AIDS HE LPLINE: 0800-123-22 Prevention is the cure

GENERAL NOTICE

NOTICE 4595 OF 2000

INDEPENDENT COMMISSION FOR THE REMUNERATION OF PUBLIC OFFICE BEARERS

RECOMMENDATIONS ON THE REMUNERATION OF MUNICIPAL COUNCILLORS

1 The Independent Commission for the Remuneration of Public Office-Bearers was constituted in terms of Section 219 of the Constitution of the Republic of South Africa, 1996. It was duly appointed in terms of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 with the objective of making recommendations regarding the salaries, allowances and benefits of public office-bearers.

2 In terms of Section 8 of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997, the Independent Commission herewith publishes its recommendations concerning the remuneration of Municipal Councillors.

3 With due regard to the report and recommendations by its Consultants in the above regard and information available to the Independent Commission, together with all other relevant factors, the Commission makes the following recommendations for consideration:

3.1 Ranking of municipalities for remuneration purposes

The ranking of municipalities for remuneration purposes of Municipal Councillors -

(a) be based on the following factors as set out in the tables below:

(i) Registered number of voters (50%)

(ii) Previous year's property rates (levy income in respect of District Councils) (50%)

POINTS BASED ON NUMBER OF REGISTERED VOTERS

Size	Banding of Registered Number of Voters	Points
1	0 - 2,000	8.33
2	2,001 - 12,000	16.67
3	12,001 - 50,000	25.00
4	50,001 - 125,000	33.33
5	125,001 - 250,000	41.67
6	> 250,000	50.00

POINTS BASED ON PROPERTY RATES INCOME

Size	Banding of Property Rates	Points
1	R0 - R2,000,000	8.33
2	R2 000 001 - R12,000,000	16.67
3	R12,000,001 - R50,000,000	25.00
4	R50,000,001 - R125,000,000	33.33
5	R125,000,001 - R250,000,000	41.67
6	>R250,000,000	50.00

(b) **be determined in accordance with the aggregation of the points of the two factors referred to in paragraph (a) above as set out below –**

TOTAL POINTS FOR DETERMING SIZE CLASSIFICATIONS

CATEGORY	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

(c) as **interim measures until 30 June 2001:**

(i) The remuneration category in respect of the newly established municipalities after the 5 December 2000 elections, be determined on the number of registered voters and the sum of the previous years rates income of its constituent municipalities in existence prior to the elections. In instances **where** only a part of an existing municipality forms part of a newly established municipality, the rates income for that municipality be proportionately allocated to the new municipality.

(ii) **Where a new municipality is established** where none existed before 5 December 2000, the ranking of a municipality shall be determined by its number of registered voters only.

3,2   Remuneration differentials between the different categories of municipalities

The remuneration differentials for full-time councillors between the different categories of municipality be determined as follows:

Level 1   17%

Level 2   33%

Level 3   50?40

Level 4   67%

Level 5   83%

Level 6   100%

3.3   Levels of Municipal Councillors

For remuneration purposes the following levels of Municipal Councillors be
approved:

Level 1   Executive Mayor

Level 2   Deputy Executive Mayor
                 Councillor responsible for Financial Matters
                 Mayor

Level 3   Members of Mayoral and Executive Committees
                 Speaker
                 Chairperson of Sub-Council
                 Deputy Mayor
                 Other full-time Councillors, if any

Level 4   Part-time Councillors

3,4   The upper limit of basic salary for full-time Executive Mayors of Category 6
        municipalities

The upper limit of the annual basic salary of a full-time Executive Mayor of the
largest category (No.6) municipality be determined to be an amount equal to 75%
of the basic salary of a Member of the Executive Council of a Provincial
Legislature calculated on the following basis:

Total Remuneration of an MEC		R441 980
Less Motor Vehicle allowance	R88 396	
Element to maintain more than one household	R39 010	
Parliamentary allowance	R40 000 =	R167 406
		R274 574"
Less 25% Adjustment		R 68544
		R205 934

3.5   Remuneration differentials between different levels of Municipal Councillors

The remuneration differentials between the different levels of political office
bearers of a particular municipality be determined as follows:

Level 1   100%

Level 2   80%

Level 3   72%

Level 4   Remuneration   determined   in
                                     accordance with paragraph 3.6 (a) &
                                     (b)

