



WARD COMMITTEE STIPEND ALLOWANCE POLICY

OFFICE OF THE SPEAKER

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1. INTRODUCTION

Local Government: Municipal Structures Act: National Framework: Criteria for Determining out of Pocket Expenses for Ward Committee Members, 2009 provides for the re-imbursment of out of pocket expenses of ward committee members.

This framework is further alluded in the section 6, resourcing of ward committees. In June 2005 the (then) Department of Provincial and Local Government published Guidelines for the Establishment and Operation of Municipal Ward Committees. The purpose of the guidelines was to supplement the legislation by providing uniform guidelines to ward committee members, councillors and officials on the procedures to be followed in establishing ward committees, how they are intended to operate and the conduct of ward committee members.

The guidelines provide valuable guidance on the objects of the ward committee, as well as the role of the ward committee and the role of the ward councillor in relation to the ward committee. SALGA however has additional proposals with regard to the governance; accountability and resourcing of ward committees as set out in the Manual: Effective Ward Governance System.

2. DEFINITIONS

City Manager, means a person appointed in terms of section 82 of the Municipal Structures Act; to manage the affairs of the municipality;

COGTA, The COGTA Ministry comprises of the Department of Cooperative Governance and the Department of Traditional Affairs which is responsible for municipalities in provinces;

Executive Mayor, means a Mayor with executive powers and elected from among the members of Council in terms of Section 55 of the Municipal Structures Act.

Fair representation, means if wards are established, each elected Wards committees have equal distribution of youth and gender representation.

IDP, An Integrated Development Plan is a super plan for an area that gives an overall framework for development.

Mangaung Municipality, Mangaung Metropolitan Municipality is a metropolitan municipality which governs Bloemfontein and surrounding towns.

MEC, the Member of the Executive Council of a province is the cabinet of the provincial government

Municipal Council, The municipal council is the highest governing body of a municipality

Out-of-pocket expenses, is a payment you make with your own money even if you are reimbursed.

SALGA, The South African Local Government Association (SALGA) is the constitutionally mandated organization responsible for local Government oversight

Stipend, is a fixed sum of money paid periodically for the services or to defray expenses, that is usually not based on an amount of work done

Speaker, acts as a chairperson at the council meetings, and ensures the compliance of the council code of conduct and adherence to rules and orders

Ward, each municipal area has been divided into a certain number of wards on the basis of geographical situations and population

Ward councillor, are a representative channel between the communities they represent and the municipal council

Ward Committee, are made up of representatives of a particular ward, the current compliment is 10 members.

Ward Committee meetings, meetings of the ward committee held at least once a quarter

VD, voting district in a ward, A voting district is a geographical area that we draw to minimise fraud (registered voters voting more than once in an election), and to make administration of elections easier and transparent.

3. ROLES AND RESPONSIBILITIES OF WARD COMMITTEES

A ward committee:

- (1) Will create formal unbiased communication channels and co-operative partnerships between the municipality and the community within a ward.
- (2) Will ensure contact between the municipality and community through the use of, and payment for, services.
- (3) Will create harmonious relationships between residents of a ward, the ward councillor, geographic community and the municipality.
- (4) Will facilitate public participation in the process of development, review and implementation management of the Integrated Development Planning of the municipality.
- (5) Will act as advisory body on council policies and matters affecting communities in the ward.
- (6) Will serve as officially recognized and specialized participatory structures in the municipality.
- (7) Will serve as a mobilizing agent for community action.
- (8) May receive and record complaints from the community within the ward and provide feedback on council's responses.
- (9) May make recommendations on any matter affecting the ward to the ward councillor or the local council, the Speaker and the mayor.
- (10) Ward committee members shall participate in the stakeholder cluster forum

4. THE RELEVANT LEGISLATION AND GUIDELINES

Ward committees and its establishment are provided for in the Local Government: Municipal Structures Act, 1998. the following legal principles are applicable to ward committees:

'ward committee' is defined as a ward committee established in terms of section 73 of the Local Government: Municipal Structures Act, 1998;

- a) the object of a ward committee is to enhance participatory democracy in local government;
- b) only metropolitan and local municipalities of the types that include ward participatory systems may elect ward committees;

- a) the object of a ward committee is to enhance participatory democracy in local government;
- b) only metropolitan and local municipalities of the types that include ward participatory systems may elect ward committees;
- c) if a municipality establishes ward committees, it must establish a ward committee for each ward in the municipality;
- d) ward committee consists of the councillor representing that ward in the council, who must also be the chairperson and not more than 10 other members;
- e) the procedure to elect the members of a ward committee, taking into account the need for women to be equitably represented in a ward committee and for a diversity of interests in the ward to be represented,
- f) the circumstances under which those members must vacate office,
- g) the frequency of meetings of ward committees;
- h) a ward committee may make recommendations on any matter affecting its ward to the ward councillor or through the ward councillor, to the municipality, the Speaker or the executive mayor;
- i) has such duties and powers as the metro or local council may delegate to it in terms of section 59 of the Local Government: Municipal Systems Act, 2000;
- j) members of a ward committee are elected for a term that corresponds with the term of the municipal council;
- k) if a vacancy occurs among the members of a ward committee, the vacancy must be filled in accordance with a procedure determined by the municipality;
- l) a municipality may dissolve a ward committee if the committee fails to fulfil its object

