



MINISTRY  
COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS  
REPUBLIC OF SOUTH AFRICA

## **NATIONAL INTERVENTION IN TERMS OF SECTION 139(7) OF THE CONSTITUTION READ IN CONJUNCTION WITH SECTION 150 OF MUNICIPAL FINANCE MANAGEMENT ACT (MFMA) AND SECTION 154 OF THE CONSTITUTION**

### **1. PROVINCIAL GOVERNMENT REQUEST FOR NATIONAL GOVERNMENT INTERVENTION IN MANGAUNG METROPOLITAN MUNICIPALITY**

The Mangaung Municipality was initially placed under section 139 (5) (a)&(c) in December 2019 the Free State Province was to support the Municipality with the implementation of its Financial Recovery Plan.

The province in a letter dated 29 March 2022, however, requested national government to intervene because the municipality failed to implement the Municipal Financial Recovery Plan and as a result it had a negative impact on services delivery.

### **2. CABINET REPORT SUBMITTED BY MINISTERS OF FINANCE AND COGTA**

As Minister of COGTA and in concurrence with the Minister of Finance, we subsequently tabled a report to Cabinet on 6 April 2022, where Cabinet approved national governments intervention in Mangaung Metropolitan Municipality.

This national intervention places the metro firmly into the hands of national government in terms of Section 139(7) of the Constitution of South Africa read together with Section 150 of the Municipal Finance Management Act, 2003 (MFMA), meaning that National Government will act in the stead of the Provincial Executive by –

- *Imposing the Financial Recovery Plan, and*
- *Assuming the implementation of the Recovery Plan, in terms of Section 139(7) read together with Section 146 (3)(b) of the MFMA.*

As Minister of Cooperative Governance and Traditional Affairs, I will undertake this assignment jointly with Ministry of Finance and other Ministries including Forestry,

Fisheries and Environments, Human Settlements, Water and Sanitation and Transport to provide technical and administrative support in the areas where challenges have been identified.

National Treasury will therefore deploy a National Cabinet Representative to assume the implementation of the national intervention supported by four experts in the fields of **governance, finance, human resource, and service delivery**. The National Representative of Cabinet will perform his/her duties **guided by the Terms of Reference signed by the Minister of Finance**, which includes the responsibility of the National Cabinet Representative (NCR) as follows:

- Providing strategic leadership and guidance necessary to ensure the effective and efficient implementation of the Financial Recovery Plan (FRP);
- Reporting to the Ministers of Finance and Cooperative Governance, Municipal Council and Cabinet on progress made;
- Assessing and ensuring that reports required for decision-making in the municipality are aligned to the FRP and the objectives of the intervention;
- Undertake quality assurance processes;
- Submit monthly performance progress reports in terms of the prescribed framework to Minister of Finance, NT MFRS, Cabinet and Municipal Council;
- Attend meetings of the Mayoral Committee, Council and Top Management in an advisory capacity;
- Ensure that all reports for decision making by any delegated authority including the Municipal Council and Executive Mayor must be processed by the Accounting Officer in concurrence with the National Cabinet Representative (NCR);
- Assist the Executive Mayor and the Accounting Officer in the development of human resource capacity to a level that enables it to perform its functions in an accountable way;

The support team is accountable to the NCR in the execution of the following duties:

- **Support the** NCR in the implementation of the terms of reference;
- Provide strategic leadership and direction on the relevant pillars of sustainability as provided for in the FRP;
- Identify challenges and propose solutions to ensure provision of uninterrupted basic services to the community and prudent financial management;
- Advise and support on the approach to the implementation of FRP activities to optimise the reduction of operational expenditure and increase of revenue for the municipality;

- Recommend and ensure implementation of internal controls, procedures and systems for good governance, prudent financial management and effective service delivery in compliance with statutory prescripts;
- Preparation and submission of monthly reports on the implementation of the FRP;
- Provide written inputs and advise on all reports for decision making in terms of council approved system of delegations

### **3. INTERIM MANAGEMENT TEAM / VACANT POSITIONS**

Three Senior Executive Management positions namely, City Manager, HoD Waste and Fleet and HoD Planning, are vacant due to the lapse in fixed term contracts and another three namely CFO, Engineering Services and HoD Human Settlements will lapse at the end of April 2022. The following secondments will therefore be undertaken with immediate effect for a period not longer than six (6) months:

- Acting City Manager – Mr Tebogo Motlashuping – COGTA
- Acting HoD: Corporate Services (suspended) – Adv Nkateko Mpangane – CoGTA
- Acting HoD: Engineering Services - Mr George Joma, Chief Engineer - MISA
- Acting Senior Engineer: Dr Tseliso Ntili, Department of Water and Sanitation
- Acting HoD Human Settlements – name to be provided - Department of Human Settlement
- Acting HoD: Waste and Fleet Service – Name to be provided - Department of Forestry Fisheries and the Environment
- Acting Chief Financial Officer – Name to be provided- National Treasury.
- Other technical support will be provided from Department of Transport

### **4. PERIOD OF THE INTERVENTION**

The success of the intervention depends on the absolute cooperation by all in the Municipality.

This National intervention shall end when the governance, financial health and responsive service delivery has improved significantly, and its financial commitments are secured in terms of section 148 of the MFMA.

**DR NKOSAZANA DLAMINI ZUMA, MP  
MINISTER**

**DATE:**