

LOCAL GOVERNMENT: MUNICIPAL STRUCTURES ACT 117 OF 1998

[ASSENTED TO 11 DECEMBER 1998]

[DATE OF COMMENCEMENT: 1 FEBRUARY 1999]

(English text signed by the President)

as amended by

Local Government: Municipal Structures Act 58 of 1999

Local Government: Municipal Electoral Act 27 of 2000

Local Government: Municipal Systems Act 32 of 2000

Local Government: Municipal Structures Amendment Act 33 of 2000

Local Government: Municipal Structures Amendment Act 20 of 2002

Local Government Laws Amendment Act 51 of 2002

Local Government: Municipal Structures Amendment Act 1 of 2003

Constitution of the Republic of South Africa Amendment Act 2 of 2003

Cross-boundary Municipalities Laws Repeal and Related Matters Act 23 of 2005^{i*}

Small Business Tax Amnesty and Amendment of Taxation Laws Act 9 of 2006

Regulations under this Act

ELECTION OF MUNICIPAL OFFICE BEARERS AND REPRESENTATIVES TO DISTRICT COUNCILS

POLICY FRAMEWORK FOR THE ADJUSTMENT OF DIVISION OF FUNCTIONS AND POWERS
REGULATIONS

ACT

To provide for the establishment of municipalities in accordance with the requirements relating to categories and types of municipality; to establish criteria for determining the category of municipality to be established in an area; to define the types of municipality that may be established within each category; to provide for an appropriate division of functions and powers between categories of municipality; to regulate the internal systems, structures and office-bearers of municipalities; to provide for appropriate electoral systems; and to provide for matters in connection therewith.

Preamble

WHEREAS the Constitution establishes local government as a distinctive sphere of government, interdependent, and interrelated with national and provincial spheres of government;

WHEREAS there is agreement on the fundamental importance of local government to democracy, development and nation-building in our country;

WHEREAS past policies have bequeathed a legacy of massive poverty, gross inequalities in municipal services, and disrupted spatial, social and economic environments in which our people continue to live and work;

WHEREAS there is fundamental agreement in our country on a vision of democratic and developmental local government, in which municipalities fulfil their constitutional obligations to ensure sustainable, effective and efficient municipal services, promote social and economic development, encourage a safe and healthy environment by working with communities in creating environments and human settlements in which all our people can lead uplifted and dignified lives;

WHEREAS municipalities across our country have been involved in a protracted, difficult and challenging transition process in which great strides have been made in democratising local government; and

WHEREAS municipalities now need to embark on the final phase in the local

government transition process to be transformed in line with the vision of democratic and developmental local government;

BE IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:-

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DEFINITIONS (s 1)

1 Definitions

In this Act, unless the context otherwise indicates-

'by-election' means an election that is held between the regular elections called in terms of section 24;

'capacity', in relation to a municipality, includes the administrative and financial management capacity and infrastructure that enables a municipality to collect revenue and to govern on its own initiative the local government affairs of its community;

'category', in relation to municipalities, means a category A, B or C municipality envisaged in section 155 (1) of the Constitution;

'councillor' means a member of a municipal council;

'delegation', in relation to a duty, includes an instruction to perform the duty;

'Demarcation Act' means the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998);

'Demarcation Board' means the Municipal Demarcation Board established by section 2 of the Demarcation Act;

'district council' means the municipal council of a district municipality;

'district management area' means a part of a district municipality which in terms of section 6 has no local municipality and is governed by that district municipality alone;

'district municipality' means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155 (1) of the Constitution as a category C municipality;

'election', in relation to a district council, means the election of the councillors referred to in section 23 (1) (a) and (c);

'Electoral Act' the Electoral Act, 1998 (Act 73 of 1998);

'Electoral Commission' means the Electoral Commission established by section 181 of the Constitution;

'executive committee' means an executive committee established in terms of section 43;

'executive mayor' means an executive mayor elected in terms of section 55;

'existing municipality' includes a municipality that existed when this Act took effect;

'integrated development plan' means a plan aimed at the integrated development and management of a municipal area;

'local council' means the municipal council of a local municipality;

'local municipality' means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155 (1) of the Constitution as a category B municipality;

'MEC for local government' means the member of the Executive Council of a province responsible for local government in the province;

'metro council' means the municipal council of a metropolitan municipality;

'metropolitan municipality' means a municipality that has exclusive executive and legislative authority in its area, and which is described in section 155 (1) of the Constitution as a category A municipality;

'metropolitan subcouncil' or **'subcouncil'** means a metropolitan subcouncil established in terms of section 62;

'Minister' means the national Minister responsible for local government;

'**municipal council**' or '**council**' means a municipal council referred to in section 157 of the Constitution;

'**municipality**' includes a municipality referred to in section 155 (6) of the Constitution;

'**organised local government in the province**' means a provincial organisation recognised in terms of section 2 (1) (b) of the Organised Local Government Act, 1997 (Act 52 of 1997);

'**party**' means a party registered in terms of the Electoral Commission Act, 1996 (Act 51 of 1996);

[Definition of 'party' substituted by s. 93 of Act 27 of 2000.]

'**prescribe**' means prescribe by regulation in terms of section 92;

'**SALGA**' means the South African Local Government Association recognised in terms of section 2 (1) (a) of the Organised Local Government Act, 1997 (Act 52 of 1997);

'**speaker**' means a councillor elected in terms of section 36 to be the chairperson of a municipal council as envisaged in section 160 (1) (b) of the Constitution;

'**type**' in relation to municipalities, means a type of municipality envisaged in section 155 (2) of the Constitution, and defined in Part 2 of Chapter 1 of this Act;

'**ward**' means a ward mentioned in item 2 of Schedule 1;

'**ward committee**' means a ward committee established in terms of section 73.

CHAPTER 1

CATEGORIES AND TYPES OF MUNICIPALITY (ss 2-11)

Part 1

Categories of municipality (ss 2-6)

2 Areas which must have category A municipalities

An area must have a single category A municipality if that area can reasonably be regarded as-

- (a) a conurbation featuring-
 - (i) areas of high population density;
 - (ii) an intense movement of people, goods, and services;
 - (iii) extensive development; and
 - (iv) multiple business districts and industrial areas;
- (b) a centre of economic activity with a complex and diverse economy;
- (c) a single area for which integrated development planning is desirable; and
- (d) having strong interdependent social and economic linkages between its constituent units.

3 Areas which must have municipalities of both category C and B

An area that does not comply with the criteria set out in section 2 must have municipalities of both category C and category B.

4 Application of criteria

(1) The Demarcation Board must-

- (a) apply the criteria set out in section 2 and determine whether an area in terms of the criteria must have a single category A municipality or whether it must have municipalities of both category C and category B; and
- (b) determine the boundaries of the area in terms of the Demarcation

Act.

(2) The Demarcation Board may determine that an area must have a category A municipality only after consultation with the Minister, the MEC for local government in the province concerned and SALGA.

[S. 4 substituted by s. 1 of Act 58 of 1999.]

5

[S. 5 repealed by s. 2 of Act 58 of 1999.]

6 Parts of category C areas in which category B municipalities not viable

(1) If a part of an area that in terms of section 3 must have municipalities of both category C and category B, is declared in terms of subsection (2) as a district management area, that part does not have a category B municipality.

(2) The Demarcation Board, after consulting the Minister and the MEC for local government in the province concerned, may by notice in the *Government Gazette* declare a part of an area that must have municipalities of both category C and category B as a district management area, if the establishment of a category B municipality in that part of the area will not be conducive to fulfilment of the objectives set out in section 24 of the Demarcation Act.

[Sub-s. (2) substituted by s. 3 of Act 58 of 1999.]

(3) (a) The Demarcation Board, after consulting the Minister and the MEC for local government in the province concerned, may by notice in the *Government Gazette* withdraw the declaration of an area as a district management area.

(b) When such declaration is withdrawn, the MEC for local government in the province concerned must, in accordance with any boundary determinations or redeterminations of the Demarcation Board and with effect from the date of the next election of municipal councils-

- (i) establish a local municipality for that area in terms of section 12; or
- (ii) include that area into another local municipality in terms of section 17.

[Sub-s. (3) substituted by s. 3 of Act 58 of 1999.]

Part 2

Types of municipality (ss 7-11)

7 General

The different types of municipality that may be established within each category of municipality are defined in accordance with the following systems of municipal government or combinations of those systems, as set out in sections 8, 9 and 10:

- (a) Collective executive system which allows for the exercise of executive authority through an executive committee in which the executive leadership of the municipality is collectively vested.
- (b) Mayoral executive system which allows for the exercise of executive authority through an executive mayor in whom the executive leadership of the municipality is vested and who is assisted by a mayoral committee.
- (c) Plenary executive system which limits the exercise of executive authority to the municipal council itself.
- (d) Subcouncil participatory system which allows for delegated powers to be exercised by subcouncils established for parts of the municipality.
- (e) Ward participatory system which allows for matters of local concern to wards to be dealt with by committees established for wards.

8 Types of category A municipalities

There are the following types of category A municipalities:

- (a) a municipality with a collective executive system;
- (b) a municipality with a collective executive system combined with a subcouncil participatory system;
- (c) a municipality with a collective executive system combined with a ward participatory system;
- (d) a municipality with a collective executive system combined with both a subcouncil and a ward participatory system;
- (e) a municipality with a mayoral executive system;
- (f) a municipality with a mayoral executive system combined with a subcouncil participatory system;
- (g) a municipality with a mayoral executive system combined with a ward participatory system; and
- (h) a municipality with a mayoral executive system combined with both a subcouncil and a ward participatory system.

