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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 7774

5 August 2026

LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 2000 (ACT NO. 32 OF 2000)**UPPER LIMITS OF TOTAL REMUNERATION PACKAGES OF MUNICIPAL MANAGERS
AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS**

Under the powers vested in me by section 72(2A) of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) read in conjunction with the *Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers*, issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014, I, Velenkosini Hlabisa, the Minister for Cooperative Governance and Traditional Affairs, hereby after –

- (a) consultation with the bargaining council established for municipalities, Minister of Finance, Minister for Public Service and Administration, MECs responsible for local government, and organised local government; and
- (b) taking into consideration the matters as set out in regulation 35 of the Regulations,

determine the upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers as set out in the Schedule.

**MR VELENKOSINI HLABISA, MP****MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS****DATE: 04/08/2026**

SCHEDULE

Preamble

Having regard to the upper limits of salaries of senior managers as set out below, the need to prioritise service delivery to communities and to sustain viable local government and the fiscal capacity of different categories of municipalities, this Notice provides a strategic framework for remuneration of senior managers across all municipalities.

The development of this Notice took into consideration the core reward principles aimed at ensuring an appropriate remuneration mix and sought to ensure that the remuneration of senior managers is cost-effective, consistent, internally equitable, externally competitive and aligned to the achievement of the objectives of municipalities while providing a uniform remuneration framework for local government.

The upper limits constitute an integral part of the human resource value chain in building resilient administrative institutions underpinned by the intent to enable municipalities to attract, appoint and retain suitably qualified and competent senior managers necessary for effective performance of their functions.

To strengthen the capacity of municipalities, this Notice reinforces the statutory obligation binding on municipalities to appoint senior managers who meet the minimum prescribed competencies, higher education qualifications, work experience and knowledge as provided for in *Government Gazette* No. 37245.

Definitions

1. In this Schedule, unless the context indicates otherwise, a word or phrase to which a meaning has been assigned in the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) as amended (hereafter referred to as "the Act") and *Government Gazette* No. 37245 has that meaning –

"in-job" means the number of years in-job in the same position in the same municipality;

"job evaluation" means the systematic process of assessing the job content and ranking jobs according to a consistent set of job characteristics to create a job worth hierarchy that determines and illustrates where each job fits in the municipality relative to other jobs in the municipality;

"immediately" means in this context within a period of six months after lapsing of the employment contract;

"municipal categorisation" or **"municipal grade"** means the grade assigned to a municipality in terms of this Notice, and both terms shall be interpreted as having the same meaning. For the avoidance of doubt, these terms do not refer to the grading or evaluation of individual posts of employees;

"notch" means an incremental point within a salary scale for a post, reflecting a predetermined remuneration amount within the same salary level or grade, and forming the basis for pay progression subject to the prescribed criteria;

"NQF" refers to the National Qualifications Framework prescribed by regulations issued in terms of the *South African Qualifications Authority Act, 1995* (Act No. 58 of 1995);

"pay progression" means the structured movement of a senior manager from one salary notch to a higher salary notch within the same salary level or grade, in accordance with this Notice and subject to the senior manager meeting the prescribed performance and eligibility requirements;

"personal-to-incumbent" means the protection of current contractual terms and conditions applicable to an employee, including benefits, who has accepted a specific remuneration package, where that package may not conform to all aspects of the remuneration policy or any applicable determinations;

"Regulations" means the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014;

"remote allowance" means a non-pensionable allowance, determined through the remoteness index, payable by a municipality to attract and retain suitably qualified and competent senior managers to a geographically remote area where the approved pay scales are not sufficient to attract such managers;

"salary level or grade" means the level determined for a post in terms of an approved job evaluation system, representing the relative value of that post within the municipality and forming the basis upon which the applicable salary scale or total remuneration package is determined;

"salary scale" means the structured range consisting of a minimum, lower, midpoint, upper, maximum and, where applicable, incremental salary notches, within which a senior manager may be remunerated in accordance with the Notice;

"senior manager" means a senior manager as defined in regulation 1 of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014;

“total remuneration package” means the total annual guaranteed pay of a senior manager, including the basic salary, housing, motor vehicle, pension contributions, medical aid contributions but excludes a variable pay;

“total municipal equitable share” means the equitable share of revenue that is provided to a metropolitan, district or local municipality for the 2024/25 financial year in terms of section 227(1) of the Constitution of the Republic of South Africa, 1996, to enable the municipality to provide basic services and perform the functions assigned to it, but excludes the regional services council replacement grant for district municipalities;

“total municipal income” means the gross income in respect of a metropolitan, district or local municipality based on actual income as stated in the audited financial statements of that municipality for the 2024/25 financial year. For the purpose of this meaning –

- (a) The gross income for a municipality includes the following -
- (i) rates on property;
 - (ii) fees for services rendered by the municipality or on its behalf by a municipal entity;
 - (iii) surcharges;
 - (iv) other authorised taxes;
 - (v) levies and duties;
 - (vi) income from fines for traffic offences and contravention of municipal by-laws or legislation assigned to the local sphere of government;
 - (vii) regional services council replacement grant for district municipalities;
 - (viii) interest earned on invested funds other than national and provincial conditional grants;
 - (ix) rental for the use of municipal movable or immovable property; and
 - (x) amounts received as agent for other spheres of government.
- (b) The gross income excludes -
- (i) transfers and / or grants from the national fiscus and provincial fiscus, with the exception of the regional services council replacement grant for district municipalities; and
 - (ii) all value added tax (VAT) refunds.

“total population” means the official statistics of the population residing in the area of jurisdiction of a metropolitan, district or local municipality, as determined by the Statistician-General for the 2022 Census, in terms of section 14(7) of the *Statistics Act*, 1999 (Act No. 6 of 1999); and

“upper limits” means the applicable total remuneration package values as contained in the Notice.

Allocation of number of points for total municipal income

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

TOTAL MUNICIPAL INCOME		
FROM	TO	NUMBER OF POINTS
R0	R 16 920 357	1
R16 920 358	R 18 120 533	2
R18 120 534	R 20 423 160	3
R20 423 161	R 21 927 295	4
R21 927 296	R 25 274 864	5
R25 274 865	R 27 237 363	6
R27 237 364	R 29 222 148	7

TOTAL MUNICIPAL INCOME		
FROM	TO	NUMBER OF POINTS
R29 222 149	R30 559 676	8
R30 559 677	R34 528 782	9
R34 528 783	R37 554 952	10
R37 554 953	R39 292 152	11
R39 292 153	R44 416 818	12
R44 416 819	R48 789 467	13
R48 789 468	R51 618 480	14
R51 618 481	R55 647 918	15
R55 647 919	R59 584 407	16
R59 584 408	R63 519 795	17
R63 519 796	R68 967 771	18
R68 967 772	R76 523 130	19
R76 523 131	R78 140 984	20
R78 140 985	R81 726 773	21
R81 726 774	R92 983 244	22
R92 983 245	R94 073 993	23
R94 073 994	R103 543 013	24
R103 543 014	R113 919 812	25
R113 919 813	R124 486 557	26
R124 486 558	R131 673 128	27
R131 673 129	R137 067 478	28
R137 067 479	R149 492 063	29
R149 492 064	R162 506 211	30
R162 506 212	R170 115 498	31
R170 115 499	R176 629 221	32
R176 629 222	R191 780 237	33
R191 780 238	R200 088 745	34
R200 088 746	R217 492 792	35
R217 492 793	R223 628 661	36
R223 628 662	R229 764 527	37
R229 764 528	R236 410 670	38
R236 410 671	R248 096 749	39
R248 096 750	R266 710 670	40
R266 710 671	R291 104 813	41
R291 104 814	R330 031 886	42
R330 031 887	R358 738 598	43
R358 738 599	R384 324 940	44
R384 324 941	R423 860 085	45
R423 860 086	R460 728 132	46
R460 728 133	R500 803 019	47
R500 803 020	R544 363 685	48
R544 363 686	R591 713 330	49
R591 713 331	R669 126 504	50
R669 126 505	R826 038 297	51
R826 038 298	R897 888 458	52
R897 888 459	R1 060 322 963	53
R1 060 322 964	R1 151 158 518	54
R1 151 158 519	R1 362 490 321	55
R1 362 490 322	R1 848 071 368	56
R1 848 071 369	R2 966 807 244	57
R2 966 807 245	R5 621 587 899	58
R5 621 587 900	R10 707 309 516	59
R10 707 309 517	Above	60

Allocation of number of points for total population

3. The number of points allocated for the total population of a municipality is as follows:

TOTAL POPULATION		
FROM	TO	NUMBER OF POINTS
0	78 269	1
78 270	92 082	2
92 083	103 596	3
103 597	117 593	4
117 594	132 991	5
132 992	145 589	6
145 590	159 587	7
159 588	173 584	8
173 585	188 982	9
188 983	209 977	10
209 978	233 774	11
233 775	261 770	12
261 771	295 363	13
295 364	331 757	14
331 758	382 149	15
382 150	440 939	16
440 940	510 928	17
510 929	593 513	18
593 514	690 097	19
690 098	804 877	20
804 878	937 854	21
937 855	1 093 229	22
1 093 230	1 283 597	23
1 283 598	1 503 361	24
1 503 362	1 787 513	25
1 787 514	2 155 650	26
2 155 651	2 602 176	27
2 602 177	3 127 087	28
3 127 088	4 507 475	29
4 507 476	above	30

Allocation of number of points for total municipal equitable share

4. The number of points allocated for the total municipal equitable share of a municipality is as follows:

TOTAL MUNICIPAL EQUITABLE SHARE		
FROM	TO	NUMBER OF POINTS
R0	R29 965 058	1
R29 965 059	R45 104 059	2
R45 104 060	R58 962 215	3
R58 962 216	R69 199 555	4
R69 199 556	R84 830 309	5
R84 830 310	R120 032 897	6
R120 032 898	R189 844 297	7
R189 844 298	R417 123 274	8
R417 123 275	R2 710 665 981	9
R2 710 665 982	above	10

Determination of grade of municipality

5. The total number of points allocated to a municipality in terms of items 2, 3, and 4 respectively, determines the grade of such municipality, in accordance with the following table -

GRADE OF MUNICIPALITY		
GRADE	FROM	TO
1	1	26
2	27	47
3	48	60
4	61	70
5	71	78
6	79	85
7	86	91
8	92	96
9	97	98
10	99	100

Annual total remuneration packages of municipal managers

6. The upper limits of the annual total remuneration packages for municipal managers are as follows -

GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
1	R1 483 544	R1 519 149	R1 555 608	R1 592 943	R1 631 174
2	R1 631 174	R1 670 322	R1 710 409	R1 751 460	R1 793 494
3	R1 793 494	R1 836 538	R1 880 615	R1 925 750	R1 971 967
4	R1 971 967	R2 019 295	R2 067 758	R2 117 384	R2 168 202
5	R2 168 202	R2 220 238	R2 273 524	R2 328 089	R2 383 963
6	R2 383 963	R2 441 177	R2 499 766	R2 559 761	R2 621 194
7	R2 621 194	R2 684 103	R2 748 522	R2 814 486	R2 882 034
8	R2 882 034	R2 951 203	R3 022 031	R3 094 561	R3 168 830
9	R3 168 830	R3 244 882	R3 322 759	R3 402 505	R3 484 166
10	R3 484 166	R3 567 786	R3 653 412	R3 741 094	R3 830 880

Annual total remuneration packages of managers directly accountable to municipal managers

7. The upper limits of the annual total remuneration packages for managers directly accountable to municipal managers are as follows -

GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
1	R1 116 064	R1 142 850	R1 170 278	R1 198 365	R1 227 126
2	R1 227 126	R1 256 577	R1 286 735	R1 317 616	R1 349 239
3	R1 349 239	R1 381 621	R1 414 780	R1 448 734	R1 483 504
4	R1 483 504	R1 519 108	R1 555 566	R1 592 900	R1 631 130
5	R1 631 130	R1 670 277	R1 710 363	R1 751 412	R1 793 446
6	R1 793 446	R1 836 488	R1 880 564	R1 925 698	R1 971 915
7	R1 971 915	R2 019 241	R2 067 703	R2 117 328	R2 168 143
8	R2 168 143	R2 220 179	R2 273 463	R2 328 026	R2 383 899
9	R2 383 899	R2 441 113	R2 499 699	R2 559 692	R2 621 124
10	R2 621 124	R2 684 031	R2 748 448	R2 814 411	R2 881 956

Offer of remuneration on appointment

8. (1) The offer of remuneration on appointment to a senior manager will be determined by the qualifications, experience, knowledge of the candidate considered for appointment and performance track record, where applicable.
- (2) A municipal council must apply the criteria as set out below to determine the offer of remuneration on appointment -

TOTAL REMUNERATION PACKAGE	CRITERIA
MINIMUM	• Meets the prescribed minimum qualifications in terms of the Regulations; • Has at least five (5) years' relevant experience as required; and • Has demonstrated exposure to strategic leadership responsibilities at a comparable municipal scale.
LOWER	• Meets the prescribed minimum qualifications; • Has between five (5) and seven (7) years' relevant experience; and • Demonstrates emerging strategic management capability with measurable performance outputs in a similar environment.
MIDPOINT	• Meets the prescribed minimum qualifications; • Has between seven (7) and ten (10) years' relevant experience; • Has demonstrable experience in managing complex institutional programmes, budgets and multidisciplinary teams; and • Has a proven record of achieving performance targets and maintained an effective individual performance at a senior management level.
UPPER	• Meets the prescribed minimum qualifications and possesses additional relevant postgraduate or specialist qualifications at NQF Level 8 or 9; • Has more than ten (10) years' relevant senior management experience; • Has demonstrated sustained institutional performance improvement, governance strengthening, or turnaround capability; • Has a proven record of achieving performance targets and maintained an effective individual performance at a senior management level; and • Has experience operating within highly complex or distressed municipal or institutional environments. The Municipal Council must record written reasons justifying placement at the upper notch.
MAXIMUM	• Meets the prescribed minimum qualifications and possesses additional postgraduate or specialist qualifications NQF Level 9 or 10; • Has senior management experience exceeding ten (10) years at comparable or higher institutional complexity; • Has demonstrated exceptional leadership, institutional reform, financial stabilisation, or service delivery turnaround achievements; • Has a proven record of achieving performance targets and maintained an effective individual performance at a senior management level; and • Provides scarce or critical skills that are demonstrably difficult to recruit within the municipal labour market and record is available to indicate such. The Municipal Council must record written reasons justifying placement at the maximum notch.

- (3) Where a senior manager, immediately following the expiry or termination of a contract, is appointed to the same position in the same municipality, or to an equivalent position in another municipality of the same municipal grade, the senior manager may be appointed at the salary notch applicable at the time of termination or departure, subject to the applicable upper limits, provided that good cause for such salary placement is demonstrated and formally recorded.
- (4) For purposes of sub-item (3) above, good cause shall include demonstrated operational necessity, institutional continuity, retention of skills, recruitment constraints or other objectively justifiable reasons recorded by the municipal council.

Pay Progression

9. The following criteria apply in determining pay progression from one notch to another:

MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
New appointment	1-2 yrs in-job	3+ yrs in-job	4+ yrs in-job	5+yrs in-job
	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above

Upper limits of cell phone allowance and data for senior managers

10. A senior manager may, in addition to the annual total remuneration packages provided for in terms of items 6 and 7 respectively, be paid a cell phone allowance and data not exceeding R2 500.00 per month, in accordance with the applicable municipal council policy.

Payment of remote allowance

11. (1) A senior manager may be paid a remote allowance not exceeding the percentage of the total annual remuneration package applicable to the relevant senior manager, as provided in **Annexure A** to this Notice.
- (2) A senior manager who receives a market premium allowance, rural or scarce skills allowance in terms of Notice No. 225 as published in *Government Gazette* No. 37500 of 29 March 2014 or Notice No. 578 as published in *Government Gazette* No. 38946 of 1 July 2015 is not eligible for the remote allowance contemplated in sub-item (1).
- (3) A remote allowance referred to in sub-item (1) terminates when –
 - (a) the employment contract of a senior manager lapses or is terminated; or
 - (b) the senior manager vacates office for any reason before the date of expiry of the employment contract, including but not limited to transfer, promotion, dismissal for misconduct, incapacity, operational requirements and retirement.

Overpayment

12. (1) A municipality must remunerate its senior managers only within the framework of the Act, Regulations and this Notice, setting out the upper limits of the total remuneration packages payable to senior managers.

- (2) Any remuneration paid to a senior manager other than in accordance with sub-item (1) or any benefit, is an irregular expenditure and the municipality must recover that remuneration and benefits from the senior manager concerned.
- (3) A municipality that remunerated a senior manager in contravention of the criteria governing the offer of remuneration on appointment, and in the absence of a waiver granted by the Minister or salary creep correction in consultation with the MEC responsible for local government, must correct the total remuneration package and recover any resultant overpayment in accordance with section 32 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and other applicable legislation and legal principles governing the recovery of debts.

Furnishing of information to Minister

13. (1) A municipal council is required in terms of section 107 of the Act, to compile the following information for senior managers as at 1 July 2025 and submit same to the MEC responsible for local government in the province –
 - (a) Total approved posts;
 - (b) Total filled posts;
 - (c) Total vacant posts;
 - (d) Name of incumbent;
 - (e) Designation;
 - (f) Gender;
 - (g) Nature of contract (either permanent or fixed term contract);
 - (h) Date of appointment;
 - (i) Date of expiry of contract;
 - (j) Total remuneration packages and any allowances that are payable to senior managers and divisional managers (third level managers) for the 2025/26 municipal financial year, including the T-scale levels where applicable;
 - (k) Municipal grade for the 2025/26 municipal financial year;
 - (l) Total municipal income;
 - (m) Total population; and
 - (n) Total municipal equitable share.
- (2) The information contemplated in sub-item (1) must be submitted to the MEC responsible for local government in the province within 60 days from the date of publication of this Notice on an official letterhead of the municipality, signed by the executive mayor or mayor.
- (3) The MEC responsible for local government must analyse, verify and submit consolidated information for all municipalities in the province to the Minister within 90 days from the date of publication of this Notice.

Transitional provisions

14. (1) A municipal council may apply in writing to the Minister for exemption, using an application form which corresponds with **Annexure B**, after consultation with the MEC responsible for local government if the municipality cannot afford to implement item 6 and 7 as set out in this Notice. The Minister will consider each application on merit, based on circumstances and motivation provided by the municipalities.

- (2) If the remuneration of a senior manager is higher than the applicable pay scales determined in items 6 and 7, the personal-to-incumbent principle will apply. In such cases, the senior manager shall retain his or her current total remuneration package and benefits; however, the senior manager shall not be eligible for pay progression, and any adjustments to the remuneration package shall be limited to the cost-of-living adjustments determined by the Minister until the applicable salary scale is aligned through the normal determination of upper limits. The cost-of-living adjustment for the 2024/25 financial year is 3%, and for the 2025/26 financial year is 3%.
- (3) A senior manager who was remunerated at the midpoint or maximum in terms of the previous Notices, or whose remuneration falls between the notches prescribed in this Notice, must be placed, for purposes of this Notice, at the closest matching notch, being the nearest higher notch. A senior manager who was remunerated at a minimum in terms of the previous Notices shall be placed at the minimum of this Notice.
- (4) For a senior manager to qualify for pay progression, he/she must have completed the full cycle of the performance management system for the 2025/26 financial year, have a signed performance agreement, being assessed for the 2025/26 financial year, and complied with all requirements in terms of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.
- (5) Item 10 does not affect the existing cellphone and data contract of a senior manager entered into before the date of this Notice.
- (6) Despite every effort taken to address scale creep, if such an eventuality occurs where there is still a salary creep, the municipal council must in consultation with the MEC responsible for local government correct it by paying the municipal manager four salary levels or grades above the highest paid third level managers, and in the case of a manager directly accountable to a municipal manager two salary levels or grades, above the highest paid third level managers, subject to the following criteria:

CRITERIA	DESCRIPTION
Job Evaluation	The positions of the third-level manager, the manager directly accountable to the municipal manager in that department or directorate, and the municipal manager have been evaluated in accordance with the Municipal Staff Regulations, 2021 and council policy, and the job-evaluation results have been audited and approved in terms of the council's delegations.
MTREF	Determine whether the budget is funded or unfunded and affordability.
Senior Manager's costed remuneration	Assess whether the current remuneration of the senior managers complies with Notice on upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers.
Third-level Manager's costed remuneration	Assess the total costed remuneration package of the highest-paid third-level manager(s), including the basic salary, applicable allowances, pension, medical aid contributions and other employment benefits, to determine the extent of the remuneration differential and salary creep between the third-level manager(s) and the relevant senior manager, and to support an informed decision on the appropriate remuneration adjustment.
Remuneration ratio	Assess whether the employee related costs and councillors remuneration expenditure of a municipality is within the prescribed norm of 25% and 40% of the total operating budget with a view to free budget earmarked for service delivery for what it is intended for.

CRITERIA	DESCRIPTION
Sustainability ratio	Assess whether the municipality has the ability to overcome economic and external shocks by utilising its reserves.
Liquidity - Current Ratio	Assess whether the municipality is able to pay back its short- term liabilities (debt and payables) with its short-term assets (cash, Inventory and receivables).
Collection rate	Assess whether the municipality has the ability to collect revenue owed to it, including the effectiveness of its credit control and revenue management.
Cash / Cost coverage ratio	Assess whether the municipality has the ability to meet its monthly fixed operating commitments from cash and short- term investment.

- (7) The MEC responsible for local government in the province must, within 14 days notify the Minister of any determination, approval, or corrective measure made in terms of item 14(6), including the grounds on which such decision was taken and the municipality's historical compliance with previous determinations on upper limits and waiver approvals.
- (8) A senior manager to whom a waiver was granted at the midpoint, or maximum must be placed at the closest matching higher notch in terms of this Notice. No waiver shall apply where a person commences a new position in the same municipality.
- (9) Where a senior manager has been granted a remuneration waiver resulting in placement one or two notches above the highest-paid third-level managers, the municipal council must, in consultation with the MEC responsible for local government in the province, correct such disparity in accordance with the principle and criteria set out in sub-item 14(6).
- (10) If the grade of a municipality is lower than the previous categorisation as determined in terms of this Notice, the municipality shall retain the categorisation prescribed in the previous Notice and a senior manager –
- who is appointed as at 30 June 2025, will be remunerated in terms of this Notice as per item 6 and 7 in accordance with the categorisation determined in terms of Government Notice No. 4897 in *Government Gazette* No. 50787 of 14 April 2026: Provided that the data used by the municipality for determination of the grade of a municipality is correct; and
 - is entitled to the applicable cost-of-living adjustments aligned to the Minister's determination: Provided that the data used by the municipality for determination of the grade of a municipality is correct.
- (11) The criteria as contained in Item 9 shall apply with effect from 1 July 2024.
- (12) This Notice does not affect the existing employment contract of a senior manager appointed before 1 July 2014.

Short title and commencement

15. (1) This Notice is called the Upper Limits of Total Remuneration Packages of Municipal Managers and Managers Directly Accountable to Municipal Managers.
- (2) This Notice takes effect from 1 July 2025 and replaces *Government Gazette* No. 54505, as published on 14 April 2026.

ANNEXURE A

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Eastern Cape	DC10	EC102	Blue Crane Route	4%
Eastern Cape	DC10	EC106	Sundays River Valley	4%
Eastern Cape	DC10	EC109	Kou-Kamma	4%
Eastern Cape	DC12	EC129	Raymond Mhlaba	4%
Eastern Cape	DC13	EC131	Inxuba Yethemba	4%
Eastern Cape	DC13	EC135	Intsika Yethu	4%
Eastern Cape	DC13	EC137	Engcobo	4%
Eastern Cape	DC13	EC138	Sakhisizwe	4%
Eastern Cape	DC13	EC139	Enoch Mgijima	4%
Eastern Cape	DC14	EC141	Elundini	4%
Eastern Cape	DC15	EC153	Ingquza Hill	4%
Eastern Cape	DC44	EC443	Winnie Madikizela-Mandela	4%
Eastern Cape	DC15	EC154	Port St Johns	4%
Eastern Cape	DC44	EC442	Umzimvubu	4%
Eastern Cape	DC44	EC444	Ntabankulu	4%
Eastern Cape	DC14	DC14	Joe Gqabi	4%
Eastern Cape	DC44	DC44	Alfred Nzo	4%
Free State	DC16	FS161	Letsemeng	4%
Free State	DC16	FS162	Kopanong	4%
Free State	DC18	DC183	Tswelopele	4%
Free State	DC19	FS191	Setsoto	4%
Free State	DC19	FS196	Mantsopa	4%
Free State	DC20	FS205	Mafube	4%
Free State	DC20	FS204	Metsimaholo	4%
Free State	DC16	DC16	Xhariep	4%
Free State	DC20	DC20	Fezile Dabi	4%
KwaZulu Natal	DC21	KZN214	UMuziwabantu	4%
KwaZulu Natal	DC22	KZN224	Impendle	4%
KwaZulu Natal	DC23	KZN235	Okhahlamba	4%
KwaZulu Natal	DC24	KZN245	Umvoti	4%
KwaZulu Natal	DC24	KZN244	Msinga	4%
KwaZulu Natal	DC26	KZN261	eDumbe	4%
KwaZulu Natal	DC26	KZN262	UPhongolo	4%
KwaZulu Natal	DC26	KZN265	Nongoma	4%
KwaZulu Natal	DC26	KZN266	Ulundi	4%
KwaZulu Natal	DC27	KZN276	Big Five Hlabisa	4%
KwaZulu Natal	DC28	KZN285	Mthonjaneni	4%
KwaZulu Natal	DC28	KZN286	Nkandla	4%
KwaZulu Natal	DC43	KZN433	Greater Kokstad	4%
KwaZulu Natal	DC43	KZN434	Ubuhlebezwe	4%
KwaZulu Natal	DC43	KZN435	Umzimkhulu	4%
KwaZulu Natal	DC26	DC26	Zululand	4%
KwaZulu Natal	DC43	DC43	Harry Gwala	4%
Limpopo	DC33	LIM331	Greater Giyani	4%
Limpopo	DC34	LIM341	Musina	4%
Limpopo	DC35	LIM351	Blouberg	4%
Limpopo	DC35	LIM353	Molemole	4%
Limpopo	DC36	LIM361	Thabazimbi	4%
Limpopo	DC47	LIM473	Makhuduthamaga	4%
Limpopo	DC47	LIM476	Greater Tubatse/Fetakgomo	4%
Mpumalanga	DC30	MP301	Albert Luthuli	4%

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Mpumalanga	DC30	MP303	Mkhondo	4%
Mpumalanga	DC30	MP304	Dr Pixley Ka Isaka Seme	4%
Mpumalanga	DC32	MP321	Thaba Chweu	4%
Mpumalanga	DC 32	MP324	Nkomazi	4%
North West	DC37	NW375	Moses Kotane	4%
North West	DC38	NW381	Ratlou	4%
North West	DC38	NW382	Tswaing	4%
North West	DC38	NW385	Ramotshere Moiloa	4%
North West	DC39	NW392	Naledi (NW)	4%
North West	DC39	NW393	Mamusa	4%
North West	DC39	NW394	Greater Taung	4%
North West	DC39	NW396	Lekwa-Teemane	4%
North West	DC40	NW404	Maquassi Hills	4%
North West	DC39	DC39	Dr Ruth Segomotsi Mompati	4%
Northern Cape	DC8	NC084	!Kheis	4%
Northern Cape	DC7	NC078	Siyancuma	4%
Northern Cape	DC7	NC076	Thembelihle	4%
Northern Cape	DC9	NC093	Magareng	4%
Northern Cape	DC9	NC094	Phokwane	4%
Western Cape	DC1	WC013	Bergervier	4%
Western Cape	DC1	WC015	Swartland	4%
Western Cape	DC3	WC032	Overstrand	4%
Western Cape	DC3	WC034	Swellendam	4%
Western Cape	DC3	WC031	Theewaterskloof	4%
Western Cape	DC4	WC042	Hessequa	4%
Western Cape	DC4	WC041	Kannaland	4%
Western Cape	DC5	WC051	Laingsburg	4%
Western Cape	DC5	WC052	Prince Albert	4%
Western Cape	DC1	DC1	West Coast	4%
Eastern Cape	DC10	EC101	Dr Bayers Naude	7%
Eastern Cape	DC14	EC142	Senqu	7%
Eastern Cape	DC14	EC145	Walter Sisulu	7%
Eastern Cape	DC44	EC441	Matatiele	7%
Free State	DC16	FS163	Mohokare	7%
KwaZulu Natal	DC27	KZN272	Jozini	7%
KwaZulu-Natal	DC27	DC27	Umkhanyakude	7%
KwaZulu-Natal	DC43	KZN436	Dr Nkosazana Dlamini Zuma	7%
Limpopo	DC36	LIM362	Lephalale	7%
Northern Cape	DC6	NC067	Khai-Ma	7%
Northern Cape	DC7	NC072	Umsobomvu	7%
Northern Cape	DC7	NC075	Renosterberg	7%
Northern Cape	DC8	NC085	Tsantsabane	7%
Northern Cape	DC8	NC086	Kgatelopele	7%
Northern Cape	DC45	NC453	Gamagara	7%
Northern Cape	DC45	NC452	Ga-Segonyana	7%
Northern Cape	DC45	DC45	John Taolo Gaetsewe	7%
Western Cape	DC1	WC012	Cederberg	7%
Western Cape	DC3	WC033	Cape Agulhas	7%
Western Cape	DC5	WC053	Beaufort West	7%
Western Cape	DC3	DC3	Overberg	7%
Western Cape	DC5	DC5	Central Karoo	7%
KwaZulu Natal	DC27	KZN271	Umhlabuyalingana	10%
North West	DC39	NW397	Kagisano/Molopo	10%

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Northern Cape	DC6	DC6	Namakwa	10%
Northern Cape	DC6	NC061	Richtersveld	10%
Northern Cape	DC6	NC062	Nama Khoi	10%
Northern Cape	DC6	NC064	Kamiesberg	10%
Northern Cape	DC6	NC065	Hantam	10%
Northern Cape	DC6	NC066	Karoo Hoogland	10%
Northern Cape	DC7	DC7	Pixley Ka Seme	10%
Northern Cape	DC7	NC073	Emthanjeni	10%
Northern Cape	DC7	NC071	Ubuntu	10%
Northern Cape	DC7	NC074	Kareeberg	10%
Northern Cape	DC7	NC077	Siyathemba	10%
Northern Cape	DC45	NC451	Joe Morolong	10%
Western Cape	DC1	WC011	Matzikama	10%

ANNEXURE B**APPLICATION FOR EXEMPTION FROM THE NOTICE ON UPPER LIMITS OF TOTAL REMUNERATION PACKAGES OF MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS**

This form must be completed by a municipality applying to the Minister for exemption from the implementation of the Notice on Upper Limits of Total Remuneration Packages of Municipal Managers and Managers Directly Accountable to Municipal Managers. The application must be approved by the Municipal Council and submitted by the Mayor or Executive Mayor.

PART A: SUBMISSION CHECKLIST

☐	Council Resolution approving the exemption application
☐	Municipal Budget and MTREF showing affordability constraints
☐	Latest Audited Annual Financial Statements
☐	Organisational Structure indicating senior management posts
☐	Current remuneration packages of affected senior managers
☐	Motivation report explaining financial constraints
☐	Any other relevant supporting documentation

PART B: MUNICIPALITY DETAILS

Name of Municipality	
Municipal Code	
Province	
District Municipality (if applicable)	
Physical Address	
Postal Address	
Telephone	
Email Address	

PART C: AUTHORISED APPLICANT (ON BEHALF OF COUNCIL)

Name	
Designation (Mayor / Executive Mayor)	
Contact Number	
Email Address	

PART D: DETAILS OF THE EXEMPTION REQUEST

Positions for which exemption is sought:

Position	Number of Posts	Current Remuneration	Proposed Remuneration
Municipal Manager			
Manager directly accountable to Municipal Manager			

Provision(s) of the Notice for which exemption is sought:

- ☐ Upper limit of remuneration package
☐ Pay progression requirement
☐ Placement within salary notch framework
☐ Other (specify)

Relevant clause(s) of the Notice: _____

PART E: MUNICIPALITY CLASSIFICATION

Provide the following information used to determine the municipal grade:

Indicator	Value	Source
Total Municipal Income		
Total Population		
Municipal Equitable Share		
Total Points		
Municipal Grade		

PART F: REASONS FOR REQUESTING EXEMPTION

Explain why the municipality cannot implement the Notice:

- ☐ Financial constraints / affordability
☐ Unfunded budget
☐ Service delivery impact
☐ Other (specify)

Detailed motivation:

PART G: PERIOD OF EXEMPTION REQUESTED

- ☐ One financial year
☐ Two financial years
☐ Other (specify)

Proposed start date: _____

Proposed end date: _____

PART H: FINANCIAL INFORMATION

Provide summary financial indicators:

Indicator	Value
Total Operating Budget	
Employee Related Costs	
Cash Coverage Ratio	
Liquidity Ratio	
Collection Rate	
Whether Budget is Funded/Unfunded	

Attach supporting documentation where applicable.

PART I: DECLARATION

I hereby certify that:

- The information provided in this application is true and correct.
- The Municipal Council has approved the submission of this application.
- All supporting documentation has been attached.

Name: _____

Designation: _____

Signature: _____

Date: _____

PART J: MUNICIPAL COUNCIL CONFIRMATION

Council Resolution Number: _____

Date of Council Resolution: _____

Certified by:

Municipal Manager/Delegated Authority: _____

Signature: _____

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