



ITEM 4.1 VAN DIE AGENDA VAN 'N SPESIALE RAADSVERGADERING WAT GEHOU SAL WORD OP 30 NOVEMBER 2022

ONDERWERP: RAADSLIDVERGOEDING: IMPLEMENTERING VAN DATATOELAAG
SUBJECT: COUNCILOR'S REMUNERATION: IMPLEMENTATION OF DATA ALLOWANCE

1. BACKGROUND / DISCUSSION

- 1.1 The salaries and allowances payable to councillors are regulated in terms of the Remuneration of Public Office-Bearers Act, 1998.
- 1.2 The National Minister for Cooperative Governance and Traditional Affairs, under the powers vested in her in terms of the said act, determined the upper limits of salaries, allowances and benefits of different members of municipal councils effective in respect of the 2021/22 financial year, i.e. from 1 July 2021 as per Government Notice R.2126 (hereinafter referred to as 'the Notice') as published in Government Gazette No. 46470 dated 2 June 2022.
- 1.3 The implementation of increases as per said Notice was approved by the municipal Council on 16 June 2022, with retrospective effect from 1 July 2021 in respect of re-elected councillors and with effect from 9 November 2021 in respect of newly elected councillors. It was also further resolved at this meeting:-

"That the Municipality expresses its dissatisfaction with the National Minister regarding the following two aspects:

- (1) *The fact that late promulgation of the upper limits prevents pro-active budgeting by municipalities, and the unintended consequence of such late promulgation being that consultation with the MEC cannot be dealt with timeously/effectively, resulting in the back payment of councillors only taking place in the ensuing financial year, which does not constitute good practice;*
 - (2) *The unilateral withdrawal of the R300 data allowance (with the associated implication that allowances have to be recovered retrospectively from 1 July 2021) not being an indicator of good governance and, on the contrary, promotes irregular expenditure."*
- 1.4 The National Minister has not yet promulgated a notice in respect of the current year, i.e. for the period 1 July 2022 until 30 June 2023, but has on 2 November 2022 published an Amendment Notice (GN. 2698, GG47437) to the Notice, a copy of which is attached hereto as **ANNEXURE A**.
 - 1.5 Whereas Item 11 of the Notice provided that the cell phone allowance of R3 400.00 per month was *inclusive of mobile data*, these words have now been deleted from Item 11 of the Notice, and a new Item 11A added in terms of which a councillor may be paid an allowance on the use of data bundles not exceeding R300.00 per month, in addition to the annual total remuneration package.
 - 1.6 The other substitutions/amendments do not impact the councillors of the Swartland Municipality.

2. WETGEWING / LEGISLATION

- 2.1 The salary and allowances of municipal council members are determined by the council by resolution/...

2.1/...

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 in the notice, the financial year of municipal councils and affordability of municipal councils to pay within the different grades of the remuneration, including the National Treasury austerity measures. This implies that the budget for the year in question must reflect the liability to pay the level of remuneration determined by the council and this must in turn be cash funded. Further, before implementation, it is necessary to consult with the MEC responsible for Local Government in the Province, motivating the affordability and demonstrating that the liability has been budgeted for.

2.2 The Department of Local Government has indicated that Municipalities will still be required to obtain approval for payment of the data allowance by its Municipal Council, which should be by way of a resolution of a supporting vote of the majority of councillors, and furthermore, obtain the concurrence of the MEC for Local Government before such allowances can be effected, since the preamble of the original Notice (which requires consultation as indicated) has not been amended or substituted.

3. **FINANCIAL IMPLICATIONS**

ANNEXURE B reflects that adequate financial provision has been made in the 2022/23 financial year to cover the impact of the data allowances to be paid to councillors with effect from 1 November 2022.

4. **AANBEVELING**

- (a) Dat kennis geneem word van die inhoud van Goewermentskennisgewing No. 2698 soos afgekondig in Staatskoerant 47437 gedateer 2 November 2022, asook die implikasies wat die implementering van die datatoelaag vir die Munisipaliteit inhou ten aansien van die 2022/23 finansiële jaar, soos toegelig in Aanhangsel B tot hierdie verslag;
- (b) Dat kennis geneem word dat daar genoegsame voorsiening in die 2022/23 bedryfsbegroting gemaak is om die datatoelaag te dek, en dat die Raad gevolglik goedkeuring verleen vir die implementering daarvan, met effek vanaf 1 November 2022;
- (c) Dat daar voldoen sal word aan die oorlegplegingsvereistes van die LUR vir plaaslike regering ten einde lg. se instemming te bekom vir die implementering van die datatoelaag.

