

**6. REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 1998 (ACT 20 OF 1998): DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS**

5/12/1

S Reyneke-Naudé  
24 December 2015

(028) 313 8040

Corporate Head Office

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**1. Executive Summary**

To consider increased salaries, allowances and benefits of councillors with retrospective effect from 1 July 2015.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Finance  
Department: Expenditure and Assets

**3. Compliance with Strategic Priority**

Provision of democratic, accountable and ethical governance

**4. Delegated Authority**

None

**5. Legal Requirements**

- Remuneration of Public Office Bearers Act 1998 (Act 20 of 1998), hereinafter referred to as the Act.
- Government Notice No. R1271 dated 21 December 2015.

In terms of Section 7(3) of the Act, the salaries and allowances of members of a Municipal Council are determined by that Municipal Council by resolution of a supporting vote of a majority of its members, in consultation with the member of the Executive Council responsible for Local Government in the Province concerned.

**6. Discussion**

The Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998) provides a framework for determining the upper limits of salaries and allowances of *inter alia* members of municipal councils. The adjustment of

salaries and allowances of Councillors is considered annually in terms of the Act.

On 21 December 2015, the relevant Minister promulgated the upper limits of salaries and allowances of councillors and a copy of Government Notice R1271, dated 21 December 2015, is attached as Annexure A. Circular 45/2015, dated 23 December 2015, received from SALGA is likewise attached as Annexure B.

The Overstrand Municipality is, in terms of the Criteria as summarized on the Affordability Verification Certificate, regarded as a Grade 3 Municipal Council. A copy of the Affordability Verification Certificate, signed by the Municipal Manager, is attached as Annexure C.

## **7. Financial Implications**

- (1) Based on the promulgated upper limits of Councillor remuneration for the 2014/15 financial year, the budget for the 2015/16 financial year provides for a 6.1% increase in the Councillors' remuneration. The monetary value for this provision amounts to R8'674'000.

Currently the Overstrand Executive Mayor, Deputy Mayor, Speaker, Members of the Mayoral Committee and Councillors each receive a monthly cell-phone and mobile data card allowance of R1'739 and R300 respectively. The cost of the aforementioned is included in the provision of R8'674'000.

With the approved increase in councillors' remuneration, together with the cell-phone and mobile data card allowances, concomitant with the fact that Cllr Klopper-Lourens was only deployed from 07 September 2015, the anticipated actual expenditure will amount to R8'587'043 – a saving of R86'957 for the 2015/16 financial year.

- (2) In terms of Section 13(1) of Government Notice No, R1271, dated 21 December 2015, the municipality must take out SASRIA or similar risk cover to provide for the loss of or damage to a councillor's property, assets, life or disability, excluding business property, arising from any riot, civil unrest, strike or public disorder. The special risk insurance on fixed property will be limited to R1,5 million and on vehicles to R750'000. The life and disability insurance cover is limited to 2 (two) times the total remuneration package of a councillor.

In terms of Section 13(3) of the Government Notice No. R1271, dated 21 December 2015, it is the responsibility of each Councillor to provide the Municipality with either all the necessary details regarding the

councillor's property or assets to be covered by the special risk insurance, or with written confirmation that such cover is in place. Failure to comply with the submission of the information will lead to the exclusion of that councillor's property or assets from the special risk cover.

**8. Staff Implications**

None

**9. Comments from other Departments, Divisions and Administrations**

None

**10. Annexures**

Annexure A : Government Notice R1271 dated 21 December 2015

Annexure B : SALGA Circular 45/2015 dated 23 December 2015

Annexure C : Affordability Verification Certificate

**RECOMMENDATION TO THE COUNCIL:**

1. that the salaries and allowances in respect of the different members of Council as provided for in Government Notice R1271, dated 21 December 2015, (Annexure A), **be approved** and be made applicable **with effect from 1 July 2015**, subject to the concurrence of same by the Provincial Minister of Local Government, Environmental Affairs and Development Planning; and
2. that, in terms of Section 13 of the government notice mentioned in 1 above, Councillors provide the Municipality with either all the necessary details regarding the councillor's property or assets to be covered by the special risk insurance to provide for the loss of or damage to a councillor's property, assets, life or disability arising from any riot, civil unrest, strike or public disorder, or with written confirmation that such cover is in place as part of a personal insurance portfolio arrangement already made by themselves.

