



## OFFICIAL POSITION PAPER: GARDEN ROUTE FIRST (GRFirst)

### THE 15-YEAR INFRASTRUCTURE DEBT: An ANALYSIS OF KNYSNA'S WATER & CIVIL ENGINEERING COLLAPSE

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#### 1. Executive Summary: A Systemic Collapse 15 Years in the Making

Knysna's water and civil infrastructure failure is not the result of a single administration, a single budget cycle, or a single political party. It is the predictable outcome of a minimum of **15 years of cumulative under-investment**, non-compliance with national legislation, and the erosion of technical capacity across multiple political eras.

Section 216 (1)(c) of the Constitution and section 2 of the Municipal Finance Management Act (MFMA) enable National Treasury to introduce uniform treasury norms and standards to ensure sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities. [Microsoft PowerPoint - Financial Ratios and Analysis \(MFMA Circular 71\).pptx](#)

The public narrative—driven by local, provincial and national party structures—frames the crisis as a recent failure. The evidence shows the opposite. Every governing coalition since 2011 contributed to the **R1.5 billion infrastructure debt** now crippling Knysna.

GRFirst acknowledges and commends the Knysna Infrastructure Group (KIG) for the focused, disciplined and community-centred role they have played in stabilising critical infrastructure in Knysna. Their contribution — including technical interventions at wastewater facilities, emergency support during water system failures, and the establishment of a transparent, community-funded partnership model — demonstrates what can be achieved when residents, engineers and local organisations work together outside of political contestation. Their achievements illustrate the value of a non-partisan, solutions-driven approach to infrastructure renewal.

GRFirst maintains its support for the broader governance reforms advocated by local independent formations, whose stated aim is to strengthen non-partisan decision-making within the Council and ensure that technical considerations, rather than political agendas, guide Knysna's long-term infrastructure recovery.

This paper presents a **data-driven analysis**, followed by a **strategic position**: Knysna requires a resident-led, technically driven independent government to break the cycle of national-party neglect.

#### 2. Longitudinal Analysis (2011–2026): A Bipartisan Failure

Across five political eras, Knysna consistently failed to meet National Treasury's minimum benchmark of **8% annual maintenance spend** on infrastructure assets. The result is a compounding deficit that no short-term intervention can reverse.

“Regardless of the party in power, the town's lifeblood—its infrastructure—was consistently defunded.”

### Maintenance Spend vs National Treasury Benchmark

Era	Political Dominance	Avg. Maintenance Spend	Treasury Shortfall	Governance Focus
2011–2016	DA Majority	3.4%	4.6% deficit	Aesthetics & Clean Audits
2016–2019	DA-led Coalition	3.0%	5.0% deficit	Post-fire Crisis Management
2019–2021	ANC/COPE/KUC	2.6%	5.4% deficit	Administrative Instability
2021–2022	DA-led Coalition	2.8%	5.2% deficit	Reactive Patching
2022–2026	ANC/PBI/PA	2.2%	5.8% deficit	Systemic Collapse

**Key finding:** No administration—regardless of political colour—met the minimum legal and financial standards for sustainable infrastructure management.

### 3. Quantifying the R1.53 Billion Infrastructure Debt

The widely circulated “R500 million” figure represents only the immediate emergency stabilisation requirement. The **true sustainability backlog** is far larger.

#### 3.1 Deferred Maintenance Deficit — R1.37 Billion

Based on 15 years of spending 2.5% instead of the required 8% of the R2.4bn PPE asset base.

#### 3.2 Capital Replacement Costs — R500m to R650m

Including:

- Replacement of asbestos-cement water mains
- Akkerkloof Dam pump system rehabilitation
- Wastewater Treatment Works (WWTW) upgrades
- Electrical and telemetry modernisation

#### 3.3 The “Political Penalty”

Emergency repairs cost **up to 300% more** than scheduled maintenance. This is a direct financial consequence of political decision-making that prioritised optics over engineering.

### 4. Legislative Breaches Across the 15-Year Period

The pattern of under-investment and non-compliance constitutes probable breaches of multiple national laws.

#### 4.1 Municipal Finance Management Act (MFMA)

**Section 62 & 63:** Failure to maintain assets and safeguard municipal infrastructure. **Section 171:** Potential financial misconduct through gross negligence.

#### 4.2 Water Services Act (Act 108 of 1997)

**Section 11:** Failure to ensure sustainable access to water services. **Section 19:** Non-compliance with Water Services Development Plan (WSDP) obligations.

#### 4.3 Municipal Systems Act (MSA)

**Section 4(2)(d):** Failure to provide services sustainably. **Section 6–7:** Failure of accountability and transparency.

#### 4.4 Asbestos Abatement Regulations (2020)

Failure to replace or properly manage asbestos-cement pipes constitutes a **public health and regulatory breach**.

### 5. Key Findings Requiring Public Scrutiny

#### 5.1 Chronic Under-Investment in Core Infrastructure

A 15-year pattern of ignoring Treasury benchmarks.

#### 5.2 Political Interference in Technical Appointments

Resulting in the loss of engineers, institutional memory, and operational continuity.

#### 5.3 Emergency Procurement Inflation

The 300% cost penalty suggests:

- reactive governance
- poor planning
- and potential procurement irregularities

#### 5.4 Failure to Ring-Fence Water Tariffs

Tariffs intended for infrastructure were diverted to other political priorities.

#### 5.5 Absence of Long-Term Asset Management Planning

Contrary to National Treasury Circular 71 and national norms.

### 6. The GRFirst Position: Why Knysna Needs KIM and CCX

The evidence leads to a single conclusion: **National party structures—DA and ANC alike—have repeatedly prioritised provincial and national agendas over Knysna’s infrastructure survival.**

GRFirst therefore supports the **Knysna Independent Movement (KIM)**, Choose CX (CCX) a non-political party being a community active movement driven by community intervention, civic organisations such as Sedgfield RPA, Knysna RPA ‘s and Garden Route Ratepayers Alliance on three non-negotiable principles:

### **6.1 Ring-Fencing of Infrastructure Revenue**

Every rand collected for water and electricity must be reinvested into infrastructure—not political programmes.

### **6.2 Merit-Based Appointments**

Technical posts must be filled by qualified engineers and specialists, not political appointees.

### **6.3 Local Mandate and Local Accountability**

Decisions must be made **in Knysna, for Knysna**, free from interference by Cape Town or Johannesburg.

This is not ideology. It is a **structural correction** to a 15-year governance failure.

## **7. Conclusion: A Turning Point for Knysna**

The data is unequivocal. The collapse of Knysna’s water and civil infrastructure is the cumulative result of **15 years of bipartisan neglect**, legislative non-compliance, and political interference.

Knysna now faces a choice:

- Continue under national-party structures that have repeatedly failed to meet legal and financial obligations; or
- Transition to a **resident-led, technically driven independent government** capable of restoring sustainability, accountability, and engineering excellence.

GRFirst calls on residents to support Knysna Independent Movement (**KIM**) and Choose CX (**CCX**) as the only governance model aligned with Knysna’s long-term survival.

**Putting People First – Through transparent, inclusive, independent governance**



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