

# **“The City of Heritage”**



## **ULUNDI LOCAL MUNICIPALITY OUT-OF-POCKET EXPENSES FOR WARD COMMITTEE MEMBERS POLICY**

**2025/2026**

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## **A. Definitions**

- “Constitution” means the constitution of the Republic of South Africa Act (Act No. 106 of 1996)
- Council” means the municipal council of Ulundi local Municipality.
- Councillor” means a councillor of Ulundi Local Municipality.
- Speaker” means the speaker of Ulundi Local Municipality.
- “Ward Committee Member” means a member of ward committee of Ulundi Local Municipality.
- “IDP” means Integrated Development Plan of Ulundi Local Municipality.
- “Structures Act” means the Local Government: Municipal Structures Act (Act No: 117 of 1998)
- “Systems Act” means the Local Government: Municipal Systems Act (Act No 32 of 2000)
- “Municipality” means Ulundi Local Municipality.
- “National Framework” means notice 364 of 2009, National Framework: Guidelines for Provinces and Municipalities in the Implementation of Ward Funding Model.
- “National Framework on Out of Pocket Expenses” means The National Framework: Criteria for Determining out of Pocket Expenses for Ward Committee Members, 2009 (Notice 973 of 8 October 2009)
- Ward committee” means a ward committee as contemplated in section 73 of the Local Government: Municipal Structures Act (Act No. 117 of 1998)
- “Out of Pocket Expenses” means payment as contemplated in section 73 of the local Government: Municipal Structures Act (Act No.117 of 1998) and in accordance with the National Framework.

## OUT OF POCKET EXPENSES FOR WARD COMMITTEE MEMBERS

### 1. INTRODUCTION

- ✓ South Africa has well established policy and legal framework for public participation and empowerment. Section 152 of the Constitution confirms that citizen rights and more that the rights of communities to be involved in local governance.
- ✓ According to the National Framework, municipalities are obliged to encourage the involvement of communities and community organisations in local government. It extends to the entire way a municipality operates and functions.
- ✓ Procedurally, the municipality adopts this policy based on the principles of good governance and community participation as contained in the Constitution, Chapter 44 of the Municipal Systems Act and the White Paper on Local Government which affirms the role of developmental local government that is committed to ensuring citizens participate in finding sustainable ways to meet their social, economic and material needs.
- ✓ (d)The Municipality shall provide appropriate systems and support for ward committees in accordance with section 17(2) of the Systems Act, which stipulates that a municipality must establish appropriate mechanism, processes and procedures to enable the local community to participate in the affairs of the municipality.

## 2. PURPOSE

THE PURPOSE OF THIS POLICY IS TO:

- (a) Give meaning to national legislative framework on public participation and provide institutional framework for such participation within the broader structures of the municipality.
- (b) Regulate operations of ward committees and provide for matters that guides their internal processes, functionality, and funding; and
- (c) Ensure the Municipality complies with norms and standards set by the National Framework on the funding models of ward committees.

## 3. LEGISLATIVE FRAMEWORK

Ward Committees are regulated in terms of the following legislative framework:

- a) **The Constitution of the Republic of South Africa Act No. 108 of 1996:** the act sets out the objectives of local government, including the objective of encouraging communities and community organizations to participate in the matters of local government.
- b) **The Municipal Structures Act No. 117 of 1998 and its regulations:** these regulate the establishment, vacation of office and meeting frequency of ward committees as well as their term of office. The Municipal Council is responsible for the formulation of its own rules to regulate the election, operation and administration of ward committees.
- c) **The Municipal Systems Act No. 32 of 2000:** Chapter 4 regulates community participation and makes it clear that communities are an integral part of the municipal governance process. The Municipality is required to develop a culture of municipal governance that complements formal representative government with a system of participatory governance by encouraging and creating conditions for the local community to participate in the affairs of the municipality (Section 16).

