

Can Tshwane's debt-relief programme solve its R30 billion financial crisis?



Tshwane launches a debt-relief program to tackle its R30 billion debt, offering residents, businesses, and households financial relief, tampering amnesty, and significant debt write-offs until June 2025.

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The City of Tshwane has launched a debt-relief programme aimed at reducing electricity meter tampering and improving revenue collection.

Tshwane's deputy mayor Eugene Modise said: "With the National Treasury setting a revenue collection threshold of 95%, and **Tshwane's collection rate at approximately 90%**, this scheme aims to help bridge that gap and tackle the city's R30 billion debt, which hampers effective service delivery."

The debt relief programme, running until June 2025, is designed to provide financial relief to residents, businesses, deceased estates, indigent, and child-headed households.

Modise emphasised that the programme encourages customers to report tampering with electricity meters, offering a tamper fee waiver if they agree to have a new meter and protective device installed.

"This amnesty for tampering and illegal connections ends on March 31, 2025," Modise said.

He further noted that residential customers who settle 12 months of municipal debt in full will qualify for a 70% debt write-off on debt older than 12 months, with the remaining 30% due through a structured payment plan.

"This structured payment plan is in line with the city's credit control and debt collection policy," Modise said.

Residential customers with debt under 12 months old who settle the principal amount will receive a 100% interest write-off, and those with up-to-date accounts will receive a 25% discount at City-owned recreational facilities like Rietvlei Nature Reserve and community halls, he said.

The programme also benefits businesses, with Modise explaining that those who pay off three years of municipal debt in full will receive a 100% debt write-off on any outstanding debt older than three years.

"Businesses that owe less than three years will qualify for a 100% interest write-off, along with waivers for charges like final demand notices," Modise said.

Indigent and child-headed households are entitled to a 100% debt write-off, although, as Modise pointed out, they are responsible for consumption exceeding the subsidised 100kWh of electricity and 12kl of water. Deceased estates, according to Modise, must settle municipal debt incurred within the last two years to qualify for a write-off of any debt older than two years.

Modise encouraged all customers to bring their municipal accounts up to date by visiting municipal offices. "Customers can also visit Customer Care Walk-In Centres to make payment arrangements," Modise said.

In addition to the debt relief programme, Modise highlighted that the City had completed a re-evaluation of properties for the purpose of levying property rates, with new tariffs set to take effect from July 1, 2025.

"The Valuation Roll for the period July 1, 2025, to June 30, 2029, is open for public inspection from February 26 to May 2, 2025," Modise said

Moreover, Modise noted that property owners have been sent Section 49 notices, and the Valuation Roll is available on the City of Tshwane website.

Modise urged residents to inspect their updated property valuations and submit objections if they feel the new values do not accurately reflect their property's market value. "Objections can be lodged through prescribed forms, available online," he said.

"This scheme is designed to give people a second chance to clear their debts while contributing to the municipality's goal of improved financial health."

The City urges all customers to take advantage of these opportunities to bring their accounts up to date and benefit from the relief measures.

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