

MEDIA RELEASE PSA dismayed by R145 billion irregular expenditure in municipalities

DATE 26 June 2026

EMBARGO None

ENQUIRIES communication@psa.co.za

The Public Servants Association (PSA) is dismayed by reports that South Africa’s municipalities have incurred approximately R145 billion in irregular expenditure over the past four years, with metropolitan municipalities reportedly “going backwards” in financial governance and service delivery.

This shocking figure reflects a persistent failure of accountability, weak financial controls, and a lack of consequence management across local government. Whilst communities continue to experience severe service-delivery challenges, including water shortages, failing infrastructure, poor waste management, and unreliable electricity supply, such irregular expenditure is unacceptable. The PSA noted that irregular expenditure does not necessarily imply corruption in every instance, but it is a clear indication that procurement processes and financial regulations are not being followed. This creates opportunities for abuse and mismanagement and undermines public trust in government institutions.

Of particular concern is the regression of metropolitan municipalities, which should be leading in governance standards, capacity, and innovation. Instead, their deteriorating performance signals systemic weaknesses that require urgent corrective intervention. The PSA calls for immediate and decisive consequences management against officials and political office-bearers responsible for financial misconduct and irregular expenditure. Municipalities must strengthen internal controls and audit processes to prevent further financial losses and build the capacity of employees, particularly finance and supply chain officials, through ongoing training and support to ensure compliance with legislation. There is further an unquestionable need to protect whistle-blowers who expose wrongdoing and maladministration and to enhance oversight by National and Provincial Treasuries, as well as Parliament and provincial legislatures.

The PSA emphasises that ethical and professional public servants must not be demoralised or unfairly blamed for systemic failures often driven by poor leadership and political interference. There must be a concerted effort to restore professionalism, integrity, and stability in local government. Municipalities are at the coalface of service delivery, and their failure directly impacts on citizens. The continued deterioration of financial governance will deepen inequality, erode public confidence, and hinder economic development.

END