**RESPONSIBLE OFFICIAL :**

**J VORSTER /  
RETHA RUST**

**TARGET DATE OF IMPLEMENTATION :**

**29 FEBRUARY 2016**



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# IMPORTANT

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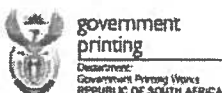


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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

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DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 1271

21 DECEMBER 2015

REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 1998  
(ACT NO. 20 OF 1998)

DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND  
BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS

Under the powers vested in me by sections 7(1), 8(5)(a) and 9(5)(a) of the *Remuneration of Public Office-bearers Act, 1998* (Act No. 20 of 1998), I, David Douglas Des van Rooyen, Minister for Cooperative Governance and Traditional Affairs, hereby –

- (a) after consultation with the Member of the Executive Council responsible for local government in each province; and
- (b) after taking into consideration the matters listed in paragraphs (a) to (i) of section 7(1) of the Act,

determine the upper limits of the salaries, allowances and benefits of the different members of municipal councils as set out in the Schedule.



DES VAN ROOYEN, MP  
MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

## SCHEDULE

### PREAMBLE

The salary and allowances of a member of a municipal council is determined by that municipal council by resolution of a supporting vote of a majority of its members, in consultation with the member of the executive council responsible for local government in the province concerned, having regard to the upper limits as set out hereunder, the financial year of municipal councils, and the affordability of municipal councils to pay within the different levels of remuneration to councillors.

For purposes of implementing this Government Notice, "in consultation with" means that municipalities must obtain concurrence of the member of the executive council responsible for local government in the province concerned before implementing the provisions contained herein, including the tools of trade.

### 1. Definitions

In this Schedule, unless the context otherwise indicates, a word or phrase to which a meaning has been assigned in the *Remuneration of Public Office-bearers Act, 1998* (Act No. 20 of 1998) (hereinafter referred to as "the Act") and the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) (hereinafter referred to as "the Structures Act"), has that meaning and –

"**basic salary**" means the component of the salary that excludes a travel allowance as provided in items 9(1), a housing allowance as provided in items 9(2), the municipal contribution to a pension fund as provided in item 12(1) and the municipal contribution to a medical aid scheme as provided in item 12(2);

"**full-time councillor**" means a councillor who has been elected or appointed to an office which has been designated as full-time in terms of section 18(4) of the Structures Act;

"**governance structures of organised local government**" means the National Executive Committee, the Provincial Executive Committee and the National and Provincial Working Groups of organised local government;

**“grade”** means the grade of municipal council as determined in terms of item 4;

**“out of pocket expenses”** means actual and necessary expenses incurred by a councillor which have been specifically authorised or provided for in terms of the municipality's policy, in connection with a specific official or ceremonial duty that has been delegated to the councillor in question;

**“part-time councillor”** means a councillor other than a full-time councillor;

**“section 79 committee”** means a committee of the municipal council established in terms of section 79 of the Structures Act;

**“SETAs”** means the Sector Education and Training Authorities established in terms of section 9 of the *Skills Development Act, 1998* (Act No. 97 of 1998);

**“special risk cover”** means an insurance cover to provide for the loss of or damage to a councillor's personal property and assets, life or disability, arising from any riot, civil unrest, strike or public disorder, and excludes any property owned by a councillor for business purposes;

**“tools of trade”** means the resources provided by a municipal council to a councillor to enable such councillor to discharge his or her duties in the most efficient and effective manner, and at all times remain the assets of the municipality concerned;

**“total municipal income”** means gross income in respect of a metropolitan, local or district municipality based on actual income received as stated in the audited financial statements of that municipality for the 2014/ 2015 financial year. The gross income for the municipality will include the following:

- rates on property;
- fees for services rendered by the municipality, or on its behalf by a municipal entity;
- surcharges;
- other authorised taxes;
- levies and duties;
- income from fines for traffic offences and contravention of municipal by-laws or legislation assigned to the local sphere of government;
- regional services council replacement grant for district municipalities;
- interest earned on invested funds other than national and provincial conditional grants;

- rental for the use of municipal movable or immovable property; and
- amounts received as agent for other spheres of government.