9 Types of category B municipalities

There are the following types of category B municipalities:

- (a) a municipality with a collective executive system;
- (b) a municipality with a collective executive system combined with a ward participatory system;
- (c) a municipality with a mayoral executive system;
- (d) a municipality with a mayoral executive system combined with a ward participatory system;
- (e) a municipality with a plenary executive system; and
- (f) a municipality with a plenary executive system combined with a ward participatory system.

10 Types of category C municipalities

There are the following types of category C municipalities:

- (a) a municipality with a collective executive system;
- (b) a municipality with a mayoral executive system; and
- (c) a municipality with a plenary executive system.

11 Determination of types for provinces

Provincial legislation must determine for each category of municipality the different types of municipality that may be established in that category in the province.

CHAPTER 2

ESTABLISHMENT OF MUNICIPALITIES (ss 12-17)

12 MECs to establish municipalities

(1) The MEC for local government in a province, by notice in the *Provincial Gazette*, must establish a municipality in each municipal area which the Demarcation Board demarcates in the province in terms of the Demarcation Act.

(2) The establishment of a municipality-

- (a) must be consistent with the provisions of this Act; and
- (b) takes effect at the commencement of the first election of the council of that municipality.

(3) The notice establishing the municipality must set out-

- (a) the category of municipality that is established;
 - (b) the type of municipality that is established;
 - (c) the boundaries of the municipal area;
 - (d) the name of the municipality;
 - (dA) in the case of a metropolitan or local municipality, the number of wards in the municipality; and
[Para. (dA) inserted by s. 1 (b) of Act 33 of 2000.]
 - (e) the number of councillors as determined in terms of section 20;
 - (eA) in the case of a district municipality, the number of councillors, determined in terms of section 23, to-
 - (i) proportionally represent parties;
 - (ii) be appointed by each of the local councils within the district municipality to directly represent each local municipality; and
 - (iii) proportionally represent parties from each district management area within that district municipality;
[Para. (eA) inserted by s. 93 of Act 27 of 2000.]
 - (f) which councillors of the municipality (if any) may be designated as full-time in terms of section 18 (4);
 - (g)
[Para. (g) deleted by s. 1 (c) of Act 33 of 2000.]
 - (h) any provisions of this Act from which the municipality has been exempted in terms of section 91; and
 - (i) any other relevant detail.
[Sub-s. (3) amended by s. 1 (a) of Act 33 of 2000.]
- (4) The MEC for local government must-
- (a) at the commencement of the process to establish a municipality, give written notice of the proposed establishment to organised local government in the province and any existing municipalities that may be affected by the establishment of the municipality;
 - (b) before publishing a notice in terms of this section, consult-
 - (i) organised local government in the province; and
 - (ii) the existing municipalities affected by the proposed establishment; and
 - (c) after such consultation publish particulars of the proposed notice for public comment.

13

[S. 13 repealed by s. 4 of Act 58 of 1999.]

14 Regulation of effects of establishment of municipality on existing municipalities

(1) (a) A municipality established in terms of section 12 in a particular area, supersedes the existing municipality or municipalities to the extent that the existing municipality or municipalities fall within that area.

(b) The superseding municipality becomes the successor in law of the existing municipality subject to paragraph (c).

(c) Where a district municipality and one or more local municipalities within the area of the district municipality supersede the existing municipality or municipalities in

that area, the district and local municipalities in that area become the successors in law of the existing municipality or municipalities depending on the specific assets, liabilities, rights and obligations allocated to the district and local municipalities respectively in terms of the relevant section 12 notice or notices.

[Sub-s. (1) substituted by s. 2 (a) of Act 33 of 2000.]

(2) If subsection (1) is applicable, the section 12 notice, or any amendment of the section 12 notice, must-

- (a) provide for the disestablishment of the existing municipality or, if only part of the existing municipality's area is affected, the disestablishment of the existing municipality in the affected area; and
- (b) regulate the legal, practical and other consequences of the total or partial disestablishment of the existing municipality, including-
 - (i) the vacation of office by councillors of the existing municipality;
 - (ii) the transfer of staff from the existing municipality to the superseding municipality, or, if there is more than one superseding municipality, to any of the superseding municipalities;
 - (iii) the transfer of assets, liabilities, rights and obligations, and administrative and other records, from the existing municipality to the superseding municipality, or, if there is more than one superseding municipality, to any of the superseding municipalities, taking into account the interests of creditors of the existing municipality; and
 - (iv) the continued application of any by-laws and resolutions of the existing municipality to or in that area, and the extent of such application:

Provided that if the superseding municipality is a district or local municipality a transfer referred to in subparagraph (ii) or (iii) must be effected in a way that would enable the superseding municipality to perform the functions or exercise the powers assigned to it in terms of section 84 (1) or (2).

[Para. (b) substituted by s. 2 (c) of Act 33 of 2000.]

[Sub-s. (2) amended by s. 2 (b) of Act 33 of 2000.]

- (3) (a) The transfer of a staff member in terms of a section 12 notice must be-
 - (i) on conditions of service not less favourable than those under which that staff member served in the existing municipality; and
 - (ii) in accordance with the Labour Relations Act, 1995 (Act 66 of 1995).

(b) A section 12 notice transferring staff of an existing municipality to a superseding municipality may determine that-

- (i) the staff transferred from the existing municipality to the superseding municipality form an administrative unit that functions as such until the superseding municipality has established a staff structure and has appointed staff to positions on that staff structure; and
- (ii) such administrative unit functions under the control of the municipal manager or acting municipal manager of the superseding municipality.

[Sub-s. (3) substituted by s. 2 (d) of Act 33 of 2000.]

- (4) (a) On production of a certificate by a municipality that any asset registered in

a deeds registry was transferred to it in terms of a section 12 notice, a registrar of deeds must make such entries or endorsements in or on any relevant register, title deed or other document to register that asset in the name of that municipality.

(b) No duty, fee or other charge is payable for a registration in terms of paragraph (a).

(5) The MEC for local government in a province, by notice in the *Provincial Gazette*, may make provision for transitional measures to facilitate the disestablishment of an existing municipality and the establishment of a new municipality. The MEC must consult the existing municipality before publishing the notice.^{ii*}

15 Review and rationalisation of existing municipal by-laws

If an existing municipality is wholly or partially superseded by another municipality in terms of section 14 (1), the by-laws, regulations and resolutions (including standing delegations) of the existing municipality, to the extent that they continue to apply in the area or part of the area of the superseding municipality as provided for in section 14 (2) (b) (iv), must be reviewed and, where necessary, rationalised by the superseding municipality.

16 Amendment of section 12 notices

(1) The MEC for local government in a province, by notice in the *Provincial Gazette*, may amend a section 12 notice-

- (a) to change the municipality from its existing type to another type;
 - (b) to alter the name of the municipality;
 - (c) subject to section 20, to alter the number of councillors, but only with effect from the next election of the municipal council;
 - (d) to specify which councillors of the municipality (if any) may be designated as full-time in terms of section 18 (4);
 - (e)
- [Para. (e) deleted by s. 3 of Act 33 of 2000.]
- (f) to specify any provisions of this Act from which the municipality has been exempted in terms of section 91;
 - (g) to give effect to any change in boundaries; or
 - (h) to further regulate the matters mentioned in section 14 after consulting all affected municipalities.

(2)^{iii*} Any amendment of a section 12 notice must be consistent with the provisions of this Act.

(3)^{iv*} The MEC for local government must-

- (a) at the commencement of the process to amend a section 12 notice, give written notice of the proposed amendment to organised local government in the province and any existing municipalities that may be affected by the amendment;
- (b) before publishing the amendment notice consult-
 - (i) organised local government in the province; and
 - (ii) the existing municipalities affected by the amendment; and
- (c) after such consultation publish particulars of the proposed notice for public comment.

17 Repeal, amendment or replacement of section 12 notices when boundaries are re-determined

(1) When the Demarcation Board in terms of the Demarcation Act re-determines a municipal boundary which affects the area of a municipality established in terms of section 12-

- (a) the provisions of sections 12 and 14 are applicable to the extent necessary to give effect to the re-determination; and
- (b) the MEC for local government in the province concerned must repeal, amend or replace the relevant section 12 notice as may be required in the circumstances.

(2) Before repealing, amending or replacing any notice in terms of subsection (1) (b), the MEC for local government must consult the affected municipalities.

(3) Any repeal, amendment or replacement of a section 12 notice takes effect on a date mentioned in the notice, but if the number of councillors is changed section 16 (1) (c) applies.

CHAPTER 3 **MUNICIPAL COUNCILS (ss 18-41)**

Part 1

Composition, membership, operation and dissolution (ss 18-35)

18 Municipalities must have municipal councils

- (1) Each municipality must have a municipal council.
- (2) A municipal council must meet at least quarterly.
- (3) A municipal council consists of a number of councillors determined by the MEC for local government in the province concerned by notice in the *Provincial Gazette*.
- (4) A municipality has the power to designate councillors determined by the MEC for local government as full-time. An MEC's determination must be in accordance with a policy framework as may be determined by the Minister after consulting the MECs for local government.

19 Municipal objectives

- (1) A municipal council must strive within its capacity to achieve the objectives set out in section 152 of the Constitution.
- (2) A municipal council must annually review-
 - (a) the needs of the community;
 - (b) its priorities to meet those needs;
 - (c) its processes for involving the community;
 - (d) its organisational and delivery mechanisms for meeting the needs of the community; and
 - (e) its overall performance in achieving the objectives referred to in subsection (1).
- (3) A municipal council must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers.