RECOMMENDATION

- (a) That the contents of Government Notice No. 2698 as published in Government Gazette 47437 dated 2 November 2022 be noted, as well as the implications for the Municipality of implementation of the data allowance in respect of the 2022/23 financial year, as explained in Annexure B to this report;
- (b) That cognizance be taken that adequate provision has been made in the 2022/23 operating budget in order to cover the data allowance, and that the Council therefore grants approval for the implementation of same with effect from 1 November 2022;
- (c) That the consultation prescripts of the MEC for local government be complied with in order to obtain the latter's approval for the implementation of the data allowance.

(get) M S Terblanche

MUNISIPALE BESTUURDER

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 2698

2 November 2022

**REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 1998
(ACT NO. 20 OF 1998)****AMENDMENT OF DETERMINATION OF UPPER LIMITS OF THE 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, Nkosazana Clarice Dlamini Zuma, Minister for Cooperative Governance and Traditional Affairs, after –

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

hereby amend the upper limits of the salaries, allowances and benefits of the different members of municipal councils determined in Government Gazette No. 46470 published by Government Notice No. R. 2126 of 2 June 2022 (hereinafter referred to as the "Notice"), as set out in the Schedule.

NC Zuma
NKOSAZANA CLARICE DLAMINI ZUMA, MP
MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
DATE *26.08.2022*

GENERAL EXPLANATORY NOTE:

- [] Words in bold type in square brackets indicate omissions from existing enactments.
 _____ Words underlined with a solid line indicate insertions in existing enactments.

SCHEDULE**Substitution of the table in item 5 of the upper limits of the annual total remuneration packages of full-time councillors**

1. The table in item 5 of the Notice is hereby substituted for the following table:

GRADE	TOTAL REMUNERATION PACKAGE			
	EXECUTIVE MAYOR OR MAYOR	SPEAKER, DEPUTY EXECUTIVE MAYOR OR DEPUTY MAYOR	MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE, WHIP OR CHAIRPERSON OF A SUBCOUNCIL	CHAIRPERSON OF OVERSIGHT COMMITTEE
6	1,446,388	1,168,131	1,100,361	1,068,083
5	1,078,407	862,723	808,804	785,080
4	920,656	736,530	690,808	670,243
3	886,685	709,349	665,015	651,654
2	830,248	664,199	628,615	610,176
1	806,059	650,986	610,297	592,395

The system of plenary type of municipalities ceased to exist from 1 November 2021 and all mayors must be remunerated according to the total remuneration package column of executive mayor or mayor.

Amendment of item 6 of the upper limit of annual total remuneration package or allowance in respect of appointed councillors

2. Item 6 of the Notice is hereby amended by the substitution for sub-item (2) of the following sub-item:

- (2) A district municipality is responsible for –
- (a) the payment of the remuneration or the allowance referred to in sub-item (1); **[and]**

- (b) the reimbursement of travel expenses not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately-owned vehicles incurred by a councillor for the execution of official duties on behalf of that district municipality, in terms of that district council's policy[.]; and
- (c) the payment of cell phone expenses not exceeding 50% of the applicable allowances as prescribed under item 11 incurred by a part-time councillor for the execution of official duties on behalf of that district municipality, in terms of that district council's policy".

Amendment of item 11 of the upper limits of cell phone allowance for councillors

3. The following item is hereby substituted for item 11 of the Notice:

"A councillor may, in addition to the annual total remuneration package provided for in terms of items 5 and 8 respectively, be paid a cell phone allowance not exceeding R3,400.00 per month [**inclusive of mobile data,**] in accordance with the applicable municipal council policy".

Insertion of item 11A in Notice

4. The following item is hereby inserted in the Notice after item 11:

11A Upper limits of mobile data bundles for councillors

A councillor may, in addition to the annual total remuneration package provided for in terms of items 5 and 8 respectively, be paid an allowance on the use of data bundles not exceeding R300.00 per month".

5. Short title

This Notice is called the Amendment of Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils, 2022.

Annexure B

	Calculated Cost			Budget 2022/23
	Cell Phone Allowance	Data Allowance	Total Cost	
Mayor	40 800,00	2 400,00	43 200,00	44 400,00
Deputy Mayor	40 800,00	2 400,00	43 200,00	44 400,00
Speaker	40 800,00	2 400,00	43 200,00	44 400,00
Executive Committee	163 200,00	9 600,00	172 800,00	177 600,00
Councillors	652 800,00	38 400,00	691 200,00	710 400,00
	938 400,00	55 200,00	993 600,00	1 021 200,00

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** Data Allowances implimented from 1 November 2022