The gross income excludes the following:

- transfers and / or grants from the national fiscus; and
- all value added tax (VAT) refunds.

“total population” means the official statistics of the population residing in the area of jurisdiction of a metropolitan, local or district municipality, as determined by the Statistician-General for the 2011 Census, in terms of the *Statistics Act, 1999* (Act No. 6 of 1999); and

“total remuneration package” means the total cost to a municipality of a basic salary component, a travelling allowance as provided in items 9(1) a housing allowance as provided in items 9(2) the municipal contribution to a pension fund as provided in item 12(1) and the municipal contribution to a medical aid scheme as provided in item 12(2) to a councillor in a municipal financial year.

## 2. Allocation of number of points for total municipal income

The number of points allocated for the total municipal income of a municipality is as follows:

TOTAL MUNICIPAL INCOME			NUMBER OF POINTS
R 0	-	R 10,000,000	8.33
R 10,000,001	-	R 50,000,000	16.67
R 50,000,001	-	R 200,000,000	25.00
R 200,000,001	-	R 1,500,000,000	33.33
R 1,500,000,001	-	R 2,000,000,000	41.67
More than R2,000,000,000			50.00

**3. Allocation of number of points for total population**

The number of points allocated for the total population within a municipality, is as follows:

TOTAL POPULATION			NUMBER OF POINTS
0	-	50,000	8.33
50,001	-	100,000	16.67
100,001	-	250,000	25.00
250,001	-	550,000	33.33
550,001	-	1,800,000	41.67
More than 1,800,000			50.00

**4. Determination of grade of municipal council**

(1) The sum of the number of points allocated to a municipal council, other than a municipal council referred to in sub-item (2), in terms of items 2 and 3 respectively, determines the grade of such municipal council as follows:

GRADE OF MUNICIPAL COUNCIL	POINTS
1	0 to 16.66
2	16.67 to 33.33
3	33.34 to 50.00
4	50.01 to 66.67
5	66.68 to 83.35
6	83.36 and above

(2) A municipal council that does not have any municipal income is a grade 1 municipal council as envisaged in sub-item (1).

**5. Upper limits of the annual total remuneration packages of full-time councillors**

The upper limits of the annual total remuneration packages of full-time councillors are as follows:

GRADE	MAYOR OR EXECUTIVE MAYOR	SPEAKER, DEPUTY MAYOR OR DEPUTY EXECUTIVE MAYOR	MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE, WHIP OR CHAIRPERSON OF A SUBCOUNCIL	CHAIRPERSON OF A SECTION 79 COMMITTEE
	TOTAL REMUNERATION PACKAGE	TOTAL REMUNERATION PACKAGE	TOTAL REMUNERATION PACKAGE	TOTAL REMUNERATION PACKAGE
6	1 242 409	1 003 393	940 680	877 968
5	921 912	737 529	691 433	645 339
4	787 061	629 647	590 296	550 942
3	758 012	606 410	568 510	530 608
2	709 765	567 812	532 323	496 835
1	689 087	551 266	516 811	482 357

The mayor of a plenary type municipality should be remunerated according to the total remuneration package column of mayor/ executive mayor.

If the amount received by a chairperson of a section 79 committee during the 2014/15 financial year is more than the upper limit of the 2015/16 financial year, as set out in this table, the chairperson will retain the higher amount, until such time that the amount received is less than the upper limit determined in the Notice.

**6. Upper limit of remuneration or allowance in respect of appointed councillors**

(1) The upper limit of the allowance of a councillor who has been appointed to a district council in terms of section 23(1)(b) of the Structures Act, is as follows:

- (a) If such councillor is elected or appointed as speaker, mayor, executive mayor, member of a mayoral committee, member of an executive committee, chairperson of a section 79 committee or part-time member of a district council, the upper limit of the remuneration to which such councillor is entitled to, is an amount equal to the difference between the total remuneration package that a councillor receives as a member of the local council and the total remuneration package allocated to that office in the district council in terms of items 5, 6, 7, 8, 9, 10, 11 and 12, as the case may be.
- (b) If the upper limit of the total remuneration package which a councillor receives is equal to or higher than the upper limit of the total remuneration package to which the councillor is entitled to as an appointed councillor to the district council, such councillor is entitled to receive in addition to the total remuneration package, an allowance of not more than R962 per sitting of the district council or any

committee of that council: Provided that this allowance is limited to R962 per day, regardless of the number of meetings of the district council or committees of that council that are attended by such councillor on a specific day.