20 Determination of number of councillors

- (1) The number of councillors of a municipal council-
 - (a) must be determined in accordance with a formula determined by the Minister by notice in the *Government Gazette*, which formula must be based on the number of voters registered on that municipality's segment of the national common voters' roll on a date determined in the notice;
[Para. (a) substituted by s. 4 of Act 33 of 2000.]

- (b) may not be fewer than three or more than 90 councillors, if it is a local or district municipality; and
 - (c) may not be more than 270 councillors, if it is a metropolitan municipality.
- (2) Different formulae may be determined in terms of subsection (1) (a) for the different categories of municipalities.
- (3) The MEC for local government in a province may deviate from the number of councillors determined for a municipality in terms of subsection (1) by-
- (a) increasing the number of councillors if extreme distances, a lack of effective communication in the municipality or other exceptional circumstances render it necessary; or
 - (b) decreasing the number of councillors if it is necessary to achieve the most effective size for-
 - (i) active participation by all councillors at council meetings;
 - (ii) good and timely executive and legislative decisions;
 - (iii) responsiveness and accountability of councillors, taking into account the possible use of modern communication techniques and facilities; or
 - (iv) the optimum use of municipal funds for councillor allowances and administrative support facilities.
- (4) A deviation in terms of subsection (3) may be no more than-
- (a) three of the number determined for the municipality in accordance with the subsection (1) (a) formula, if 30 or fewer councillors have been determined for the municipality in terms of the formula, provided that a council of fewer than seven may not be decreased; or
 - (b) 10 per cent of the number determined for the municipality in accordance with the subsection (1) (a) formula, if more than 30 councillors have been determined for the municipality in terms of the formula.
- (5) The number of councillors determined for a district municipality in terms of subsections (1) to (4) must be increased by any number of councillors required to give effect to item 15 (3) of Schedule 2.

21 Qualifications for councillors

- (1) Every citizen who is qualified to vote for a particular municipal council has the right-
- (a) to stand as a candidate in an election for that council, except a person disqualified in terms of section 158 (1) (c) of the Constitution; and
 - (b) if elected, to become and remain a councillor, except a person disqualified in terms of section 158 (1) (a), (c), (d) or (e) of the Constitution.
- (2) The MEC for local government in a province, by notice in the *Provincial Gazette*, may exempt a person from a disqualification mentioned in section 158 (1) (a) of the Constitution to be a member of the municipal council concerned, but only when there is no substantial conflict of interest or any irreconcilable conflict between the duties of the person in the capacity as described in section 158 (1) (a) of the Constitution and the person's mandate or duties as a member of the municipal council: Provided that if such a person is designated as a full-time councillor in terms of section 18 (4), such exemption lapses.

[Sub-s. (2) amended by s. 12 of Act 51 of 2002.]

22 Election of metropolitan and local councils

(1) The council of a metropolitan or local municipality consists of councillors elected in accordance with Schedule 1-

- (a) by voters registered on that municipality's segment of the national common voters roll, to proportionally represent the parties that contested the election in that municipality; and
- (b) by voters registered on that municipality's segment of the national common voters roll in the respective wards in that municipality, to directly represent the wards.

(2) The number of ward councillors in a metropolitan or local council referred to in subsection (1) (b) must be equal to 50 per cent of the number of councillors determined for the municipality in terms of section 20. If the number of councillors determined in terms of section 20 is an uneven number, the fraction must be rounded off upwards.

(3) The number of proportionally elected councillors in a metropolitan or local municipality referred to in subsection (1) (a) is determined by subtracting the number determined in terms of subsection (2) from the number of councillors determined for the municipality in terms of section 20.

(4) If a local municipality has no wards, all its councillors must be elected in accordance with subsection (1) (a). Local municipalities with fewer than seven members have no wards.

23 Election and appointment of district councils

(1) The council of a district municipality consists of-

- (a) councillors elected in accordance with Part 1 of Schedule 2 by voters registered on that municipality's segment of the national common voters roll, to proportionally represent the parties that contested the election in that district municipality;
- (b) councillors appointed in accordance with Schedule 2 by the councils of the respective local municipalities within that district municipality, to directly represent those local municipalities; and
- (c) if the district municipality has a district management area, councillors elected in accordance with Part 1 of Schedule 2 by voters registered on that district municipality's segment of the national common voters roll in that area, to proportionally represent the parties that contested the election in that area.

(2) The number of councillors representing local municipalities and district management areas in a district council referred to in subsection (1) (b) and (c) must be-

- (a) equal to 60 per cent (fractions to be disregarded) of the number of councillors determined for the municipality in terms of section 20 before any increase in terms of section 20 (5), plus the increase; and
- (b) allocated to the respective local councils and district management areas in accordance with Part 2 of Schedule 2.

(3) The number of proportionally elected councillors referred to in subsection (1) (a) is determined by subtracting the number determined in terms of subsection (2) (a) from the number of councillors determined for the municipality in terms of section 20, including any increase in terms of section 20 (5).

(4) A local council must appoint its representatives to the district council within

14 days after the result of the election of the local council has been declared.

24 Term of municipal councils

(1) The term of municipal councils is five years, calculated from the day following the date set for the previous election of all municipal councils in terms of subsection (2).

[Sub-s. (1) substituted by s. 5 of Act 58 of 1999.]

(2) Whenever necessary, the Minister, after consulting the Electoral Commission, must, by notice in the *Government Gazette*, call and set a date for an election of all municipal councils, which must be held within 90 days of the date of the expiry of the term of municipal councils. The notice may be published either before or after the term of municipal councils expires in terms of subsection (1).

[S. 24 amended by s. 93 of Act 27 of 2000.]

25 By-elections

(1) A by-election must be held if-

(a) the Electoral Commission does not declare the result of the election of a municipal council, or in a district management area, or in a ward, within the period specified in terms of the Electoral Commission Act, 1996 (Act 51 of 1996);

[Para. (a) amended by s. 93 of Act 27 of 2000.]

(b) a court sets aside the election of a council, or in a district management area, or in a ward;

[Para. (b) amended by s. 93 of Act 27 of 2000.]

(c) a council is dissolved; or

(d) a vacancy in a ward occurs.

(2) If the election in a specific ward is the reason why the Electoral Commission does not declare the result of the election of a metro or local council, a by-election must be held in that ward only.

(3) The municipal manager of the municipality concerned, after consulting the Electoral Commission, must, by notice in a local newspaper, call and set a date for the by-election, which must be held within 90 days of the date-

(a) of the voting day of the previous election, if subsection (1) (a) applies;

[Para. (a) amended by s. 93 of Act 27 of 2000.]

(b) on which the election was set aside by the court, if subsection (1) (b) applies;

(c) on which the council was dissolved, if subsection (1) (c) applies; or

(d) on which the vacancy occurred, if subsection (1) (d) applies.

[Sub-s. (3) amended by s. 93 of Act 27 of 2000.]

(4) If the municipal manager of the municipality concerned does not call and set a date for a by-election within 14 days of the applicable date referred to in paragraph (a), (b), (c) or (d) of subsection (3), the MEC for local government in the province, after consulting the Electoral Commission, must, by notice in the *Provincial Gazette*, call and set a date for the by-election, which must be held within 90 days of the applicable date.

[Sub-s. (4) amended by s. 93 of Act 27 of 2000.]

(5) The term of a municipal council is not interrupted by a by-election.

(6) The municipal manager of a municipality may not call a by-election in terms of subsection (3) if-

- (a) the next election of all municipal councils must be held-
 - (i) within nine calendar months of the applicable date mentioned in paragraph (a), (b) or (c) of subsection (3); or
 - (ii) if it is a by-election in a ward, within six calendar months of the applicable date mentioned in paragraph (a), (b) or (d) of subsection (3); and
- (b) the MEC for local government in the province decides that the by-election must stand over until the next election of all municipal councils.

(7) A by-election in a ward does not affect the representation of parties by councillors elected from party lists.

26 Term of office of councillors

(1) A person-

- (a) is elected as a member of a municipal council for a period ending when the next council is declared elected; or
- (b) is appointed as a representative of a local council to a district council for a period ending when the next local council is declared elected, except that where such a person is replaced as a result of the provisions of item 6 (a) of Schedule 6B to the Constitution, the newly appointed representative is appointed for the remainder of the replaced representative's term.

[Para. (b) substituted by s. 1 of Act 20 of 2002 and amended by s. 9 of Act 2 of 2003.]

(2) A person assumes office as a councillor when declared elected or when appointed, as the case may be.

27 Vacation of office

A councillor vacates office during a term of office if that councillor-

- (a) resigns in writing;
- (b) is no longer qualified to be a councillor;
- (c)

[Para. (c) deleted by s. 2 of Act 20 of 2002.]

- (d) contravenes a provision of the Code of Conduct for Councillors set out in Schedule 1 of the Local Government: Municipal Systems Act, 2000, and is removed from office in terms of the Code;

[Para. (d) substituted by s. 121 of Act 32 of 2000.]

- (e) is a representative of a local council in a district council and ceases to be a member of the local council which appointed that councillor to the district council or is replaced by the local council as its representative in the district council; or

- (f)

[Para. (f) amended by s. 93 of Act 27 of 2000 and deleted by s. 2 of Act 20 of 2002.]