The Municipality must also establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality (Section 17). The Act also sets out specific areas where community participation is required, including the formulation and review of Integrated Development Plans (IDPs) and performance management. The Municipality must promote public participation and build the capacity of residents, Councillors, and municipal officials to engage in participatory processes.

d) **The Municipal Finance Management Act No. 56 of 2003 and its regulations:** requires that communities participate in the budgeting process of the Municipality.

e) **The National Framework: Guidelines for Provinces and Municipalities in the implementation of the Ward Funding Model, (Notice 364 of 2009).**

f) **The National Framework: Criteria for Determining Out of Pocket Expenses for Ward Committee Members (Notice 973 of October 2009)**

#### **4. OBJECTIVES OF WARD COMMITTEES**

THE OBJECTIVES OF THE WARD COMMITTEES ARE TO:

- Create formal communication channels and co-operative partnerships between the municipality and the community at a ward level.
- Facilitate public participation in the process of development, review and implementation and management of the IDP.
- Act as advisory body on Council policies and matters affecting communities in the ward.
- Serve in officially recognized participatory structures in the municipality.
- Assist Council through Ward Councillor to facilitate Council programmes and to make recommendations on matters affecting ward to the ward Councillor to facilitate Council programmes.
- Serve as a mobilizing agent for community action and assist the Ward Councillor to facilitate Council programmes.

## **5. POWERS OF WARD COMMITTEES**

- Ward Committees have the power to make recommendations to the Ward Councillor and/or to the Executive Committee and Council through the Ward Councillor on any matter affecting their ward.
- The Council may delegate additional powers to Ward Committees in terms of Section 59 of the Local Government Municipal Systems Act.

## **6. FUNCTIONS OF WARD COMMITTEES**

### **I. WARD COMMITTEES SHALL PERFORM THE FOLLOWING FUNCTIONS:**

- a. Participate in the Integrated Development Plan (IDP) development and review process by: -
  - ❖ Gathering information on the ward's needs.
  - ❖ Identifying priorities/reprioritizing/proposing projects.
  - ❖ Attending strategic planning and review exercises.
  - ❖ Serving on representative forums that may be established to liaise with residents.
  - ❖ Overseeing development projects emerging from the IDP such as the following:
    - ❖ Attending public IDP/ward/town-based planning meetings.
- b. Participate in the budget process within their area of jurisdictions.
- c. Attend meetings of the Ward Committee, Council, Community, and sector consultations as well as feedback meetings.
- d. Receive and record complaints, queries, and requests from the community within the ward.
- e. Submission and tabling of reports and plans addressing the needs and priorities of the ward and provide feedback on the functions rendered by the Municipality that impact on the ward, in order to formulate recommendations to be submitted to the Municipality through the Ward Councillor.

- Provide feedback to the Community on the Council's resolutions.
- Visit relevant sector organizations and communities for the purpose of information gathering, information sharing, Council feedback, intervention, networking, community mobilization, conflict resolution and other reasons.

v) Any additional functions that the Council may delegate to the Ward Committees in terms of Section 59 of the Local Government Municipal Systems Act No. 32 of 2000.

## 7. FUNCTIONALITY INDICATORS

The payment of 'out of pocket' expenses must be linked to the ward committee functionality.

NO	Process indicator	Output Indicator	POE	
1	Number of ward committee management meetings held	Close cooperation between WC members and ward councillors	Agenda and minutes of meetings held and filled in the ward committee filling system.	
2	Number of community meetings held	Community participation in the IDP reviews sessions and their involvement in the implementation of projects within the ward.	Agendas and minutes of meetings held and filled in the ward committee filling system	
3	Submission and tabling of ward reports, and plans to the council covering, needs and priorities for the ward.	Submission of ward plans to the council for consideration during the IDP review process.	Copies of Sectoral reports	

## **7. ADMINISTRATIVE SUPPORT**

a) Municipality shall make administrative arrangements to enable Ward Committees to perform their functions and exercise their powers effectively.

b) Section 16(1) of the Municipal Systems Act (No. 32 of 2000) requires that the municipality use their resources and allocate funds in their annual budget for community participation.

b) Administrative support to be given to Ward Committees shall include but not limited to the following:

- The promotion of Ward Committees in the community – informing the communities of the roles and responsibilities of Ward Committees. A practical example in this regard may be the provision of formal identification cards to Ward Committee members so that they are recognized as legitimate Ward Committee members amongst the communities.
- To identify or arrange central meeting places in the ward where communities have access to information and where Ward Committees can meet;
- Assisting with the translation of information and documentation for the community.
- Developing and providing capacity building and training programmes for Ward Committees on an ongoing basis during their term of office.
- Provide an administrative advisory service to councillors to ensure the smooth running of social and economic development initiatives.
- Provision of secretarial services to ward committees.
- Co-ordination of ward committee meetings.
- To provide necessary logistic resources, include the stationary for the Ward Committee to fulfil their functions.
- To prepare and update municipal stakeholders register.