(2) A district council is responsible for –

- (a) the payment of the remuneration or the allowance referred to in paragraphs (a) and (b) respectively;
- (b) the reimbursement of travel expenses incurred by a councillor during the performance of official duties on behalf of that district municipality, in terms of that district council's policy, and not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately-owned vehicles; and
- (c) the reimbursement of cell phone expenses incurred by a part-time appointed councillor during the performance of official functions on behalf of that district municipality, in terms of that district council's policy, and not exceeding 50% of the applicable allowances as prescribed under item 10.

**7. Upper limit of allowance in respect of councillors appointed to governance structures of organised local government**

(1) A councillor who has been elected or appointed to a governance structure of organised local government may be paid the following allowance in addition to the total remuneration package applicable to that councillor:

- (a) An allowance not exceeding R962 per sitting of any governance structure of organised local government: Provided that this allowance is limited to R962 per day, regardless of the number of meetings that are attended by such councillor on a specific day.
- (b) An allowance not exceeding R962 per sitting for the attendance of formal inter-governmental and governance structures where organised local government is

officially represented: Provided that this allowance is limited to R962 per day, regardless of the number of meetings that are attended by such councillor on a specific day.

(2) Organised local government is responsible for –

- (a) the payment of the allowance referred to in paragraphs (a) and (b) respectively; and
- (b) the reimbursement of travel expenses incurred by a councillor during the performance of official duties on behalf of organised local government, in terms of organised local government's travel policy, and not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately-owned vehicles.

**8. Upper limits of the annual total remuneration packages of part-time councillors**

The upper limits of the annual total remuneration packages of part-time councillors are as follows:

GRADE	MAYOR / EXECUTIVE MAYOR	SPEAKER, DEPUTY MAYOR OR DEPUTY EXECUTIVE MAYOR	MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE	CHAIRPERSON OF SECTION 79 COMMITTEE	OTHER PART-TIME MEMBERS
	TOTAL REMUNERATION PACKAGE	TOTAL REMUNERATION PACKAGE	TOTAL REMUNERATION PACKAGE	TOTAL REMUNERATION PACKAGE	TOTAL REMUNERATION PACKAGE
6	693 101	586 335	519 826	485 172	441 064
5	509 454	407 564	382 091	356 618	277 883
4	434 935	347 947	326 201	304 454	237 236
3	418 883	335 106	314 168	293 217	228 481
2	392 221	313 778	294 166	274 555	213 939
1	380 791	304 632	285 594	266 553	207 455

The mayor of a plenary type municipality should be remunerated according to the total remuneration package column of mayor/ executive mayor.

**9. Upper limits of the allowances of full-time and part-time councillors**

The upper limits of the allowances of full-time and part-time councillor, which form part of the total remuneration package, are as follows:

(1) Travelling allowance

- (a) An allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of items 5 and 8 may be included as part of the total package;
- (b) Official distances travelled may, in addition to the annual total remuneration package of a councillor as determined in terms of items 5 and 8 and the allowance referred to in paragraph (a), be reimbursed in accordance with the councils' applicable policy, and not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately owned vehicles;
- (c) For the purposes of claiming running and maintenance allowances, a logbook acceptable to the South African Revenue Service reflecting the official and private kilometres travelled per month must be kept;
- (d) A municipal council may, in addition to the allowance referred to in paragraph (a), provide a municipal-owned vehicle to a an executive mayor or mayor, deputy executive mayor or deputy mayor, or speaker, where applicable, for official purposes;
- (e) Where a municipal council makes a municipal-owned vehicle available to a councillor, other than an executive mayor or a mayor, deputy executive mayor or deputy mayor, or speaker, where applicable, for use on official business, the councillor would not be entitled to the 25% travelling allowance, as determined in terms of items 5 and 8; and
- (f) Nothing herein contained shall prevent any other councillor other than a mayor, deputy mayor or speaker from making use of a municipal-owned vehicle for attendance at a specific function which that councillor has been delegated to attend, outside of the ordinary scope of work of such councillor.

(2) Housing allowance

A councillor may structure his or her salary to include housing allowance as part of the total remuneration package.