28 Privileges and immunities

(1) Provincial legislation in terms of section 161 of the Constitution must provide at least-

- (a) that councillors have freedom of speech in a municipal council and in its committees, subject to the relevant council's rules and orders as envisaged in section 160 (6) of the Constitution; and
- (b) that councillors are not liable to civil or criminal proceedings, arrest, imprisonment or damages for-

- (i) anything that they have said in, produced before or submitted to the council or any of its committees; or
- (ii) anything revealed as a result of anything that they have said in, produced before or submitted to the council or any of its committees.

(2) Until provincial legislation contemplated in subsection (1) has been enacted the privileges referred to in paragraphs (a) and (b) of subsection (1) will apply to all municipal councils in the province concerned.

29 Meetings of municipal councils

(1) The speaker of a municipal council decides when and where the council meets subject to section 18 (2), but if a majority of the councillors requests the speaker in writing to convene a council meeting, the speaker must convene a meeting at a time set out in the request.

(2) The municipal manager of a municipality or, in the absence of the municipal manager, a person designated by the MEC for local government in the province, must call the first meeting of the council of that municipality within 14 days after the council has been declared elected or, if it is a district council, after all the members to be appointed by local councils, have been appointed.

(3) Where the composition of a municipal council has been changed as a result of the provisions of item 2, 3 or 7 of Schedule 6B to the Constitution, the speaker of that council must, subject to item 6 (b) of Schedule 6B to the Constitution, convene council meetings for purposes of dealing, amongst others, with the consequences of such a change, the first of which meetings must-

- (a) in the case of a metro council or a local council, take place within seven days after the expiry of a period referred to in item 4 (1) (a) (i) or (ii) of Schedule 6B to the Constitution; and
- (b) in the case of a district council, take place within seven days after the completion of the appointments referred to in item 6 (b) (ii) of Schedule 6B to the Constitution.

[Sub-s. (3) added by s. 3 of Act 20 of 2002 and amended by s. 9 of Act 2 of 2003.]

30 Quorums and decisions

(1) A majority of the councillors must be present at a meeting of the council before a vote may be taken on any matter.

(2) All questions concerning matters mentioned in section 160 (2) of the Constitution are determined by a decision taken by a municipal council with a supporting vote of a majority of the councillors.

(3) All other questions before a municipal council are decided by a majority of the votes cast, subject to section 34.

(4) If on any question there is an equality of votes, the councillor presiding must exercise a casting vote in addition to that councillor's vote as a councillor.

(5) Before a municipal council takes a decision on any of the following matters it must first require its executive committee or executive mayor, if it has such a committee or mayor, to submit to it a report and recommendation on the matter-

- (a) any matter mentioned in section 160 (2) of the Constitution;
- (b) the approval of an integrated development plan for the municipality, and any amendment to that plan; and

- (c) the appointment and conditions of service of the municipal manager and a head of a department of the municipality.

31 and 32

[Ss. 31 and 32 repealed by s. 121 of Act 32 of 2000.]

33 Criteria for establishment of committees

A municipality may establish a committee provided for in this Act if-

- (a) the municipality is of a type that is empowered in terms of this Act to establish a committee of the desired kind;
- (b) the establishment of the committee is necessary, taking into account-
 - (i) the extent of the functions and powers of the municipality;
 - (ii) the need for the delegation of those functions and powers in order to ensure efficiency and effectiveness in their performance; and
 - (iii) the financial and administrative resources of the municipality available to support the proposed committee; and
- (c) in the case of the establishment of an executive committee, the municipality has more than nine councillors.

34 Dissolution of municipal councils

(1) A municipal council may dissolve itself at a meeting called specifically for this purpose, by adopting a resolution dissolving the council with a supporting vote of at least two thirds of the councillors.

(2) A municipal council may dissolve itself only when two years have passed since the council was last elected.

(3) The MEC for local government in a province, by notice in the *Provincial Gazette*, may dissolve a municipal council in the province if-

- (a) the Electoral Commission in terms of section 23 (2) (a) of the Demarcation Act is of the view that a boundary determination affects the representation of voters in that council, and the remaining part of the existing term of municipal councils is more than one year; or
- (b) an intervention in terms of section 139 of the Constitution has not resulted in the council being able to fulfil its obligations in terms of legislation.

(4) The MEC for local government may dissolve a municipal council in terms of subsection (3) (b) only-

- (a) with the concurrence of the Minister; and
- (b) after notice of that dissolution has been tabled in the National Council of Provinces and that Council has approved the dissolution.

35 Caretaker provisions

(1) If a municipal council is dissolved in terms of section 34 (3) (b) or does not have enough members to form a quorum for a meeting, the MEC for local government in the province must appoint one or more administrators to ensure the continued functioning of the municipality until a new municipal council is elected or until the council has sufficient members for a quorum.

[Sub-s. (1) substituted by s. 13 of Act 51 of 2002.]

(2) When appointing one or more administrators the MEC for local government, by notice in the *Provincial Gazette*, must determine the functions and powers of the administrator or administrators.

Part 2

Speakers of municipal councils (ss 36-41)

36 Election of speakers

(1) Each municipal council must have a chairperson who will be called the speaker.

(2) At its first sitting after its election, or when necessary to fill a vacancy, a municipal council must elect its speaker from among the councillors.

(3) The municipal manager of the municipality or, if the municipal manager is not available, a person designated by the MEC for local government in the province, presides over the election of a speaker.

(4) The procedure set out in Schedule 3 applies to the election of a speaker.

(5) A councillor may not hold office as speaker and mayor or executive mayor at the same time, but in a municipality of a type mentioned in section 9 (e) or (f) or 10 (c) the speaker must be called the mayor.

37 Functions of speakers

The speaker of a municipal council-

(a) presides at meetings of the council;

(b) performs the duties and exercises the powers delegated to the speaker in terms of section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000);

[Para. (b) amended by s. 14 (a) of Act 51 of 2002.]

(c) must ensure that the council meets at least quarterly;

(d) must maintain order during meetings;

(e) must ensure compliance in the council and council committees with the Code of Conduct set out in Schedule 1 to the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); and

[Para. (e) amended by s. 14 (b) of Act 51 of 2002.]

(f) must ensure that council meetings are conducted in accordance with the rules and orders of the council.

38 Term of office of speakers

The speaker of a municipal council is elected for a term ending, subject to section 39, when the next council is declared elected.

39 Vacation of office

The speaker of a municipal council vacates office during a term if that person-

(a) resigns as speaker;

(b) is removed from office; or

(c) ceases to be a councillor.

40 Removal from office

A municipal council by resolution may remove its speaker from office. Prior notice of an intention to move a motion for the removal of the speaker must be given.

41 Acting speakers

If the speaker of a municipal council is absent or not available to perform the functions of speaker, or during a vacancy, the council must elect another councillor to act as speaker.

CHAPTER 4

INTERNAL STRUCTURES AND FUNCTIONARIES (ss 42-82)

Part 1

Executive committees (ss 42-53)

42 Only municipalities of certain types may establish executive committees

(1) Only municipalities of the types mentioned in sections 8 (a), (b), (c) and (d), 9 (a) and (b) and 10 (a) may establish an executive committee.

(2) If a municipality of a type referred to in subsection (1) chooses to establish an executive committee, the provisions of this Part apply.

43 Composition of executive committees

(1) If the council of a municipality establishes an executive committee, it must elect a number of councillors necessary for effective and efficient government, provided that no more than 20 per cent of the councillors or 10 councillors, whichever is the least, are elected. An executive committee may not have less than three members.

(2) An executive committee must be composed in such a way that parties and interests represented in the municipal council are represented in the executive committee in substantially the same proportion they are represented in the council.

(3) A municipal council may determine any alternative mechanism for the election of an executive committee, provided it complies with section 160 (8) of the Constitution.

44 Functions and powers of executive committees

(1) An executive committee is-

- (a) the principal committee of the council of a municipality of a type that is entitled to establish an executive committee; and
- (b) the committee of a municipal council which receives reports from the other committees of the council and which must forward these reports together with its recommendations to the council when it cannot dispose of the matter in terms of its delegated powers.

(2) The executive committee must-

- (a) identify the needs of the municipality;
- (b) review and evaluate those needs in order of priority;
- (c) recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan and estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and
- (d) recommend or determine the best methods, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.

(3) The executive committee in performing its duties must-

- (a) identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services referred to in subsection (2) (c) can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general;
- (b) evaluate progress against the key performance indicators;
- (c) review the performance of the municipality in order to improve-
 - (i) the economy, efficiency and effectiveness of the municipality;
 - (ii) the efficiency of credit control and revenue and debt collection services; and

- (iii) the implementation of the municipality's by-laws;
- (d) monitor the management of the municipality's administration in accordance with the policy directions of the municipal council;
- (e) oversee the provision of services to communities in the municipality in a sustainable manner;
- (f) perform such duties and exercise such powers as the council may delegate to it in terms of section 32;
- (g) annually report on the involvement of communities and community organisations in the affairs of the municipality; and
- (h) ensure that regard is given to public views and report on the effect of consultation on the decisions of the council.

(4) An executive committee must report to the municipal council on all decisions taken by the committee.

45 Election of members of executive committees

A municipal council must elect the members of its executive committee from among its members at a meeting that must be held-

- (a) within 14 days after the council's election;
- (b) if it is a district council, within 14 days after the last of the local councils has appointed its representatives to the district council; or
- (c) within 14 days after the date with effect from which the type of the municipality has been changed from any of those mentioned in section 8 (e), (f), (g) or (h), 9 (c), (d), (e) or (f) or 10 (b) or (c) to any of those mentioned in section 8 (a), (b), (c) or (d), 9 (a) or (b), or 10 (a).

