiencies in the Department's internal control environment, resulting in material findings relating to performance reporting and compliance with legislation.¹⁹
- In the 2024/25 audit, the AGSA noted two historical Material Irregularities from 2020/21 related to supplier overpayments. One was unresolved, and one was partially resolved.²⁰

Flag #6

Obstructing Accountability



The flag is raised due to numerous signs that the Department's leadership and relevant oversight bodies are avoiding and obstructing accountability.

- In a 2024 submission to the SAHRC, the AGSA reported that the Department had failed to address the root causes of audit findings, noting a lack of commitment within the entity that contributed to recurrent and worsening findings over time.²¹
- The Department reportedly failed to meet the SAHRC deadline of 17 July 2024 to respond to the SAHRC's report on housing in the province.²²
- According to the SAHRC, HoD Kgomoitso Mahlobo failed to respond to repeated requests to testify at its 2024 inquiry. The Commission issued a subpoena compelling Mahlobo to appear in September 2024.²³

Flag #7

Manipulating Perceptions



The flag is being monitored to determine whether there is a wider pattern of attributing institutional failings to external actors.

- In response to the findings of the 2024 SAHRC report, HoD Mahlobo denied responsibility for the Department's service delivery failures, placing blame on external



Flag raised



Flag lowered



Under monitoring

actors and factors beyond its control, such as non-performing contractors and delays in payments due to contractors' failure to submit the necessary information.²⁴



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Recommended Actions

	DUTY BEARER	ACTION(S)	ASSOCIATED FLAGS
1.	North West Department of Human Settlements' Head of Department	- Prioritise filling vacancies. - Implement the AGSA's recommendations on consequence management, strengthening supply chain management controls, and improving project management and oversight. - Ensure that Bidi's appointment aligns with the AGSA and DPSA's recommendations.	Flag #3: Climate of Fear or Favour Flag #4: Corrupt Awards
2.	Special Investigating Unit	Advocate for a mandate to investigate a selection of housing contracts flagged for irregularities by the AGSA and in this report.	Flag #4: Corrupt Awards Flag #5: Financial Malpractice
3.	Directorate for Priority Crime Investigation	Include the North West provincial housing sector as a focus area in operations aimed at preventing, detecting and disrupting organised crime and criminal networks operating within the construction and housing value chain.	Flag #4: Corrupt Awards
4.	North West Provincial Legislature Committees on the Premier and Finance, and Co-Operative Governance, Human Settlements and Traditional Affairs	- Conduct further oversight visits over the Department's housing projects to assess delivery progress. - Request report on consequence management actions for non-performing contractors and officials. - Require confirmation on the status of Bidi's appointment. If Bidi is confirmed as permanent Chief Director for Housing Development, escalate the matter to the DPSA.	Flag #1: Improper Appointments Flag #4: Corrupt Awards Flag #5: Financial Malpractice



Flag raised



Flag lowered



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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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