(3) Out of pocket expenses

A councillor may, in addition to the total remuneration package, be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official and ceremonial duties, in accordance with a policy as approved by the municipal council.

**10. Upper limits of cell phone allowance for councillors**

A councillor may, in addition to the annual total remuneration packages provided for in terms of items 5 and 8 respectively, be reimbursed a fixed cell phone allowance not exceeding the following amounts:

(1) R3485 per month to a full-time executive mayor or mayor, deputy mayors and speakers of only a grade 6 municipal council; and

(2) R1739 per month to a councillor, including executive mayor or mayor, deputy mayors and speakers of grade 1, 2, 3, 4 and 5 municipal councils.

**11. Upper limits of mobile data bundles for councillors**

A councillor may, in addition to the annual total remuneration packages provided for in terms of items 5 and 8 respectively, be reimbursed for fixed mobile data bundles not exceeding R300 per month.

## **12. Upper limits of pension fund contributions and medical aid benefits of councillors**

The following are also included in the total remuneration package of a councillor:

(1) The upper limit of the contribution to be made by a municipal council to the pension fund, of which a councillor is a member, is 15% of the basic salary of such councillor. The contributions by the municipal council and the councillor are included in the total remuneration package as a total cost to the municipality.

(2) The upper limit of the contribution to be made by a municipal council to the medical aid scheme of which a councillor is a member, is  $\frac{2}{3}$  of the membership fee: Provided that a part-time councillor is not a member of a medical aid scheme by virtue of his or her employment in a capacity other than a councillor. The contributions by the municipal council and the councillor are included in the total remuneration package as a total cost to the municipality.

## **13. Special risk cover**

(1) A municipality must, in addition to the annual total remuneration packages provided for in terms of items 5 and 8 respectively, take out risk insurance cover, to provide for the loss of or damage to a councillor's property, assets, life or disability, excluding business property, arising from any riot, civil unrest, strike or public disorder. The special risk insurance on fixed property will be limited to R1,5 million while on vehicles it is limited to R750 000. The life and disability insurance cover is limited to 2 times the total remuneration package of a councillor.

(2) In the event where the residential property of a councillor was damaged or destroyed as a result of riot, civil unrest, strike or public disorder, the municipality may, in addition to the annual total remuneration packages provided for in terms of items 5 and 8 respectively, provide alternative accommodation, affordable to the municipality, to such a councillor for a period of 30 days from the date of such an incident, which may be reviewed by the municipal council after expiry of the 30 days, on good cause shown, for not more than 30 days at a time.

(3) It is the responsibility of a councillor to furnish details of the councillor's property, assets and beneficiaries to be covered by the special risk insurance upon request. Failure by the councillor to furnish the municipality with the required information will forfeit the councillor's benefits from the special risk insurance cover. A councillor who already has their own special risk cover must also declare to the municipality such information.

**14. Tools of trade**

(1) A municipal council may extend the following tools of trade to a councillor as follows:

	<b>TOOL OF TRADE</b>	<b>CONDITIONS</b>
(i)	Braille reader	To be provided to all visually impaired councillors.
(ii)	Office space and furniture; Parking bay; Business cards; Calculators; Letter-heads; Stationery; Toner cartridges; Diaries; Postage costs; Office telephone; and Appropriate mobile technology and multi-digital office (excluding cell phones and mobile data card as per item 10 and 11), including laptop and or desktop computer, facsimile, printer, photocopier and scanner.	To be provided to full-time councillors, part-time Executive Mayors or Mayor, part-time Deputy Executive Mayors or Deputy Mayors, part-time Speakers, part-time Members of Mayoral Committee or Members of Executive Committee and part-time Chairpersons of Section 79 Committees.
(iii)	Business cards; Calculators; Letter-heads; Stationery; and Diaries.	To be provided to part-time councillors and the usage must comply with policy directives of the municipality.
(iv)	Postage costs; Office telephone; and Multi-digital office, facsimile, printer, photocopier and scanner.	Part-time councillors to have access to these tools of trade at the municipal offices.
(v)	Personal security to Executive Mayors or Mayors.	Subject to a threat and risk analysis conducted by the South African Police Service.
(vi)	Personal security to any other councillor.	Subject to a threat and risk analysis conducted by the South African Police Service.

TOOL OF TRADE	CONDITIONS
The extension and implementation of the above tools of trade must be done in consultation with the member of the executive council responsible for local government in the province concerned.	

(2) Where a municipal council makes available tools of trade in terms of sub-item (1) such a municipal council must take into account accessibility, affordability and cost control, equity, flexibility, simplicity, transparency, accountability and value of tools of trade.

### 15. Capacity building

(1) A municipality may, in addition to the annual total remuneration packages provided for in terms of items 5 and 8 respectively, contribute towards the payment of costs towards capacity building programmes of councillors.

(2) These capacity building programmes may include specific training conducted by national departments, associated government agencies and SETAs, provincial departments, municipalities and organised local government through institutions of higher learning and Further Education and Training Colleges.

(3) The training programmes must be informed by capacity building needs of councillors to fulfil their statutory obligations and affordability by a municipality.

### 16. Overpayment

(1) Any remuneration paid to a councillor of a municipality otherwise than in accordance with section 167(1) of the *Local Government: Municipal Finance Management Act, 2003* (Act No. 53 of 2003) including any bonus, bursary, loan, advanced or other benefit, is an irregular expenditure and the municipality –

(a) must, and has the right to, recover that remuneration from the political office bearer or member; and

(b) may not write-off any expenditure incurred by the municipality in paying or giving that remuneration.

(2) The MEC must report to the Minister –

(a) any transgression of subsection (1); and

(b) any non-compliance with this Notice.

#### **17. Transitional measures**

(1) If the total remuneration package of a councillor decreases as a consequence of the determination of the grade of municipal council as set out in item 4 of this Notice, such a councillor retains the total remuneration package as determined in terms of Government Notice No. R. 526 of 17 June 2015 and the councillor is entitled to the applicable cost of living adjustment: Provided that the data used by the municipality for determination of the grading of a municipal council was correct.

(2) If a municipality has not submitted the audited financial statements for 2014/15 financial year by the date of publication of this Notice, the audited financial statements for the 2013/14 financial year will apply.

#### **18. Short title and commencement**

This Notice is called the Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils and takes effect from 1 July 2015.

# IMPORTANT Information from Government Printing Works

Dear Valued Customers,

Government Printing Works has implemented rules for completing and submitting the electronic Adobe Forms when you, the customer, submits your notice request.

Please take note of these guidelines when completing your form.



## GPW Business Rules

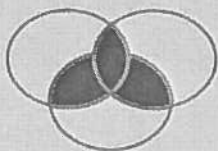
1. No hand written notices will be accepted for processing, this includes Adobe forms which have been completed by hand.
2. Notices can only be submitted in Adobe electronic form format to the email submission address [submit.egazette@gpw.gov.za](mailto:submit.egazette@gpw.gov.za). This means that any notice submissions not on an Adobe electronic form that are submitted to this mailbox will be **rejected**. National or Provincial gazette notices, where the Z95 or Z95Prov must be an Adobe form but the notice content (body) will be an attachment.
3. Notices brought into GPW by "walk-in" customers on electronic media can only be submitted in Adobe electronic form format. This means that any notice submissions not on an Adobe electronic form that are submitted by the customer on electronic media will be **rejected**. National or Provincial gazette notices, where the Z95 or Z95Prov must be an Adobe form but the notice content (body) will be an attachment.
4. All customers who walk in to GPW that wish to submit a notice that is not on an electronic Adobe form will be routed to the Contact Centre where the customer will be taken through the completion of the form by a GPW representative. Where a customer walks into GPW with a stack of hard copy notices delivered by a messenger on behalf of a newspaper the messenger must be referred back to the sender as the submission does not adhere to the submission rules.
5. All notice submissions that do not comply with point 2 will be charged full price for the notice submission.
6. The current cut-off of all Gazette's remains unchanged for all channels. (Refer to the GPW website for submission deadlines – [www.gpwonline.co.za](http://www.gpwonline.co.za))
7. Incorrectly completed forms and notices submitted in the wrong format will be rejected to the customer to be corrected and resubmitted. Assistance will be available through the Contact Centre should help be required when completing the forms. (012-748 6200 or email [info.egazette@gpw.gov.za](mailto:info.egazette@gpw.gov.za))
8. All re-submissions by customers will be subject to the above cut-off times.
9. All submissions and re-submissions that miss the cut-off will be rejected to the customer to be submitted with a new publication date.
10. Information on forms will be taken as the primary source of the notice to be published. Any instructions that are on the email body or covering letter that contradicts the notice form content will be ignored.