[S. 45 substituted by s. 1 of Act 1 of 2003.]

46 Term of office of members

The members of an executive committee are elected for a term ending, subject to section 47, when-

- (a) the type of the municipality has been changed from any of those mentioned in section 8 (a), (b), (c) or (d), 9 (a) or (b) or 10 (a) to any of those mentioned in section 8 (e), (f), (g) or (h), 9 (c), (d), (e) or (f) or 10 (b) or (c); or
- (b) the next municipal council is declared elected.

[S. 46 substituted by s. 2 of Act 1 of 2003.]

47 Vacancies

(1) A member of an executive committee vacates office during a term if that member-

- (a) resigns as a member of the executive committee;
- (b) is removed from office as a member of the executive committee in terms of section 53; or
- (c) ceases to be a councillor.

(2) The filling of a vacancy in an executive committee is subject to section 43.

48 Election of mayors

(1) The municipal council must elect a member of its executive committee as the mayor and, if the MEC for local government in the province so approves, another member of the executive committee as the deputy mayor, of the municipality.

(2) The election of a mayor and deputy mayor takes place when the executive

committee is elected or when it is necessary to fill a vacancy.

(3) The procedure set out in Schedule 3 applies to the election of a mayor and deputy mayor.

(4) A mayor and deputy mayor is elected for the duration of that person's term as a member of the executive committee, but vacates office during a term if that person-

- (a) resigns as mayor or deputy mayor;
- (b) is removed from office as a member of the executive committee in terms of section 53; or
- (c) ceases to be a member of the executive committee.

(5) (a) No person may hold office as mayor or both mayor and executive mayor for more than two consecutive terms in the same council.

(b) No person may hold office as deputy mayor or both deputy mayor and deputy executive mayor for more than two consecutive terms in the same council.

(c) If a person is elected-

- (i) to fill a vacancy in the office of mayor or deputy mayor, the period between that election and the next election of a mayor or deputy mayor is not regarded as a term; or
- (ii) as mayor or deputy mayor where the type of the municipality has been changed from any of those mentioned in section 8 (e), (f), (g) or (h), 9 (c), (d), (e) or (f) or 10 (b) or (c) to any of those mentioned in section 8 (a), (b), (c) or (d), 9 (a) or (b) or 10 (a) during the term of the municipal council concerned, the period between that election and the next election of a mayor or deputy mayor is not regarded as a term.

[Sub-s. (5) substituted by s. 3 (a) of Act 1 of 2003.]

(6) A mayor whose two consecutive terms have expired as provided for in subsection (5) (a), may not immediately after the expiry be elected as deputy mayor.

[Sub-s. (6) substituted by s. 3 (b) of Act 1 of 2003.]

49 Functions and powers of mayors

(1) The mayor of a municipality-

- (a) presides at meetings of the executive committee; and
- (b) performs the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the municipal council or the executive committee.

(2) The deputy mayor exercises the powers and performs the duties of the mayor if the mayor is absent or not available or if the office of the mayor is vacant. The mayor may delegate duties to the deputy mayor.

(3) If the mayor is absent or not available and the municipality does not have a deputy mayor, or the deputy mayor is also absent or not available-

- (a) the member of the executive committee designated thereto in writing by the mayor acts as mayor; or
- (b) a councillor elected by the members of the executive committee from amongst themselves acts as mayor if the mayor has not designated a member thereto or if the designated member is absent or not available.

[Sub-s. (3) added by s. 15 of Act 51 of 2002.]

50 Meetings of executive committees

(1) The mayor decides when and where the executive committee meets, but if a

majority of the members requests the mayor in writing to convene a committee meeting, the mayor must convene a meeting at a time set out in the request.

(2) If both the mayor and the deputy mayor are absent from a meeting, and there is a quorum, the members present must elect another member to preside at the meeting.

51 Procedures of executive committees

An executive committee, by resolution taken with a supporting vote of a majority of its members, may determine its own procedures subject to any directions and the rules and orders of the municipal council.

52 Quorum and decisions

(1) A majority of the members of an executive committee constitutes a quorum for a meeting.

(2) A question before the committee is decided if there is agreement among at least the majority of the members present at the meeting.

(3) If on any question there is an equality of votes, the member presiding must exercise a casting vote in addition to that member's vote as a member.

53 Removal from office of executive committees

(1) A municipal council may, by resolution remove from office one or more or all the members of its executive committee. Prior notice of an intention to move a motion for the removal of members must be given.

(2) If all the members of an executive committee are removed, a new election of members and the mayor and, if the municipality has a deputy mayor, the deputy mayor, must be held in terms of sections 45 and 48, respectively.

(3) The election of a member or members of an executive committee following a removal from office in terms of this section, is subject to section 43.

Part 2

Executive mayors (ss 54-60)

54 Only municipalities of certain types may elect executive mayors

(1) Only municipalities of the types mentioned in sections 8 (*e*), (*f*), (*g*) and (*h*), 9 (*c*) and (*d*) and 10 (*b*) may have an executive mayor.

(2) If a municipality of a type referred to in subsection (1) chooses to have an executive mayor, the provisions of this Part apply.

55 Election of executive mayors

(1) If a municipal council chooses to have an executive mayor it must elect an executive mayor and, if the MEC for local government in the province so approves, also an executive deputy mayor, from among its members at a meeting that must be held-

- (a) within 14 days after the council's election;
- (b) if it is a district council, within 14 days after the last of the local councils has appointed its representatives to the district council; or
- (c) within 14 days after the date with effect from which the type of the municipality has been changed from any of those mentioned in section 8 (*a*), (*b*), (*c*) or (*d*), 9 (*a*), (*b*), (*e*) or (*f*) or 10 (*a*) or (*c*) to any of those mentioned in section 8 (*e*), (*f*), (*g*) or (*h*), 9 (*c*) or (*d*) or 10 (*b*).

[Sub-s. (1) substituted by s. 4 of Act 1 of 2003.]

(2) A vacancy in the office of executive mayor or executive deputy mayor must be filled when necessary.

(3) The procedure set out in Schedule 3 applies to the election of an executive

mayor and executive deputy mayor.

56 Functions and powers of executive mayors

(1) An executive mayor is entitled to receive reports from committees of the municipal council and to forward these reports together with a recommendation to the council when the matter cannot be disposed of by the executive mayor in terms of the executive mayor's delegated powers.

(2) The executive mayor must-

- (a) identify the needs of the municipality;
- (b) review and evaluate those needs in order of priority;
- (c) recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and
- (d) recommend or determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.

(3) The executive mayor in performing the duties of office, must-

- (a) identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services referred to in subsection (2) (c) can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general;
- (b) evaluate progress against the key performance indicators;
- (c) review the performance of the municipality in order to improve-
 - (i) the economy, efficiency and effectiveness of the municipality;
 - (ii) the efficiency of credit control and revenue and debt collection services; and
 - (iii) the implementation of the municipality's by-laws;
- (d) monitor the management of the municipality's administration in accordance with the directions of the municipal council;
- (e) oversee the provision of services to communities in the municipality in a sustainable manner;
- (f) perform such duties and exercise such powers as the council may delegate to the executive mayor in terms of section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000);
[Para. (f) amended by s. 16 (a) of Act 51 of 2002.]
- (g) annually report on the involvement of communities and community organisations in the affairs of the municipality; and
- (h) ensure that regard is given to public views and report on the effect of consultation on the decisions of the council.

(4) An executive mayor must perform a ceremonial role as the municipal council may determine.

(5) An executive mayor must report to the municipal council on all decisions taken by the executive mayor.

(6) The deputy executive mayor of a municipality exercises the powers and performs the duties of the executive mayor if the executive mayor is absent or not

available or if the office of the executive mayor is vacant.

(7) If the executive mayor is absent or not available and the municipality does not have a deputy executive mayor, or the deputy executive mayor is also absent or not available, the council must designate a councillor to act as executive mayor.

[Sub-s. (7) added by s. 16 (b) of Act 51 of 2002.]

57 Term of office of executive mayors

(1) An executive mayor and a deputy executive mayor must be elected for a term ending, subject to sections 58 and 59, when-

- (a) the type of the municipality has been changed from any of those mentioned in section 8 (e), (f), (g) or (h), 9 (c) or (d) or 10 (b) to any of those mentioned in section 8 (a), (b), (c) or (d), 9 (a), (b), (e) or (f) or 10 (a) or (c); or
- (b) the next council is declared elected.

(2) (a) No person may hold office as executive mayor or both executive mayor and mayor for more than two consecutive terms in the same council.

(b) No person may hold office as deputy executive mayor or both deputy executive mayor and deputy mayor for more than two consecutive terms in the same council.

(c) If a person is elected-

- (i) to fill a vacancy in the office of executive mayor or deputy executive mayor, the period between that election and the next election of an executive mayor or deputy executive mayor is not regarded as a term; or
- (ii) as executive mayor or deputy executive mayor where the type of the municipality has been changed from any of those mentioned in section 8 (a), (b), (c) or (d), 9 (a), (b), (e) or (f) or 10 (a) or (c) to any of those mentioned in section 8 (e), (f), (g) or (h), 9 (c) or (d) or 10 (b) during the term of the municipal council concerned, the period between that election and the next election of an executive mayor or deputy executive mayor is not regarded as a term.

