

About the Institution

The Pongola–Umzimkulu Catchment Management Agency (PUCMA) plans, implements and manages water resources within KwaZulu–Natal. The entity monitors municipalities, agricultural bodies, industrial and other users by licensing water use, conducting compliance inspections, monitoring water quality and managing catchment systems. It reports to the Minister of Water and Sanitation. The Board is the accounting authority. In 2024/25, its expenditure was R87.2m.¹

PUCMA was established in 2023, with operations commencing on 1 April 2024. Throughout the 2024/25 financial year, PUCMA remained dependent on staff from the Department of Water and Sanitation (DWS), with only the Chief Financial Officer (CFO) and Board Secretary positions filled outside the Board. It also had limited control over financial processes. In August 2026, DWS reported that staff transfers were complete.²

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 for PUCMA and placed two under monitoring.
- As a newly established institution, PUCMA operated within a transitional governance arrangement for most of the period under review. Continued reliance on DWS for key financial and administrative functions limited its operational independence and meant that many control functions were outside its direct management. As a result, some of the weaknesses identified reflect an institution

- still developing its governance structures, systems and administrative capacity, rather than entrenched internal control failures.
- As responsibilities, staff and systems continue to be transferred from DWS, there is a risk that existing DWS governance or control weaknesses could also be brought into the new institution if they are not identified and addressed during the transition.



Flag raised



Flag lowered



Under monitoring

- There are concerns about the leadership appointments made at PUCMA. A Board member and the newly appointed Chief Executive Officer (CEO) have previously faced allegations of maladministration at other water entities. This requires attention

since, in a newly established institution, senior leadership plays a significant role in shaping organisational culture and establishing financial and administrative systems.

Findings

Flag #1

Improper Appointments



The flag is raised due to concerns about the appointment of the institution's administrative head.

- PUCMA's first CEO, Sibusiso Makhanya, appointed in March 2026, was fired as CEO of Mhlathuze Water in 2019 after a forensic investigation found that he was involved in tender irregularities, maladministration and impropriety.³ Before becoming PUCMA's CEO, Makhanya was appointed to PUCMA's Board in 2023.
- Board member Sylvia Thandazile Mhlongo, who also serves on the Board of uMngeni-uThukela Water, was accused by a whistleblower of using R99 500 of uMngeni-uThukela Water's funds to pay for her nephew to participate in a soccer event in Spain in July 2025.
 - A whistleblower also alleged that the Board of uMngeni-uThukela Water, which included Mhlongo, awarded itself R2.6m in additional board fees based on claims of excess hours worked in June 2024. Former Minister of Water and Sanitation Senzo Mchunu reportedly rejected two previous requests for additional payments. Legislation requires ministerial approval for claims exceeding the maximum number of hours board members may claim in a month. The whistleblower alleged that the uMngeni-uThukela Water Board approved the payments itself on 24 June 2024, when DWS did not have a minister in office because the Government of National Unity was still finalising Cabinet appointments.⁴ These allegations are subject to an ongoing investigation initiated by the Minister for Water and Sanitation, Pemmy Majodina, in October 2025.⁵



Flag raised



Flag lowered



Under monitoring

Flag #4

Corrupt Awards



The flag is being monitored to assess whether there is a pattern of irregular contract awards.

- In its 2024/25 audit, the Auditor-General of South Africa (AGSA) found that goods and services were procured without obtaining the required number of quotations.⁶ During this period, the DWS was responsible for PUCMA's financial and procurement functions.⁷

Flag #5

Financial Malpractice



The flag is raised because significant weaknesses in financial controls and oversight have exposed the institution to financial management risks.

- In its 2024/25 audit, the AGSA found significant deficiencies in internal controls. These included inadequate controls over daily and monthly transactions and insufficient oversight to ensure compliance with financial reporting requirements.⁸ During this period, the DWS was responsible for PUCMA's financial and procurement functions.⁹

Flag #6

Obstructing Accountability



The flag is being monitored to determine whether weaknesses in financial reporting form part of a broader pattern of weakened accountability.