You are therefore advised that effective from **Monday, 18 May 2015** should you not comply with our new rules of engagement, all notice requests will be rejected by our new system.

Furthermore, the fax number **012- 748 6030** will also be **discontinued** from this date and customers will only be able to submit notice requests through the email address [submit.egazette@gpw.gov.za](mailto:submit.egazette@gpw.gov.za).



Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001  
Contact Centre Tel: 012-748 6200. eMail: [info.egazette@gpw.gov.za](mailto:info.egazette@gpw.gov.za)



**SALGA**  
South African Local Government Association

Enq: Lorette Tredoux  
Tel: 012 369 8000  
Fax: 012 369 8001  
E-mail: [LTredoux@salga.org.za](mailto:LTredoux@salga.org.za)

## CIRCULAR 45 / 2015

**FROM : CHIEF EXECUTIVE OFFICER**

**TO : EXECUTIVE MAYORS  
MAYORS  
SPEAKERS  
MUNICIPAL MANAGERS**

**DATE : 23 DECEMBER 2015**

### DETERMINATION OF THE UPPER LIMITS FOR THE SALARIES, ALLOWANCES AND BENEFITS OF MUNICIPAL COUNCILLORS FOR THE 2015/16 FINANCIAL YEAR

The Minister of Cooperative Governance and Traditional Affairs on 21 December 2015 published the upper limits notice for the salaries, allowances and benefits for the 2015/16 financial year.

A copy of the notice is attached as Annexure "A" to the circular.

The most pertinent points to note in terms of the notice are set out below. SALGA has a number of concerns with regard to the implementation of the notice and this will be taken up with COGTA when their offices re-open on 6 January 2016:

#### 1. Concurrence

As has been the requirement in the past, once the municipal council has approved the implementation of the upper limits notice, the MEC for local government must grant concurrence before the new notice may be implemented.

**SALGA National**  
Block B  
Menlyn Corporate Park  
175 Corobay Ave  
Cnr Garsfontein Rd  
Waterkloof Glen X11  
Pretoria 0181  
Tel: 012 369 8000  
Fax: 012 369 8001

**Eastern Cape**  
1<sup>st</sup> Floor  
3 Borea Terrace, Borea  
East London 5214  
Tel: 043 727 1150  
Fax: 043 727 1156

**Free State**  
36 McGregor St  
East End  
Bloemfontein 9300  
Tel: 051 447 1960  
Fax: 051 430 8250

**Gauteng**  
3<sup>rd</sup> Floor Braampark  
Forum 2, 33 Hoofd St  
Braamfontein 2017  
Tel: 011 276 1150  
Fax: 011 403 3836

**KwaZulu-Natal**  
4<sup>th</sup> Floor Clifton Place  
19 Hursl Grove  
Musgrave  
Durban 4000  
Tel: 031 817 0000  
Fax: 031 817 0034

**Limpopo**  
127 Marshall St  
Polokwane 0699  
Tel: 015 291 1400  
Fax: 015 291 1414

**Mpumalanga**  
SALGA House  
11 Van Rensburg St  
Nelspruit 1200  
Tel: 013 752 1200  
Fax: 013 752 5595

**North West**  
Suite 400, Jade Square  
Cnr O R Tambo &  
Margaretha Prinsloo St  
Klerksdorp 2570  
Tel: 018 462 5290  
Fax: 018 462 4662

**Northern Cape**  
Crescent House  
1 & 2 D'Arcy St  
Kimberley 8300  
Tel: 053 836 7900  
Fax: 053 833 3828

**Western Cape**  
SALGA House  
7<sup>th</sup> Floor, 44 Strand St  
Cape Town 8000  
Tel: 021 469 9800  
Fax: 021 461 1936

## 2. Governance Structures of Organised Local Government

Contrary to previous notices, the notice now defines "governance structures" of SALGA. The definition provided is, however, not in line with either the SALGA Constitution or the SALGA policy for the payment of sitting allowances, and this matter will be addressed with COGTA in order to take into account the SALGA Constitution.