(3) An executive mayor whose two consecutive terms have expired as provided for in subsection (2) (a), may not immediately after the expiry be elected as deputy executive mayor.

[S. 57 substituted by s. 5 of Act 1 of 2003.]

58 Removal from office

A municipal council, by resolution may remove its executive mayor or deputy executive mayor from office. Prior notice of an intention to move a motion for the removal of the executive mayor or deputy executive mayor must be given.

59 Vacation of office

An executive mayor or deputy executive mayor vacates office during a term if that person-

- (a) resigns as executive mayor or deputy executive mayor;
- (b) is removed from office as executive mayor or deputy executive mayor; or
- (c) ceases to be a councillor.

60 Mayoral committees

(1) If a municipal council has more than nine members, its executive mayor-

- (a) must appoint a mayoral committee from among the councillors to assist

- the executive mayor;
- (b) may delegate specific responsibilities to each member of the committee;
- (c) may delegate any of the executive mayor's powers to the respective members; and
- (d) may dismiss a member of the mayoral committee.

(2) The mayoral committee must consist of the deputy executive mayor (if any) and as many councillors as may be necessary for effective and efficient government, provided that no more than 20 per cent of the councillors or 10 councillors, whichever is the least, are appointed.

(3) Those of the executive mayor's powers and functions as may be designated by the municipal council, must be exercised and performed by the executive mayor together with the other members of the mayoral committee.

(4) The members of a mayoral committee remain in office subject to subsection (5) and section 26, for the term of the executive mayor who appointed them.

(5) If the executive mayor vacates office, the mayoral committee appointed by that executive mayor dissolves.

Part 3

Metropolitan subcouncils (ss 61-71)

61 Only metropolitan municipalities of certain types may establish metropolitan subcouncils

(1) Only metropolitan municipalities of the types mentioned in section 8 (b), (d), (f) and (h) may establish metropolitan subcouncils.

(2) If a metropolitan municipality of a type referred to in subsection (1) chooses to establish metropolitan subcouncils, the provisions of this Part apply.

62 Establishment of metropolitan subcouncils

(1) If a metropolitan municipality decides to establish metropolitan subcouncils, it must do so by passing, after a process of public consultation, a by-law which-

- (a) determines the number of subcouncils to be established;
- (b) determines for each subcouncil an area within the municipality consisting of a cluster of adjoining wards;
- (c) establishes in each area a subcouncil under a distinct name;
- (cA) determines a mechanism that complies with Part 2 of Schedule 4 for the appointment of councillors in terms of section 63 (2) (b) (ii);
[Para. (cA) inserted by s. 4 of Act 20 of 2002.]
- (d) provides an equitable financial framework in terms of which the subcouncils must function; and
- (e) regulates any other relevant matters.

(2) When clustering wards to determine a metropolitan subcouncil area, the municipal council must-

- (a) apply the criteria set out in sections 24 and 25 of the Demarcation Act in so far as they can be applied; and
- (b) consult the Demarcation Board.

63 Composition

(1) Each metropolitan subcouncil consists of-

- (a) the councillors representing the wards included in the subcouncil area; and
- (b) an additional number of councillors allocated in terms of Part 1 of

Schedule 4, except that where-

- (i) metropolitan subcouncils are established;
 - (ii) the areas of existing metropolitan subcouncils are changed; or
 - (iii) the number of existing metropolitan subcouncils are changed, after the composition of a metro council has changed as a result of the provisions of item 2, 3 or 7 of Schedule 6B to the Constitution, the additional number of councillors is determined by the metro council so that the seats held by councillors referred to in subsection (2) (a) are as far as possible equally distributed amongst all the metropolitan subcouncils.
- [Sub-s. (1) amended by s. 9 of Act 2 of 2003.]

(1A) Where metropolitan subcouncils have been established before the commencement of the Local Government: Municipal Structures Amendment Act, 2002, subsection (1) (b) continues to apply as if it was not amended by that Act until-

- (a) the first election of all municipal councils after such commencement; or
- (b) the areas or the number of existing metropolitan subcouncils are changed as provided for in subsection (1) (b) (ii) or (iii),

whichever occurs first.

(2) The councillors referred to in subsection (1) (b) must-

- (a) consist of councillors elected to the metro council from party lists in accordance with Part 3 of Schedule 1; and
- (b) be appointed to the metropolitan subcouncil-
 - (i) in accordance with Part 1 of Schedule 4; or
 - (ii) where the composition of the metro council in question has changed as a result of the provisions of item 2, 3 or 7 of Schedule 6B to the Constitution, in accordance with the mechanism referred to in section 62 (1) (cA).

[Sub-para. (ii) amended by s. 9 of Act 2 of 2003.]

(3) Item 3 of the Code of Conduct for Councillors set out in Schedule 1 to the Local Government: Municipal Systems Act, 2000, does not apply to the speaker, executive mayor, a member of the mayoral committee or a member of the executive committee, as the case may be, in respect of meetings of a metropolitan subcouncil of which such an office bearer is a member.

[S. 63 substituted by s. 5 of Act 20 of 2002.]

64 Functions and powers

(1) A metropolitan subcouncil-

- (a) has such duties and powers as the metro council may delegate to it in terms of section 32; and
- (b) may make recommendations to the metro council on any matter affecting its area.

(2) A metropolitan subcouncil may advise the metro council on what duties and powers should be delegated to it.

65 Chairpersons

A metropolitan subcouncil must elect one of its members to be the chairperson of that subcouncil.

66 Term of office of members

(1) The section 63 (1) (b) members of a metropolitan subcouncil are appointed for

a term ending, subject to subsection (2) and section 67, when the next metro council is declared elected.

(2) Where a section 63 (1) (b) member of a metropolitan subcouncil is replaced as a result of the provisions of item 6 (b) of Schedule 6B to the Constitution, the newly appointed member is, subject to section 67, appointed for the remainder of the replaced member's term.

[Sub-s. (2) amended by s. 9 of Act 2 of 2003.]

[S. 66 substituted by s. 6 of Act 20 of 2002.]

67 Vacancies

A section 63 (1) (b) member vacates office during a term if that person-

- (a) resigns as a member of the metropolitan subcouncil; or
- (b) ceases to be a councillor.

68 Meetings

(1) The chairperson of a metropolitan subcouncil, subject to any directions of the metro council, decides when and where the subcouncil meets, but if a majority of the members requests the chairperson in writing to convene a meeting of the subcouncil, the chairperson must convene a meeting at a time mentioned in the request.

(2) The chairperson of a metropolitan subcouncil presides at meetings of that subcouncil, but if the chairperson is absent from a meeting and a quorum is present the members present must elect another member to preside at that meeting.

69 Procedures of metropolitan subcouncils

A metropolitan subcouncil, with a supporting vote of a majority of its members, may determine its own procedures, subject to any directions of the metro council.

70 Quorum and decisions

(1) A majority of the members of a metropolitan subcouncil constitutes a quorum for a meeting of that subcouncil.

(2) A question before a subcouncil is decided if there is agreement among at least the majority of the members present at the meeting.

(3) If on any question there is an equality of votes, the member presiding must exercise a casting vote in addition to that member's vote as a member.

71 Committees

A metropolitan subcouncil may appoint committees, including a management committee, from among its members to assist it in the performance of its duties and the exercise of its powers.

Part 4

Ward committees (ss 72-78)

72 Only metropolitan and local municipalities of certain types may have ward committees

(1) Only metropolitan and local municipalities of the types mentioned in sections 8 (c), (d), (g) and (h) and 9 (b), (d) and (f) may have ward committees.

(2) If a metropolitan or local municipality of a type referred to in subsection (1) chooses to establish ward committees, the provisions of this Part apply.

(3) The object of a ward committee is to enhance participatory democracy in local government.

73 Establishment of ward committees

(1) If a metro or local council decides to have ward committees, it must establish

a ward committee for each ward in the municipality.

(2) A ward committee consists of-

- (a) the councillor representing that ward in the council, who must also be the chairperson of the committee; and
- (b) not more than 10 other persons.

(3) A metro or local council must make rules regulating-

- (a) the procedure to elect the subsection (2) (b) members of a ward committee, taking into account the need-
 - (i) for women to be equitably represented in a ward committee; and
 - (ii) for a diversity of interests in the ward to be represented.
- (b) the circumstances under which those members must vacate office; and
- (c) the frequency of meetings of ward committees.

(4) A metro or local council may make administrative arrangements to enable ward committees to perform their functions and exercise their powers effectively.

74 Functions and powers of ward committees

A ward committee-

- (a) may make recommendations on any matter affecting its ward-
 - (i) to the ward councillor; or
 - (ii) through the ward councillor, to the metro or local council, the executive committee, the executive mayor or the relevant metropolitan subcouncil; and
- (b) has such duties and powers as the metro or local council may delegate to it in terms of section 32.

75 Term of office of members

The section 73 (2) (b) members of a ward committee are elected for a term determined by the metro or local council.

76 Vacancies

If a vacancy occurs among the section 73 (2) (b) members of a ward committee, the vacancy must be filled in accordance with a procedure determined by the metro or local council.

77 Remuneration

No remuneration is payable to the section 73 (2) (b) members of a ward committee.

78 Dissolution of ward committees

A metro or local council may dissolve a ward committee if the committee fails to fulfil its object.

Part 5

Other committees of municipal councils (ss 79-80)

79 Establishment

(1) A municipal council may-

- (a) establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers;
- (b) appoint the members of such a committee from among its members; and
- (c) dissolve a committee at any time.