- In 2024/25, PUCMA received a qualified audit opinion from the AGSA because it overstated its revenue in its financial statements.¹⁰ During this period, the DWS was responsible for PUCMA's financial and procurement functions.¹¹



Flag raised



Flag lowered



Under monitoring

Recommended Actions

	DUTY BEARER	ACTION(S)	ASSOCIATED FLAGS
1.	Minister of Water and Sanitation	Review appointment of Board members with past allegations of maladministration at other water entities.	Flag #1: Improper Appointments
2.	Pongola-Umzimkulu Catchment Management Agency Board	- Ensure measures are put in place to strengthen financial controls. - Review appointment of CEO Makhanya. - Ensure financial statements accurately reflect the financial position of the institution.	Flag #1: Improper Appointments Flag #5: Financial Malpractice Flag #6: Obstructing Accountability
3.	Portfolio Committee on Water and Sanitation	Call Minister and Board to account for the appointment of the CEO and Board member (Minister only) who have a history of allegations of maladministration and corruption at other water entities.	Flag #1: Improper Appointments



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](#)

Contact us:
actis@issafrica.org

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Flag raised



Flag lowered



Under monitoring

References

- ¹ Pongola-Umzimkulu Catchment Management Agency, Annual Report 2024/25, https://static.pmg.org.za/PUCMA_2024-2025_AnnualReport.pdf, p. 82.
- ² Parliamentary Monitoring Group, Department of Water and Sanitation Q1 2026/27 Performance; with Ministry, 4 August 2026, <https://pmg.org.za/committee-meeting/43419/>.
- ³ The Presidency, Statement on cabinet meeting on Wednesday 25 March 2026, <https://www.thepresidency.gov.za/node/990>; News 24, Mhlathuze Water's suspended CEO gets the boot, 24 January 2019, <https://www.news24.com/southafrica/news/mhlathuze-waters-suspended-ceo-gets-the-boot-20190124>.
- ⁴ Sunday Times, Taking the gap: Umngeni Water directors 'helped themselves to millions in fees', 21 September 2025, <https://www.sundaytimes.timeslive.co.za/sunday-times/news/politics/2025-09-21-taking-the-gap-umngeni-water-directors-helped-themselves-to-millions-in-fees/>.
- ⁵ Parliament of South Africa, Media statement: Governance investigation into Umngeni-Uthukela Water welcomed and must be expedited, 8 October 2025, <https://www.parliament.gov.za/press-releases/media-statement-governance-investigation-umngeni-uthukela-water-welcomed-and-must-be-expedited>.
- ⁶ Pongola-Umzimkulu Catchment Management Agency, Annual Report 2024/25, https://static.pmg.org.za/PUCMA_2024-2025_AnnualReport.pdf, p. 76.
- ⁷ Parliamentary Monitoring Group, Catchment Management Agencies 2024/25 Annual Reports; with Deputy Ministers, 21 October 2025, <https://pmg.org.za/committee-meeting/41812/>.
- ⁸ Pongola-Umzimkulu Catchment Management Agency, Annual Report 2024/25, https://static.pmg.org.za/PUCMA_2024-2025_AnnualReport.pdf, p. 78.
- ⁹ Parliamentary Monitoring Group, Catchment Management Agencies 2024/25 Annual Reports; with Deputy Ministers, 21 October 2025, <https://pmg.org.za/committee-meeting/41812/>.
- ¹⁰ Pongola-Umzimkulu Catchment Management Agency, Annual Report 2024/25, https://static.pmg.org.za/PUCMA_2024-2025_AnnualReport.pdf, p. 69.
- ¹¹ Parliamentary Monitoring Group, Catchment Management Agencies 2024/25 Annual Reports; with Deputy Ministers, 21 October 2025, <https://pmg.org.za/committee-meeting/41812/>.



Flag raised



Flag lowered



Under monitoring