## 3. Total Municipal Income

The definition of total municipal income remains similar to the definition contained in the notice of 17 June 2015, however, item 17(2) provides that in the event where a municipality did not submit financial statements for the 2014/15 financial year by the date of publication of the notice, thus 21 December 2015, the audited financial statements for 2013/14 will apply.

## 4. Upper Limits of Salaries

An increase of 5,5% and 6% as recommended were provided for in the notice. The notice provide that where the salary of a council decrease as a result of the said notice, must implement the notice of 17 June 2015. No indication is given of what the situation of councillors would be that were exempted from the notice of 17 June 2015 and this will be addressed with COGTA. Where salaries, allowances and benefits are provided to councillors not provided for in the notice, must be recovered by the municipality and the notice is explicit that a municipality may not write of any expenditure so incurred.

## 5. Sitting Allowance for Councillors Appointed to the District Municipality

The sitting allowance for councillors appointed to the district, where applicable, was increased to R962 per sitting.

## 6. Allowances

The provisions with regard to travel, housing allowances and out of pocket expenses remain the same as in the notice of 17 June 2015.

## 7. Cellular phone and data bundle allowances

The cellular phone and date bundle allowances remain the same as in the notice of 17 June 2015.

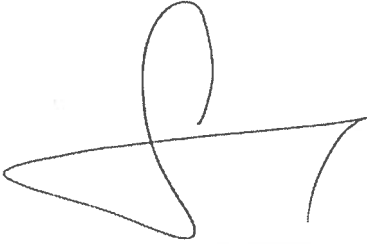
## 8. Tools of Trade

The tools of trade remain similar to those contained in the notice of 17 June 2015, **except** for the fact that official accommodation and furniture for full time Executive Mayors and Mayors have been **excluded**. The effect thereof is that Executive Mayors and Mayors are no longer entitled to this benefit. However, no transitional

arrangement has been provided for in the notice and this will also be addressed with COGTA to ensure that no negative audit findings are made in this regard.

A further circular will be issued early in 2016 to clarify the areas that will result in implementation challenges.

Yours faithfully,

A handwritten signature in black ink, consisting of a large, stylized loop on the left and a horizontal line extending to the right, ending in a small upward curve.

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**XOLILE GEORGE**  
**CHIEF EXECUTIVE OFFICER**

**AFFORDABILITY VERIFICATION CERTIFICATE****GRADING**

		<b>Points</b>
Population as per 2011 census figures	80'432	<b>16,67</b>
Total Municipal Income (gross income as stated in the financial statement of the municipality for the 2014/15 financial year)	R746'870'360	<b>33,33</b>
<b>Total Points</b>	<b>50,00</b>	
<b>Grade</b>	<b>3 (Three)</b>	

## AFFORDABILITY VERIFICATION CERTIFICATE

**COUNCILLOR REMUNERATION: RE-DETERMINATION OF UPPER LIMITS  
WITH EFFECT FROM 1 JULY 2015: GOVERNMENT NOTICE NO. R. 1271  
DATED 21 DECEMBER 2015**

I, C C GROENEWALD, Accounting Officer of OVERSTRAND MUNICIPALITY  
(name of the municipality), hereby certify that:

(mark and complete as appropriate)

Current Councillor Remuneration Budget : R 8'674'000

Rand Increase of Total Budget as per new upper limits : R Nil

**Adequate provision** has been made in the 2015/16 budget for the said increases in councillor remuneration including the back pay.

There is **inadequate provision** in the 2015/16 budget for the said increases in councillor remuneration including the back pay and that the shortfall will be funded from the accumulated surplus or savings (delete the inappropriate).

Based on the current financial performance and collection trends that the increases in councillor remuneration is affordable and does not compromise service delivery and the sustainability of the municipality.

Is an adjustment budget required to provide for back pay or the increase in councilor remuneration? Y / N

If Yes, how will the additional expenditure be funded? (Provide sufficient detail of how savings have been achieved to fund the additional expenditure)

N / A

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The information submitted above, is to the best of my knowledge accurate.

Print name : C C GROENEWALD

Accounting Officer of : OVERSTRAND MUNICIPALITY

Signature: *C C Groenewald* Date: 29.12.2015