(2) The municipal council-

- (a) must determine the functions of a committee;

- (b) may delegate duties and powers to it in terms of section 32;
- (c) must appoint the chairperson;
- (d) may authorise a committee to co-opt advisory members who are not members of the council within the limits determined by the council;
- (e) may remove a member of a committee at any time; and
- (f) may determine a committee's procedure.

80 Committees to assist executive committee or executive mayor

(1) If a municipal council has an executive committee or executive mayor, it may appoint in terms of section 79, committees of councillors to assist the executive committee or executive mayor.

(2) Such committees may not in number exceed the number of members of the executive committee or mayoral committee.

(3) The executive committee or executive mayor-

- (a) appoints a chairperson for each committee from the executive committee or mayoral committee;
- (b) may delegate any powers and duties of the executive committee or executive mayor to the committee;
- (c) is not divested of the responsibility concerning the exercise of the power or the performance of the duty; and
- (d) may vary or revoke any decision taken by a committee, subject to any vested rights.

(4) Such a committee must report to the executive committee or executive mayor in accordance with the directions of the executive committee or executive mayor.

Part 6

Participation of traditional leaders (s 81)

81 Participation in municipal councils

(1) Traditional authorities that traditionally observe a system of customary law in the area of a municipality, may participate through their leaders, identified in terms of subsection (2), in the proceedings of the council of that municipality, and those traditional leaders must be allowed to attend and participate in any meeting of the council.

(2) (a) The MEC for local government in a province, in accordance with Schedule 6 and by notice in the *Provincial Gazette*, must identify the traditional leaders who in terms of subsection (1) may participate in the proceedings of a municipal council.

(b) The number of traditional leaders that may participate in the proceedings of a municipal council may not exceed 20 per cent of the total number of councillors in that council, but if the council has fewer than 10 councillors, only one traditional leader may so participate.

[Para. (b) amended by s. 5 of Act 33 of 2000.]

(c) If the number of traditional leaders identified in a municipality's area of jurisdiction, exceeds 20 per cent of the total number of councillors the MEC for local government in the province may determine a system for the rotation of those traditional leaders.

[Para. (c) amended by s. 5 of Act 33 of 2000.]

(3) Before a municipal council takes a decision on any matter directly affecting the area of a traditional authority, the council must give the leader of that authority the

opportunity to express a view on that matter.

(4) The MEC for local government in a province, after consulting the provincial House of Traditional Leaders, may by notice in the *Provincial Gazette*-

(a) regulate the participation of traditional leaders in the proceedings of a municipal council; and

(b) prescribe a role for traditional leaders in the affairs of a municipality.

(5) (a) When participating in the proceedings of a municipal council a traditional leader is subject to the appropriate provisions of the Code of Conduct set out in Schedule 1 of the Local Government: Municipal Systems Act, 2000.

(b) (i) A traditional leader who participates in the proceedings of a municipal council is entitled to the payment of out of pocket expenses in respect of such participation.

(ii) A municipal council must determine the criteria for, and calculation of, the out of pocket expenses referred to in subparagraph (i).

(iii) Out of pocket expenses referred to in subparagraph (i) must be paid from the budget of the municipality in question.

[Para. (b) added by s. 18 (b) of Act 51 of 2002.]

[Sub-s. (5) substituted by s. 121 of Act 32 of 2000.]

Part 7

Municipal managers (s 82)

82 Appointment

(1) A municipal council must appoint-

(a) a municipal manager who is the head of administration and also the accounting officer for the municipality; and

(b) when necessary, an acting municipal manager.

(2) A person appointed as municipal manager must have the relevant skills and expertise to perform the duties associated with that post.

[Sub-s. (2) added by s. 121 of Act 32 of 2000.]

CHAPTER 5

FUNCTIONS AND POWERS OF MUNICIPALITIES (ss 83-89)

83 General

(1) A municipality has the functions and powers assigned to it in terms of sections 156 and 229 of the Constitution.

(2) The functions and powers referred to in subsection (1) must be divided in the case of a district municipality and the local municipalities within the area of the district municipality, as set out in this Chapter.

(3) A district municipality must seek to achieve the integrated, sustainable and equitable social and economic development of its area as a whole by-

(a) ensuring integrated development planning for the district as a whole;

(b) promoting bulk infrastructural development and services for the district as a whole;

(c) building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and

(d) promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area.

84 Division of functions and powers between district and local municipalities

(1) A district municipality has the following functions and powers:

- (a) Integrated development planning for the district municipality as a whole, including a framework for integrated development plans of all municipalities in the area of the district municipality.
- (b) Potable water supply systems.
- (c) Bulk supply of electricity, which includes for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity.
- (d) Domestic waste-water and sewage disposal systems.
- (e) Solid waste disposal sites, in so far as it relates to-
 - (i) the determination of a waste disposal strategy;
 - (ii) the regulation of waste disposal;
 - (iii) the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district.
- (f) Municipal roads which form an integral part of a road transport system for the area of the district municipality as a whole.
- (g) Regulation of passenger transport services.
- (h) Municipal airports serving the area of the district municipality as a whole.
- (i) Municipal health services.
- (j) Fire fighting services serving the area of the district municipality as a whole, which includes-
 - (i) planning, co-ordination and regulation of fire services;
 - (ii) specialised fire fighting services such as mountain, veld and chemical fire services;
 - (iii) co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures;
 - (iv) training of fire officers.
- (k) The establishment, conduct and control of fresh produce markets and abattoirs serving the area of a major proportion of the municipalities in the district.
- (l) The establishment, conduct and control of cemeteries and crematoria serving the area of a major proportion of municipalities in the district.
- (m) Promotion of local tourism for the area of the district municipality.
- (n) Municipal public works relating to any of the above functions or any other functions assigned to the district municipality.
- (o) The receipt, allocation and, if applicable, the distribution of grants made to the district municipality.
- (p) The imposition and collection of taxes, levies and duties as related to the above functions or as may be assigned to the district municipality in terms of national legislation.

[Sub-s. (1) substituted by s. 6 (a) of Act 33 of 2000.]

(2) A local municipality has the functions and powers referred to in section 83 (1), excluding those functions and powers vested in terms of subsection (1) of this section in the district municipality in whose area it falls.

(3) (a) The Minister may, by notice in the *Government Gazette*, and after consultation with the Cabinet member responsible for the functional area in question, and after consulting the MEC for local government in the province and, if applicable, subject to national legislation, authorise a local municipality to perform a function or exercise a power mentioned in subsection (1) (b), (c), (d) or (i) in its area or any aspect of such function or power.

(b) The Minister must in the notice referred to in paragraph (a) regulate the legal, practical and other consequences of the authorisation, which may include-

- (i) the transfer of staff;
- (ii) the transfer of assets, liabilities, rights and obligations, and administrative and other records; and
- (iii) the continued application of any by-laws and resolutions in the area of the municipalities concerned and the extent of such application.

(c) The Minister may-

- (i) amend a notice issued in terms of paragraph (a); and
- (ii) regulate the legal, practical and other consequences of such amendment; and

[Para. (c) substituted by s. 19 (b) of Act 51 of 2002.]

(d) Whenever the Minister revokes an authorisation envisaged by paragraph (a), the Minister must in the notice revoking that authorisation regulate the legal, practical and other consequences of the revocation, which may include-

- (i) the transfer of staff;
- (ii) the transfer of assets, liabilities, rights, obligations and administrative and other records; and
- (iii) the continued application of any by-laws and resolutions in the area of the municipalities in question and the extent of such application.

[Para. (d) added by s. 19 (c) of Act 51 of 2002.]

(e) The Minister must comply with the consultation requirements as set out in paragraph (a) when a power referred to in paragraph (c) or (d) is to be exercised.

[Para. (e) added by s. 19 (c) of Act 51 of 2002.]

[Sub-s. (3) substituted by s. 6 (b) of Act 33 of 2000.]

85 Adjustment of division of functions and powers between district and local municipalities

(1) The MEC for local government in a province may, subject to the other provisions of this section, adjust the division of functions and powers between a district and a local municipality as set out in section 84 (1) or (2), by allocating, within a prescribed policy framework, any of those functions or powers vested-

- (a) in the local municipality, to the district municipality; or
- (b) in the district municipality (excluding a function or power referred to in section 84 (1) (a), (b), (c), (d), (i), (o) or (p), to the local municipality.

[Para. (b) substituted s. 7 (a) of Act 33 of 2000.]

(2) An MEC may allocate a function or power in terms of subsection (1) only if-

- (a) the municipality in which the function or power is vested lacks the capacity to perform that function or exercise that power; and
- (b) the MEC has consulted the Demarcation Board and considered its assessment of the capacity of the municipality concerned.

(3) Subsection (2) (b) does not apply if the Demarcation Board omits to comply with subsection (4) within a reasonable period.

(4) The Demarcation Board must-

(a) consider the capacity of a district or local municipality to perform the functions and exercise the powers vested in the municipality in terms of section 84 (1) or (2) when-

(i) determining or redetermining the boundaries of the district and the local municipalities; or

(ii) requested in terms of subsection (2) (b) by the MEC for local government in the province concerned to do so; and

(b) convey its assessment in writing to the relevant MEC.

(5) If an MEC disagrees with the Demarcation Board on the capacity of the district or local municipality and adjusts the division of functions and powers between the district and local municipality, or refuses to adjust the division, contrary to the assessment of the Demarcation Board, the MEC must furnish reasons to the relevant municipalities and the Minister before finalising an adjustment in terms of subsection (1).

