

Date : 21<sup>st</sup> July 2025



**SOUTH AFRICAN NATIONAL CIVIC ORGANIZATION (SANCO) , BANTU  
SONGCA SUB-REGION, ENGCOCO, CHRIS HANI DISTRICT, EASTERN  
CAPE.**

Location: Outside Union Buildings, Pretoria

Subject: We respectfully demand the office of the president to urgently address the grievances outlined in the memorandum received on the 17<sup>th</sup> of June 2025

**Members of media,**

South African National Civic Organization (SANCO), together with various stakeholders from Engcobo Community in Chris Hani District of the Eastern Cape, presents this media statement to address the ongoing crisis at the Dr Ab Xuma Local Municipality.

Despite previous engagements with the municipality, SANCO and its partners have been met with inaction and empty promises. As a result, there has been a protracted protest to intensify community-wide shutdown and we demand accountability, transparency, and service delivery.

## **BACKGROUND AND CURRENT SITUATION**

The Dr Ab Xuma is in a state of disfunction. The following issues have been consistently raised by SANCO and community members:

- **Severe Service delivery** : Roads are in dangerously eroded state due to years of neglect, making travel hazardous.
- While water infrastructure has been installed in many villages, no water flows through these taps.
- **Incompetent Infrastructure Projects**: bridge construction project have been abandoned mid-way, and in some areas, no bridges exist. School children are forced to risk their lives crossing rivers to access education.
- **Allegations Of Nepotism**: The municipal manager, Khathutshelo lucky Mulaudzi, is alleged to appoint his daughter and niece to municipal posts, in violation of fair recruitment practices
- **Unlawful Dismissal**: Seven traffic officers were dismissed without due process and replaced with senior municipal officials and politicians.
- **Financial Mismanagement And Irregular Expenditure**: The financial municipality financial reserves have been exhausted, necessitating a 47 million bailout loan from Chris Hani District Municipality. An amount of R170 000 was spent on laptops that were used and reportedly faulty.
- For the past 6 months the municipality lacked the funds to pay its employees and resulted to loans from various sections (reference no SA 2441535166)
- **Procurement Irregularities**: Despite having a legal panel, an additional law firm was appointed irregularly, the name of this law firm is “Tsikukuvhe M INC, 248 Thohoyandou, Muremela Medical Centre , Murangi Street, its alleged that the municipal manager originated from the same place in Limpopo. Its also alleged that costs are inflated by the law firm and such costs are later shared with the manager, multiple reports of duplicated service providers and wasteful expenditure on goods and services

▪ **Immediate investigation of the municipal traffic department** : It's alleged that managers and politicians are beneficiaries of fraud and corruption within the traffic department, the dismissed traffic officials were whistle blowers.

Our Key demands

**1.Immediate Dismissal of key officials:**

The municipal manager and implicated political figures must be removed. Mr Mulaudzi was previously the subject of COGTA following his Irregular appointment as CFO by the acting Speaker Inxuba Yethemba Local Municipality. He is alleged to have criminal convictions. He has a pending case of, drunken driving and assault against an employee case number 12/3/2023,that employee was unlawfully suspended with pay.Currently there are 19 employees who are under suspension, a few were unlawfully dismissed.Investigations have revealed that he is a sole director of a private company, KK Bicks and Sand, raising conflict of interest concerns.

**2.Independent And Transparent Investigation:**

A full investigation must be launched in the municipality's affairs, with findings made public and prosecutions against those responsible for fraud and corruption.

**3.Placement Under National Administration:**

We demand that Dr AB Xuma Local Municipality placed under national administration to restore governance, functionality , and service delivery.

**4.Implementation Of Forensic Report:**

All recommendations from the national forensic report audit report must be implemented in full without delay.

**5.Transparent And Accountable Governance:**

We demand a return to ethical leadership, with clear and accountable systems in place to rebuild trust and deliver basic to our communities.

Our memorandum was submitted and recieved at the office of the honorable president on the 17<sup>th</sup> of June 2025. Prior to the submission, we exhausted all avenues of peaceful protests, dialogue against Dr AB Xuma Local Municipality, M.E.C and COGTA to no avail. The office of the president respectfully so, has no urge to the pressing matters at hand and no meaningful engagement to resolve these issues.

The prolonged shutdown is not just a protest, it is a call to action. Our people are suffering, the job are jobless, infrastructure is collapsing, and the dignity of our residents is being trampled by officials who put self interest above public service. We will not retreat until justice is proper and governance is restored.

ISSUED BY:

Sanco Songca Sub-Region

Engcobo, Eastern Cape