## **8. WARD BASED FUNDING AND BUDGETING**

9.1 The Municipality budget for wards committee operations and functionality includes support to ward committees, communications materials and 'out of pocket' expenses for ward committee members.

### 9.2. Forms of Ward Committee Support

(a) Technical Support: it includes: -

- Municipal staff dedicated to ward committees.
- Provide stationery for monthly meetings, induction, and training of ward Committees,
- Provision of venues for ward committee meetings.

(b) Communication Plan: municipal campaigns to introduce ward committees to Communities: e.g.

- Know your ward committee campaign,
- Provision of identity cards for ward committees, and
- Engaging community radio stations, publishing, and dissemination of fliers.

(c) Out of pocket expenses: These includes: -

- Travelling expenses incurred,
- Telephone/cellular phone costs, and
- Other forms of reimbursements due to ward committee's members as a result of doing Council work.

## **10. ACCOUNTABILITY**

As the Accounting Officer for the Ward Committee, the Ward Councillor must:

- i. Ensure that proper records of Minutes of the meetings are kept.
- ii. Ensure that the Committees' available resources are properly safeguarded and used in the most effective and efficient way.
- iii. Ensure that all statutory measures applicable to the Committee are complied with.
- iv. Ensure that all recommendations made by the Ward Committee are formalized and submitted to the office of the Speaker for presentation to the Council at an interval determined by the Speaker.

## 11. CALCULATING 'OUT OF POCKET EXPENSES

### 11.1 Guidelines on calculating 'out of pocket expenses.

- a) The Municipality is guided by Municipal Structures Act, 1998 {Section 73 (5) (a) (c) (d)} as amended and it states that out-of-pocket expenses must be funded from the budget of the municipality. Such expenses may include but limited to (transport, cellular phone airtime, meal allowances, and access to internet).
- b) The law places a burden on municipalities to plan for the allocation of funds and resources to enable ward committees to perform their functions, exercise their roles and facilitate and co-ordinate development in their wards within the framework of the law.
- c) On a monthly, the out-of-pocket expenses should be paid as a monthly allowance to avoid the administrative burden of tracking and managing submission of claims by individual ward committee members.
- d) The payment must be linked to the performance management system in respect of individual ward committee member's participation and activeness that includes the functionality indicators identified in section 6 of this policy.
- e) A ward committee failing to fulfil his/her functions on a monthly basis; the Councillor must report such a ward committee member to the Speaker's office. Failure to justify non-performance shall result in the allowance being forfeited for that month.
- f) In the event when the member of a ward committee is suspended pending the outcome of the disciplinary process, the clause (e) above will apply.

#### Cost implications for Calculating out of Pocket Expenses

Description	Cost per person	Total costs per ward
Transport	R550.00	R5500.00
Communication	R550.00	R5500.00
Refreshments	R300.00	R3000.00
<b>Total cost per Ward</b>		R14000.00

## **12. MONITERING, EVALUATION AND REPORTING**

A report detailing the progress with the implementation of the Policy with specific refence to achievement of this policy must be compiled with specific reference to achievement of this policy has to be compiled every year by the person with the responsibility for implementation and monitoring. The policy must be made available to all consulting parties for perusal and comment and must be circulated to all staff members by means of circulars, notices and boards.

## **13 COMMUNICATIONS**

Circulars, massages and notices on notice boards will be utilized in order to inform all employees of the availability of the policy. Copies of the policy will also be distributed to the parties that took part in the consultation process.

## **14. REVIEWAL OF THE POLICY**

It will be the responsibility of the Corporate Service Department to consider the provisions of this policy on annual basis. The Corporate Services Department shall request all Departments to submit their proposed changes for submission to Council for approval.

