



KANNALAND
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MEDIA STATEMENT

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Kannaland Municipality Engages Stakeholders in Financial Recovery Process

The Kannaland Municipality recently participated in a series of consultative engagements as part of the ongoing Financial Recovery Plan (FRP) process, initiated in line with the intervention framework of Section 139(5)(a) of the Constitution and Chapter 13 of the MFMA. These engagements, facilitated by National and Provincial Treasury, followed a detailed diagnostic assessment after a previous consultation where a status quo assessment was conducted to report on root causes of the municipality's financial challenges.

The engagements held from 28 to 29 May 2025 brought together key stakeholders, including representatives from organised labour, creditors such as Eskom, and various government entities. Discussions centred around the proposed strategies to restore the municipality's financial stability, improve governance, strengthen institutional capacity, and ensure sustainable service delivery.

Stakeholders were given the opportunity to reflect on the findings and provide input into the draft FRP, which outlines financial targets, spending limits, and structural reforms aimed at addressing long-standing inefficiencies. Key areas of focus included revenue enhancement, cost containment, improved internal controls, and reducing reliance on contracted services. Labour-specific discussions addressed organisational structure alignment, the rationalisation of employee costs, and the enhancement of internal capacity through skills development.

Kannaland Municipality acknowledges the challenges ahead but remains committed, able, and willing to implement the FRP in collaboration with all relevant partners. The

municipality views this process not only as a legal obligation, but as a critical opportunity to rebuild trust, stabilise operations, and ensure improved and consistent service delivery for its residents.

The inputs received during the engagements will inform the finalisation of the FRP, which will be submitted for public comment and ultimately approved by the MEC for Finance by 30 June 2025.

We thank all stakeholders and community partners for their active participation and reaffirm our commitment to a transparent, accountable, and sustainable path forward.

A handwritten signature in black ink, appearing to be 'D. Sereo', is positioned above a horizontal line. The signature is fluid and cursive.

Municipal Manager

Adv. D Sereo