



Nokuthula Simelane Building, No 7 Government Boulevard, Riverside Park Extension 2, MBOMBELA 1200
 Private Bag x11205, MBOMBELA 1200
 013 766 4437

SigcinaMafa SesiFundza

UmNyango weeMali ZesiFunda

Provinsiale Tesourie

Enquiries : MR. I.D.P. STRAUSS Ext 8682
Ref 12/1/5

PROVINCIAL TREASURY CIRCULAR NO. 13 OF 2025

TO:

THE MUNICIPAL MANAGER: THABA CHWEU LOCAL MUNICIPALITY (MR R MAKWAKWA)

THE MUNICIPAL MANAGER: EMALAHLENI LOCAL MUNICIPALITY (MR H MAISELA)

THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY (MR EN MASEKO)

THE MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR M KUNENE)

THE DIRECTOR-GENERAL: OFFICE OF THE PREMIER (MS MM SKHOSANA)

THE HEAD: COOPERATIVE GOVERNANCE, HUMAN SETTLEMENT AND TRADITIONAL AFFAIRS (MR S NGUBANE)

THE ACTING PROVINCIAL CHIEF EXECUTIVE OFFICER SALGA (MS D MATUMBA)

THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE

THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT

THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT

SUBJECT: QUARTERLY REVIEW OF THE FINANCIAL RECOVERY PLAN IN TERMS OF SECTION 147 OF THE MUNICIPAL FINANCE MANAGEMENT ACT, NO 56 OF 2003

On 15 August 2023, the MEC for Finance in the Mpumalanga Province wrote to the Minister of Finance requesting a review and amendment of the existing mandatory financial recovery plans (FRP) for Thaba Chweu, Govan Mbeki, Msukaligwa and Emalahleni Local Municipalities in terms of Section 144 of the MFMA.

The request for a review and amendment of the FRP emanated from the failure of the existing FRP to achieve the desired financial turnaround and improve the provision of basic services in the municipality.

After following the required consultative processes, the Municipal Financial Recovery Services (MFRS) unit within the National Treasury prepared the amended FRP's, which were officially handed over to municipal Councils. This draft FRP was prepared in accordance with Section 144 of the MFMA read together with section 141 of the MFMA.

The amended version of the FRP has been designed to address the shortcomings in the current FRP's, which may to an extent, have prevented the attainment of the FRP objectives.

Section 147 of the MFMA requires the MEC for Local government and MEC for Finance to review a mandatory intervention in terms of Section 139 of the Municipal Finance Management Act 56 of 2003, including progress with resolving a municipality's financial problems and its financial recovery.

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The table below depicts the dates for the Technical War Room sessions to review progress:

Schedule of Oversight Engagements and Reporting			Engagement Dates			
Task		Intervals	Emalahleni	Msukaligwa	Thaba Chweu	Gov an Mbeki
LM monthly progress reporting in accordance with reporting framework	FRP Dashboard	Monthly	15th of Month	15th of Month	15th of Month	15th of Month
Compile quarterly progress reports on the intervention and sent to the Municipality, National Minister of Finance, National Minister of CoGTA, SALGA (Section 147 (1)(b) of the MFMA)	Quarterly MEC Reviews	Quarterly	25 April 2025 22 July 2025 27 October 2025 20 January 2026	25 April 2025 22 July 2025 27 October 2025 20 January 2026	25 April 2025 22 July 2025 27 October 2025 20 January 2026	25 April 2025 22 July 2025 27 October 2025 20 January 2026
Provincial Technical War Room meetings	Quarterly Meetings	Quarterly (In person or Virtual)	15 May 2025 22 July 2025 21 October 2025 22 January 2026	20 May 2025 23 July 2025 22 October 2025 26 January 2026	14 May 2025 25 July 2025 24 October 2025 23 January 2026	21 May 2025 24 July 2025 23 October 2025 27 January 2026
Quarterly Provincial Political Oversight meetings		Quarterly (Virtual)	28 May 2025 28 July 2025 25 October 2025 29 January 2026	28 May 2025 28 July 2025 25 October 2025 29 January 2026	28 May 2025 28 July 2025 25 October 2025 29 January 2026	28 May 2025 28 July 2025 25 October 2025 29 January 2026

The Department of COGHSTA, SALGA and Municipalities are reminded of the above dates for the review of progress in implementing the FRP's and diarize accordingly.

We look forward to a robust and a fruitful engagement to ensure financial recovery.



MS. GUGU MASHITENG
HEAD: PROVINCIAL TREASURY
DATE: 18-03-2025