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**GOVERNMENT NOTICE**  
**GOEWERMENSKENNISGEWING**

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**DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT**  
**DEPARTEMENT VAN PROVINSIALE EN PLAASLIKE REGERING**

**No. R. 1477**

**21 December 2004**

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, Fholisani Sydney Mufamadi, Minister for Provincial and Local Government, 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 that Act; and
- (c) after taking into consideration the recommendations of the Commission in terms of sections 8(5)(a) and 9(5)(a) of that Act, respectively,

determine the upper limits of the salaries, allowances and benefits of the different members of municipal councils as set out in the Schedule with effect from 1 July 2004, and repeal Government Notices No. R. 1097 of 28 July 2003 and No. 208 of 20 February 2004 with effect from the same date.

**F S MUFAMADI**

**MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT**

## SCHEDULE

### Definitions

1. 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) (hereafter "the Act") and the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) (hereafter "the Structures Act"), has that meaning and -

"grade" means the grade of municipal council as determined in terms of item 4;

"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;

"rates income" means in respect of a local municipality or metropolitan municipality the sum total of the actual rates income for the 2003/2004 financial year of the municipality concerned; and

"part-time councillor" means a councillor other than a full-time councillor.

### Allocation of number of points for rates income

2. The number of points allocated for the rates income of a municipality is as follows:

PROPERTY RATES INCOME	NUMBER OF POINTS
R 0 - R 5,000,000	8.33
R 5,000,001 - R 20,000,000	16.67
R 20,000,001 - R 60,000,000	25.00
R 60,000,001 - R150,000,000	33.33
R150,000,001 - R350,000,000	41.67
<b>More than R350,000,000</b>	50.00

### Allocation of number of points for registered voters

3. The number of points allocated for the number of registered voters within a municipality, is as follows:

NUMBER OF REGISTERED VOTERS	NUMBER OF POINTS
0 - 10,000	8.33
10,001 - 30,000	16.67
30,001 - 60,000	25.00
60,001 - 120,000	33.33
120,001 - 450,000	41.67
<b>More than 450,000</b>	50.00

### Determination of grade of municipal council

4.(a) The sum of the number of points allocated to a municipal council, other than a municipal council referred to in paragraph (b) or (c), in terms of items 2 and 3 respectively, determines the grade of such municipal council in accordance with the following table:

GRADE OF MUNICIPALITY	POINTS
	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

(b) For purposes of the determination of the upper limits of the salary, allowances and benefits of those members of a district council who have been directly elected to such council, such council is allocated the same grade as the highest grade of local council within its area of jurisdiction: Provided that where the highest graded local council within the area of jurisdiction of a district council is lower than grade 4, such district council must be regarded as a grade 4 municipal council.

(c) A local council that does not have rates income is a grade 1 municipal council as envisaged in paragraph (a).

### Upper limits of annual salaries of full-time councillors

5. The upper limit of the annual salary of a full-time councillor is as follows:

Grade	Executive Mayor or Mayor	Speaker, Deputy Executive Mayor or Deputy Mayor	Members of the Executive Committee or Mayoral Committee	Whip	Chairperson of a subtouncil
6	339449	305504	271559	271559	271559
5	271478	217183	203609	203609	-
4	220576	176461	165433	165433	-
3	169674	135739	127255	127255	-
2	118771	95017	89078	89078	-
1	67868	54295	50902	50902	-

**Upper limits of allowances of full-time councillors of grade 6 municipal councils other than full-time executive mayors or full-time mayors of grade 6 municipal councils**

6. The upper limits of the allowances of a full-time councillor of a grade 6 municipal council other than the full-time executive mayor or full-time mayor of a grade 6 municipal council, is as follows:

(a) Office-bearer allowance:

An office-bearer allowance of not more than –

- (i) **R44 505.00** per annum in respect of a speaker, deputy executive mayor or deputy mayor; and
- (ii) **R39 560.00** per annum in respect of a member of a mayoral committee or executive committee, the chairperson of a sub-council, or a whip.

(b) Travelling allowances:

- (i) (aa) A fixed allowance based on a percentage of the salary of the full-time councillor concerned as determined in terms of item 5, which percentage may not exceed 25%; or

(bb) An allowance in respect of kilometres travelled during the performance of official functions on behalf of the municipality not exceeding the applicable tariffs prescribed by the Department of Transport for use of privately owned vehicles.