3.6   Part-time Municipal Councillors: Standard Times & Rates

(a) The Upper Limit of the Standard Monthly Hours applicable to part-time Councillors of the different grades of municipalities be determined as follows:

Position	Standard Monthly Hours for the different Grades of Municipalities		
	Grade 1 & 2	Grade 3 & 4	Grade 5 & 6
Mayor/Chairperson of Exco	40	62	100
Member of Exco	28	38	52
Ordinary Member	24	30	36

(b) The Upper Limit of the Standard Remuneration Rate per hour applicable to the different grades of municipalities be determined as follows:

	Grade of Municipality					
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
Rate/ hour	R55	R65	R76	R88	RIOO	R113

3.7   Remuneration Capping

To ensure the affordability of the remuneration cost of Municipal Councillors to a municipality, the relevant Member of the Executive Council (MEC) of a Province, in the determination of the remuneration of Municipal Councillors of a particular municipality -

(i)   adjust the applicable standard time and/or standard rates as set out in paragraph 3.6 (a) and (b), appropriately downwards; and

(ii)   determine the upper limit of the percentage of income, which a municipality may expend on councillor remuneration as follows:

Grade of Municipality	Percentage of Income
6	1,5%
5	2 0, 0
3 & 4	2,5%
1 & 2	3%

3.8   Allowances

(a) The Upper Limit for the following allowances to be added to the basic salarv as determined in accordance **with paragraphs 3.3, 3.4, 3.5 and 3.6 be as** follows:

(i)	Traveling Allowance	That the present system of allowances be retained as an interim measure and where applicable that actual kilometers travelled be compensated at prevailing AA rates, subject to the submission of documentary proof
(ii)	Telephone Allowance:	
	Full-time members	R250 per month
	Part-time members	R500 per month
(iii)	Use of personal facilities **for community liaison**	R200 per month

(b) The payment of a telephone allowance **as set out in paragraph** 3.8(a)(ii) **above be subject to the submission of documentary proof of expenditure.**

(c) In **respect of the allowance** for the use of personal facilities **for community liaison, the relevant** MEC should take into account the facilities available in a municipality area and the characteristics of a municipality, in terms of physical ward size and the availability of ward facilities,

3.9   Medical Aid

(a) Full-time Municipal Councillors be allowed to join a medical aid scheme of their choice, which is registered with the Registrar of Medical Aid Funds; and

(b) the municipality pay a monthly contribution amounting to two thirds of the actual premium payable by the member in respect of the member and his/her immediate dependenUfamily members as determined by the relevant Medical Aid Fund, subject to a maximum municipality contribution not exceeding an amount equal to the amount payable by the State in respect of its full- time employees, or a lessor amount as determined by the Minister for Provincial Affairs and Local Government.

3.10   Pension Benefits

(a)   A retirement dispensation for full-time Municipal Councillors be established on a national basis, similar to that provided for public office bearers at national and provincial levels of government;

(b)   the contribution be as follows:

Council -	15% of Total Remuneration
Member -	7½% of Total Remuneration; and

(c)   the existing Municipal Councils Pension Funds **be closed provided that the rights of the various stakeholders be carefully considered and** evaluated. A negotiated resolution of this issue should be initiated under the leadership of the relevant Ministers at national government level.

3.11 <u>Dual Membership</u>

Municipal Councillors who are members of two municipal councils be remunerated as follows:

(a) <u>Part-time Members</u>

An amount based on the standard rate, as set out in paragraph 3.6 (b), and standard hours as set out in the table below be paid' by the local Municipal Council of which he/she is a member@ an amount based on the standard rate, as set out in paragraph 3.6 (b), and standard hours as set out in the table below be paid by the District Council of which he/she is also a member:

Position	Standard Monthly Hours for the different Grades of Municipalities		
	Grade 1 & 2	Grade 3 & 4	Grade 5 & 6
Mayor/Chairperson of Exco	22		82
Member of Exco	10	4 4 20	34
Ordinary Member	6	12	18

(b) <u>Full-time Members</u>

No additional remuneration, other than the remuneration determined in accordance with the provisions of paragraphs 3.1, 3.2, 3.3 and 3.5 be paid,

3.12 <u>Official work outside the area of jurisdiction of the municipality of which a Councillor is a member</u>

The cost for travel and accommodation at acceptable rates as determined by the relevant MEC be paid to all municipal councillors on a reimbursive basis.