5. POLICY OVERVIEW

5.1 Background and fundamental rationale

Stipend allowance and terms and conditions of ward committee representation had been in place for quite some time, dating back to 2006 in Mangaung and to date little or no discussions in the Council on the amount given to ward committees was deliberated and agreed upon, the Speaker then with the City Manager deemed it fit to agree on a round figure of R 1000 to compensate the work done by the ward committees. In 2016-2019 extensive work was undertaken on a review of stipend allowances accorded to ward committees, but however due to the Covid-19 pandemic the process was halted. As a result, the principles set out in the guidance to the Act have already generally been addressed although the Act set out some additional requirements which are covered by this review.

In 2021, following the end of the term of the previous ward committee an undertaking was made by the office of the Speaker to relook into the matter. The Speaker then

implemented a number of core principles, namely to place this matter as an item for the Remunerations Committee, to further table a report to the Municipal Council for review of the Ward Committee Stipend and lastly to engage the MEC : COGTA for consonant granting of concurrence. Once approved the focus will gravitate towards a balance between incremental progression, ward committee performance and optimal contribution to the success of participatory democracy.

A further review about a possibility of establishing sub-committees especially in the far flung rural areas of Thaba Nchu (trust areas) on account of the operational difficulties arising from the pandemic, rural setting and remoteness. The report on the election of ward committees, speaks about the option of establishing sub-committees in remote or villages, especially the following in two critically affected wards, namely ward 51 which include Dewetsdorp, van Stadensrus & Wepenaar and ward 41 which includes 25 Villages in Thaba Nchu.

5.2. Current stipend allocation (April 2022)

Since 2006, the municipality set down the ward committee stipend at R 1000 on a month to month basis. As it has been reported the costs of living have increased exponentially and a review report will be submitted to the Council to consider upward adjustment of the amount.

5.3. Review process:

As mentioned earlier, the Office of the Speaker is undertaking a significant review of the stipend allowance. This is due to be implemented this year, and it is likely that it will have a wide effect on the budgetary processes. The next review of the stipend and allowances for ward committees will be considered after the next municipal elections scheduled in December 2026. (review will be done once three months in the new council term)

The Remunerations Committee is the committee responsible to review and recommend any possible changes of the stipend and allowances payable to the ward committees.

5.4. Authority for Adjustment of stipend allowances

The Remunerations Committee recommends to the Speaker. It is the responsibility of the Speaker to submit the recommendations of the committee to the Municipal Council for consideration. And the final arbiter rests with the Municipal Council. This imply that approval of stipend and allowances of the ward committees is the reserved powers of the Municipal Council.

5.5. Payments on Ceasing Office

Ward Committee member who leave the ward where is a representative, including the relocation to the other suburb within the city, are not entitled to receive any stipends from the municipality, and will be regarded as having resigned, no exception will be made.

5.6. Deductions on the stipend

Stipends are considered taxable income so ward committees will have to pay the entire 25.1% PAYE, which will be automatically activated and deductible prior to receiving the amount at the bank . And that will be the only deduction made. Any other request or garnish to deduct will not be made as for the reason that a stipend is not a salary.

5.7. Payment in lieu of notice

Under no circumstances will a payments in lieu of notice be made to ward committee members on the termination of their service.

5.8. Administration of Payment of the stipend

Payment of stipend to ward committees is payable in the bank account of the member. The Payroll Manager shall not make any payment through cheques or pay third parties on behalf of the ward committee member. Payroll Manager shall issue monthly paysheet to all members of ward committee which shall be available in the office of the Speaker for collection.

5.9. Loans and advances

No loans or advances will be considered and arranged for members of the ward committees. No such arrangements or system exists in the municipality.

5.10. Claims of extra out of pocket expenses

No claims for out of pocket expenses will be considered or payable to ward committee member while performing his/her work. The office of the Speaker will ensure adherence.

5.11. Publication of information relating to Ward Committee Stipend Allowances

The City Manager will publish details of adjusted amount and the new ward committee stipend once approval had been granted in accordance with the Accounts and Audit Regulations 2015 and the Local Government Transparency Code 2015 & King III issued by SALGA.

Mr. Motete Mothekhe
The Secretariat
April 2022

Ms. Ntombi Nhlapo
Chairperson of the Remunerations Committee
April 2022