- (ii) In addition to the allowances referred to in subparagraph (i), a further allowance regarding kilometres travelled in respect of the performance of official functions on behalf of the municipality outside the jurisdiction of that municipality not exceeding the applicable tariffs prescribed by the Department of Transport for use of privately owned vehicles.

- (iii) A councillor must elect one of the options set out in sub-subparagraphs (aa) and (bb) of subparagraph (i) at the commencement of each financial year of municipalities: Provided that a councillor may not receive any allowance provided for in subparagraphs (i) and (ii) where the municipal council makes a vehicle available to that councillor.

(iv) In addition to the allowances provided for in this paragraph, a councillor may utilise a council owned vehicle when performing a ceremonial function as determined by the municipal council concerned.

(c) *Use of personal facilities:*

An allowance of not more than R246.00 per month in respect of a full-time councillor who does not have the use of council owned facilities.

(d) *Housing allowance:*

A fixed housing allowance of not more than R36 167.00 per annum: Provided that such an allowance is not payable where the municipal council makes housing available to the councillor concerned.

(e) *Cellphone allowance:*

A fixed allowance of not more than R100000 per month in respect of cellphones.

(f) *Out of pocket expenses:*

A councillor must be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official and ceremonial duties.

**Upper limits of allowances of full-time executive mayor or full-time mayor of grade 6 municipal councils**

7. The upper limits of the allowances of a full-time executive mayor or full-time mayor of a grade 6 municipal council is as follows:

(a) *Office-bearer allowance:*

An office-bearer allowance of not more than R49 451.00 per annum in respect of a full-time executive mayor or a full-time mayor.

(b) *Travelling allowances:*

(i) A fixed allowance of not more than R109 280.00 per annum.

(ii) An allowance regarding kilometres travelled in respect of the performance of official functions on behalf of the municipality outside the jurisdiction of that municipality not exceeding the applicable tariffs prescribed by the Department of Transport for use of privately owned vehicles.

(iii) In addition to the allowances provided for in this paragraph, a full-time executive mayor or a full-time mayor may utilise a council owned vehicle when performing a ceremonial function as determined by the municipal council concerned.

(c) Housing allowance:

A fixed housing allowance of not more than R48 225.00 per annum.

(d) Cellphone allowance:

A fixed allowance of not more than R2000.00 per month in respect of cellphones.

(e) Out of pocket expenses:

A councillor must be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official and ceremonial duties.

**Upper limits of allowances of full-time councillors other than councillors referred to in items 6 and 7**

8. The upper limits of the allowances of a full-time councillor, other than a councillor referred to in items 6 and 7, is as follows:

(a) Travelling allowances:

(i) (aa) A fixed allowance based on a percentage of the salary of the full-time councillor concerned as determined in terms of item 5, which percentage may not exceed 25%; or

(bb) An allowance in respect of kilometres travelled during the performance of official functions on behalf of the municipality not exceeding the applicable tariffs prescribed by the Department of Transport for use of privately owned vehicles.

- (ii) In addition to the allowances referred to in subparagraph (i), a further allowance regarding kilometres travelled in respect of the performance of official functions on behalf of the municipality outside the jurisdiction of that municipality not exceeding the applicable tariffs prescribed by the Department of Transport for use of privately owned vehicles.
- (iii) **A** councillor must elect one of the options set out in sub-subparagraphs (aa) and (bb) of subparagraph (i) at the commencement of each financial year of municipalities: Provided that a councillor, other than a full-time executive mayor or a full-time mayor where applicable, may not receive any allowance provided for in subparagraphs (i) and (ii) where the municipal council concerned makes a vehicle available to that councillor.
- (iv) In addition to the allowances provided for in this paragraph, a councillor may utilise a council owned vehicle when performing a ceremonial function as determined by the municipal council concerned.

**(b)** *Use of personal facilities:*

An allowance of not more than R246.00 per month in respect of a full-time councillor who does not have the use of council owned facilities.

**(c)** *Housing allowance:*

A fixed housing allowance of not more than **R36 167.00** per annum: Provided that such an allowance is not payable where the municipal council concerned makes housing available to the councillor concerned and such a councillor is not a full-time executive mayor or a full-time mayor.

**(d)** *Cellphone allowance:*

A fixed allowance of not more than R1000.00 per month in respect of cellphones.

**(e)** *Out of pocket expenses:*

**A** councillor must be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official and ceremonial duties.



### **Upper limit of allowance in respect of appointed councillors**

9. 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, executive mayor, mayor, member of a mayoral committee, member of an executive committee or part-time member of a district council, the upper limit of the allowance to which such councillor is entitled, is equal to the difference between the salary, allowances and benefits he or she is receiving as a member of the local council and the salary, allowances and benefits allocated to that office in the district council in terms of items 5, 6, 7, 8, 10, 11, 12 and 13, as the case may be.

(b) If the upper limit of the salary, allowances and benefits which a councillor is receiving as a member of a local council is equal to or higher than the upper limit of the salary, allowances and benefits to which he or she is entitled to as an appointed councillor to the district council, such councillor is entitled to receive an allowance of not more than R493.00 *per sifting* of the district council or any committee of that council: Provided that this allowance is limited to R493.00 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.

(c) A district council is responsible for –

- (i) the payment of an allowance referred to in paragraphs (a) and (b); and
- (ii) the reimbursement of travel expenditure incurred by a councillor during the performance of official functions on behalf of that district municipality.

### **Upper limit of pension fund contributions and medical aid benefits of full-time councillors**

10. (a) The upper limit of the contribution to be made by a municipal council to the pension fund of which a full-time councillor of that council is a member, is 15% of the salary of such councillor determined in terms of item 5.

(b) The upper limit of the contribution to be made by a municipal council to the medical aid scheme of which a full-time councillor of that council is a member, is  $\frac{2}{3}$  of the membership fee to a maximum of R1014.00 per month.

### Upper limits of annual salaries of part-time councillors

11. The upper limit of the annual salary of a part-time councillor is as follows:

Grade	Executive Mayor α Mayor	Speaker, Executive Deputy Mayor or Deputy Mayor	Members of the Executive Committee or Mayoral Committee	Other part-time members
6	191622	153298	143715	135779
5	172459	137968	129344	68983
4	124554	99643	93415	49821
3	95811	76648	71857	38324
2	67067	53654	50301	26826
1	38324	30659	28741	15329

### Upper limits of allowances of part-time councillors

12. The upper limits of the allowances of a part-time councillor is as follows:

(a) Travelling allowances:

- (i) (aa) A fixed allowance based on a percentage of the salary of the councillor concerned as determined in terms of item 11, which percentage may not exceed 25%; or
  - (bb) An allowance in respect of kilometres travelled during the performance of official functions on behalf of the municipality not exceeding the applicable tariffs prescribed by the Department of Transport for use of privately owned vehicles.
- (ii) In addition to the allowances referred to in subparagraph (i), a further allowance regarding kilometres travelled in respect of the performance of official functions on behalf of the municipality outside the jurisdiction of that municipality not exceeding the applicable tariffs prescribed by the Department of Transport for use of privately owned vehicles.
- (iii) A councillor must elect one of the options set out in sub-subparagraphs (aa) and (bb) of subparagraph (i) at the commencement of each financial year of municipalities: Provided that a councillor, other than an executive mayor or a mayor where applicable, may not receive any allowance provided for in subparagraphs (i) and (ii) where the municipal council concerned makes a vehicle available to that councillor.

(iv) In addition to the allowances provided for in this paragraph, a councillor may utilise a council owned vehicle when performing a ceremonial function as determined by the municipal council concerned.

**(b) Use of personal facilities:**

An allowance of not more than R246.00 per month in respect of a part-time councillor who does not have the use of council owned facilities.

**(c) Cellphone allowance:**

A fixed allowance of not more than R625.00 per month in respect of cellphones.

**(d) Out of pocket expenses:**

A councillor must be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official and ceremonial duties.

**Upper limit of pension fund contributions and medical aid benefits of part-time councillors**

**13.** (a) The upper limit of the contribution to be made by a municipal council to the pension fund of which a part-time councillor of that council is a member, is 15% of the salary of such councillor determined in terms of item 11.

(b) The upper limit of the contribution to be made by a municipal council to the medical aid scheme of which a part-time councillor of that council is a member, is  $\frac{2}{3}$  of the membership fee to a maximum of R1014.00 per month: Provided that the councillor concerned is not a member of a medical aid scheme by virtue of his or her employment in a capacity other than a councillor.