

Ref: Mr M Mothekhe
Ext: 8095/8543
Date: NOVEMBER 28, 2019

**THE SPEAKER
COUNCILLOR MA SIYONZANA**

COUNCIL ITEM

**DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF
COUNCILLORS 2019/2020**

1. PURPOSE

The purpose of this report is to appraise the Municipal Council on the progress regarding determination of upper limits of Municipal Councillors;

Secondly, to request the Municipal Council to mandate the Executive Mayor and City Manager to finalize and implement determination of upper limits of Councillors once gazetted by the Minister of Cooperative Governance and Traditional Affairs.

2. BACKGROUND

Section 219 (2) of the Constitution of the Republic of South Africa of 1996 (Act 108 of 1996) stipulates that national legislation must establish an independent commission to make recommendations concerning the salaries, allowances and benefits of public office-bearers. On an annual basis, as defined under Section 7 (1) of the Remuneration of Public Office Bearers Act (Act 20 of 1998), the Minister after consultation with the MEC: Cooperative Governance and Traditional Affairs (COGTA), had to promulgate the upper limits for Councillors through notice in the Government Gazette. The Municipal Council would then have to consider the report of the City Manager whereby the recommendation will be implemented dependent on the Council approval.

3. DELIBERATION

The Minister of COGTA, Dr N Dlamini-Zuma will be issuing a gazette relating to determination on upper limits of salaries, allowances and benefits of Councillors. The Minister has yet to issue the gazette. Currently the Commission tasked with this responsibility is considering a number of options, amongst them the following are currently being considered namely;

- (a) an across the board increase ranging from 4.5% to 5.2% per annum.
- (b) possible zero increases for Council members who earn above R1 m per annum, and a 5% across the board increase for all other council members below the threshold.
- (c) possible zero increase for voice and data allowances and with a 4.5% increase across the board for all Council members. The office of the National Minister was further considering to customize and simplify the tools of trade for councillors hence the delay.

It is anticipated that the gazette will be issued by Wednesday, December 11th, 2019. The MEC's per provinces will then be engaging with municipalities to determine the affordabilities of each municipality. Once that process is finalized, Municipal Council's will then be required to convene and approve the report.

4. FINANCIAL IMPLICATIONS

Sufficient budgetary provisions had been made in the Mangaung Metropolitan Municipal Council budget for the 2019/2020 financial year for payment of the salaries, allowances and benefits of Councillors.

RECOMMENDATION

- (a) That the Council mandate the Executive Mayor and the City Manager to proceed with the implementation of the determination of upper limits of salaries, allowances and benefits of Councillors as gazetted by the National Minister and in concurrence with the MEC for Cooperative Governance and Traditional Affairs;
- (b) That the Council note that Sufficient budgetary provisions had been made in the Mangaung Metropolitan Municipal Council budget for the 2019/2020 financial year for payment of the salaries, allowances and benefits of Councillors and
- (c) That feedback relating to the determination of upper limits of salaries, allowances and benefits of Councillors, be provided in the next ensuing meeting of the Mangaung Metropolitan Municipal Council.

Submitted by:

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HOD: CORPORATE SERVICES
MR DSR NKAISENG

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DATE:

RECOMMENDED BY:

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CITY MANAGER
ADVOCATE T MEA

11/12/2019
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DATE:

APPROVED/ NOT APPROVED BY

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EXECUTIVE MAYOR
COUNCILLOR SM MLAMLELI

11/12/2019
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DATE: