

**From:** Plett Ratepayers [mailto:info@pletratepayers.co.za]

**Sent:** 15 April 2020 03:44 PM

**To:** Executive Mayor Peter Lobese (plobese@plett.gov.za); 'sgcabayi@plett.gov.za'; 'pmbali@plett.gov.za'; 'Councillor Dave Swart'; 'Bill Nel'; 'asmwindvogel@plett.gov.za'; 'Jessica Kamkam'; 'xmatyila@plett.gov.za'; 'aolivier@plett.gov.za'; 'mseyisi@plett.gov.za'; 'ewildeman@plett.gov.za'; 'sundayi@plett.gov.za'; 'njacob@plett.gov.za'

**Subject:** Unlawful Overpayment of Remuneration of Senior Municipal Officials



15 April 2020

Mayor Lobese  
Cllr Gcabayi  
Cllr Mbali  
Cllr Wildeman  
Cllr Swart  
Cllr Nel  
Cllr Windvogel  
Cllr Kamkam  
Cllr Matyila  
Cllr Olivier  
Cllr Seyisi  
Cllr Ndayi  
Cllr Jacob

By email

Dear Sir or Madam

### **UNLAWFUL OVERPAYMENT OF REMUNERATION OF SENIOR MUNICIPAL OFFICIALS**

The maximum remuneration payable by a municipality to a senior official is determined by regulations, promulgated under the *Local Government: Municipal Systems Act 32 of 2000*, known as the *Local Government: Upper Limits of Total Remuneration Packages Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers*.

The Regulations, which are promulgated on a roughly annual basis, have been in place for many years. Their current iteration is to be found in GN 351 of GG 43122 of 20 March 2020.

The Bitou Municipality, a Category 3 municipality, pays in excess of the remuneration permitted in terms of the current regulations. The permissible maximum basic rate is itself exceeded, and the excess is compounded by the spurious payment of 'scarce skills' and other allowances. A schedule of the overpayments is annexed.

***The practice must stop.***

The practice of over-payment, far from being new, has actually continued for many years. The total sum overpaid runs to many millions of rand. The money, needless to say, could have been expended on lawful municipal benefits to the advantage of residents of the community - the poor and indigent not least.

The practice must cease, and cease forthwith. Since the overpayments are implemented by Council resolution they must, in the absence of court order, be countermanded in the same way. We call upon you, as Councillors, to table and pass a resolution that, with immediate effect, brings the rates of remuneration within lawful limits.

If the Council fails, within 21 days of the date of this letter, to pass the requisite resolution, the Plettenberg Bay Ratepayers' and Residents' Association ('PBRRA'), acting in a representative capacity, will make urgent application to a court of competent jurisdiction to interdict the overpayments.

If, by reason of a failure to pass the resolution, overpayments continue to be made, Councillors who, by their vote or otherwise, contribute towards the continuance of the overpayments will be held personally liable for loss suffered by Bitou in consequence.

***The overpayments must be recovered.***

Efforts must, in addition, be made to recover the overpayments that have so far been made. This is required by reg 11(2): it expressly contemplates the rectification of errors and recovery of overpayments.

The PBRRA calls on the Council to implement processes for the recovery of the amounts overpaid. Once again, those Councillors who contribute towards the frustration of this process will be held personally liable for the loss suffered.

***Action.***

Please let us know whether, when and how the illicit overpayments will be reversed.

Yours faithfully

Peter Gaylard  
Chairman

ANNEXURE

Position	Current official	Base salary	20% Scarce Skills Allowance	Cell phone and data allowance	Total package	Per month	Maximum gazetted pa
Municipal Manager	Lonwabo Ngoqo	R1.30m	R260k	R60k	<b>R1.62m</b>	R135k	<b>R1.38m</b>
Head of Strategic Services	David Friedman	R1.51m`	R302k	R60k	<b>R1.87m</b>	R156k	<b>R1.13m</b>
Head of Engineering Services	Michael Roode	R1.37m	R274k	R60k	<b>R1.70m</b>	R142k	<b>R1.13m</b>
Head of Community	T.	R1.22 m	R245k	R60k	<b>R1.53m</b>	R127k	<b>R1.13m</b>

Services	Sompani						
Head of Corporate Services	vacant	R1.37m	R275k	R60k	<b>R1.71m</b>	R142k	<b>R1.13m</b>
Chief Financial Services	V.Mkhefa	unavailable		R60k			<b>R1.13m</b>

Notes:

1. The figures are based on what the PBRA has been able to establish. The municipality resolutely refuses to supply the figures on an official. A demand under the Promotion of Access to Information Act, currently before court, has been uncompromisingly resisted.
2. Millions are represented by 'm', thousands by 'k'.