(6) Any adjustment of the division of functions and powers by way of an allocation in terms of subsection (1) or reallocation in terms of subsection (9) must be reflected in the notices referred to in section 12 which establish the municipalities concerned. Where applicable the legal, practical and other consequences of the allocation or reallocation must be regulated, including-

(a) the transfer of staff;

(b) the transfer of assets, liabilities and administrative and other records; and

(c) the continued application of any by-laws, regulations and resolutions in the area or the municipalities concerned and the extent of such application.

(7) The Minister may by notice in the *Government Gazette* and after consulting the MEC for local government and the municipalities concerned-

(a) vary or withdraw any allocation of a function or power in terms of subsection (1) or reallocation of a function or power in terms of subsection (9); or

(b) adjust the division of functions and powers between a district and local municipality if the MEC has refused to make an adjustment in accordance with the assessment of the Demarcation Board.

(8) The MEC must amend the relevant section 12 notices to give effect to any variation or withdrawal of any allocation or reallocation in terms of subsection (7).

(9) (a) If a function or power has been allocated in terms of subsection (1) the MEC for local government in the province must regularly review the capacity of the relevant municipality and reallocate that function or power to that municipality when that municipality acquires the capacity to perform that function or exercise that power.

(b) A reallocation in terms of paragraph (a) must be made with the concurrence of the receiving municipality or, in the absence of such concurrence, after having consulted the Demarcation Board.

(10) This section does not apply before the date of the first elections of municipal councils in terms of this Act.

[Sub-s. (10) added by s. 7 (b) of Act 33 of 2000.]

86 Resolution of disputes concerning performance of functions or exercise of

powers

If a dispute arises between a district and a local municipality concerning the performance of a function or the exercise of a power, the MEC for local government in the province, after consulting them, may, by notice in the *Provincial Gazette*, resolve the dispute by defining their respective roles in the performance of that function or in the exercise of that power.

[S. 86 substituted by s. 8 of Act 33 of 2000.]

87 Temporary allocation of functions and powers

(1) If the provision of basic services by a district or local municipality collapses or is likely to collapse because of that municipality's lack of capacity or for any other reason, the MEC for local government in the province may, after written notice to the district or local municipality and with immediate effect, allocate any functions and powers necessary to restore or maintain those basic services, to a local municipality which falls within that district municipality or to the district municipality in whose area that local municipality falls, as the case may be.

(2) The district or local municipality may lodge a written objection against the allocation to the Minister, who may confirm, vary or withdraw the allocation after having consulted the Demarcation Board.

(3) If the district or local municipality does not lodge a written objection against the allocation to the Minister within 14 days of the date of the notice referred to in subsection (1), the municipality is regarded as having consented to the allocation.

(4) The MEC for local government must reallocate that function or power to the original municipality when that municipality is in a position to resume the provision of those basic services.

88 Co-operation between district and local municipalities

(1) A district municipality and the local municipalities within the area of that district municipality must co-operate with one another by assisting and supporting each other.

(2) (a) A district municipality on request by a local municipality within its area may provide financial, technical and administrative support services to that local municipality to the extent that that district municipality has the capacity to provide those support services.

(b) A local municipality on request of a district municipality in whose area that local municipality falls may provide financial, technical and administrative support services to that district municipality to the extent that that local municipality has the capacity to provide those support services.

(c) A local municipality may provide financial, technical or administrative support services to another local municipality within the area of the same district municipality to the extent that it has the capacity to provide those support services, if the district municipality or that local municipality so requests.

(3) The MEC for local government in a province must assist a district municipality to provide support services to a local municipality.

89 District management areas

In district management areas, the district municipality has all the municipal functions and powers.

CHAPTER 6

MISCELLANEOUS MATTERS (ss 90-95)

90

[S. 90 repealed by s. 3 of Act 23 of 2005.]

91 Exemptions from certain provisions of this Act

(1) The MEC for local government in a province, within a policy framework as may be determined by the Minister, and by notice in the *Provincial Gazette*, may exempt a municipality in the province from any of the provisions of sections 36 (3) or (4), 38, 39, 45 to 47, 48 (2), (3) or (4), 50 to 53, 58, 65 to 71, 75 and 76.

[Sub-s. (1) substituted by s. 10 of Act 33 of 2000.]

(2) A municipality exempted from a provision of this Act in terms of subsection (1) may pass its own legislation with regard to the matter dealt with in the exempted provision.

92 Regulations

The Minister may make regulations not inconsistent with this Act prescribing-

- (a) any matter that may or must be prescribed in terms of this Act; and
- (b) any matter that may facilitate the application of this Act.

93 Application of this Act and transitional arrangements

(1) The provisions of this Act will only apply in respect of a municipality from the date contemplated in section 12, but this does not preclude the application of any provision of this Act for a purpose related to the demarcation of a municipal boundary, the establishment of a municipality or an election of a council.

(2) If any conflict relating to the matters dealt with in this Act arises between this Act and the provisions of any other law, except the Constitution and Chapter 2 of the Local Government: Municipal Structures Amendment Act, 2000, the provisions of this Act prevail.

[Sub-s. (2) substituted by s. 11 (a) of Act 33 of 2000.]

(3) The first term of all municipal councils after the enactment of this Act expires on 31 October 2000.

[Sub-s. (3) substituted by s. 11 (b) of Act 33 of 2000.]

(4) Despite anything to the contrary in any other law and as from the date on which a municipal council has been declared elected as contemplated in item 26 (1) (a) of Schedule 6 to the Constitution-

- (a) section 10G of the Local Government Transition Act, 1993 (Act 209 of 1993), read with the necessary changes, apply to such a municipality; and
- (b) any regulation made under section 12 of the Local Government Transition Act, 1993 (Act 209 of 1993), and which relates to section 10G of that Act, read with the necessary changes, apply to such a municipality.

[Sub-s. (4) added by s. 11 (c) of Act 33 of 2000.]

(5) For purposes of subsection (4)-

- (a) any reference in section 10G of the Local Government Transition Act, 1993 (Act 209 of 1993), or a regulation referred to in subsection (4) (b), to-
 - (i) 'chairperson of the council' must be construed as a reference to the speaker of the council;
 - (ii) 'chief executive officer' must be construed as a reference to the municipal manager appointed in terms of section 82;

- (iii) 'local council', 'metropolitan council', 'metropolitan local council' and 'rural council' must be construed as a reference to a municipal council;
 - (iv) 'MEC' must be construed as a reference to the member of the Executive Council of a province responsible for local government;
 - (v) 'MEC responsible for Finance' must be construed as a reference to the member of the Executive Council of a province responsible for finances in the province; and
 - (vi) 'remaining area' and 'areas of jurisdiction of representative councils' must be construed as a reference to a district management area; and
- (b) section 10G of the Local Government Transition Act, 1993 (Act 209 of 1993), must be regarded as having been amended by the insertion of the following subsection after subsection (6):
- '(6A) (a) Despite anything to the contrary in any other law, a municipality must value property for purposes of imposing rates on property in accordance with generally recognised valuation practices, methods and standards.
- (b) For purposes of paragraph (a)-
- (i) physical inspection of the property to be valued, is optional; and
 - (ii) in lieu of valuation by a valuer, or in addition thereto, comparative, analytical and other systems or techniques may be used, including-
 - (aa) aerial photography;
 - (bb) information technology;
 - (cc) computer applications and software; and
 - (dd) computer assisted mass appraisal systems or techniques.'

[Sub-s. (5) added by s. 11 (c) of Act 33 of 2000.]

(6)

[Sub-s. (6) added by s. 11 (c) of Act 33 of 2000 and deleted by s. 59 (1) of Act 9 of 2006.]

(7) Despite Proclamation 148 of 8 December 1993 (Province of the Cape of Good Hope *Gazette* 4833 of 22 December 1993) and section 38 of the Property Valuation Ordinance, 1993 (Cape), the said Ordinance is deemed to have come into force-

- (a) for the purposes of the Constitution of the Republic of South Africa, 1993 (Act 200 of 1993), immediately before the commencement of that Constitution; and
- (b) for all other purposes, on 1 July 1994.

[Sub-s. (7) added by s. 21 of Act 51 of 2002.]

(8) (a) With effect from 5 December 2000 and subject to paragraph (b), any reference in a law referred to in item 2 of Schedule 6 to the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), to a municipal council, municipality, local authority or another applicable designation of a local government structure, must be construed as a reference to a municipal council or a municipality established in terms of this Act, as the case may be.

(b) Paragraph (a) only applies to a law referred to in item 2 of Schedule 6 to the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), in so far as such a law is still applicable or becomes applicable to a municipal council or a municipality, as the case may be, at the time the Local Government Laws Amendment Act, 2002, comes into effect.

[Sub-s. (8) added by s. 21 of Act 51 of 2002.]

(9) Until the legislation envisaged in section 229 (2) (b) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), is enacted, a municipality may use the valuations appearing on a provisional valuation roll or an additional valuation roll when imposing property rates.

[Sub-s. (9) added by s. 21 of Act 51 of 2002.]

(10) Subsections (7), (8) and (9) apply to matters that are the subject of pending litigation.

[Sub-s. (10) added by s. 21 of Act 51 of 2002.]

93A Special measures for application of item 6 of Schedule 6B to Constitution

Where the provisions of item 6 of Schedule 6B to the Constitution apply, the requirement of prior notice referred to in sections 40, 53 (1) and 58, respectively, does not apply to meetings of a municipal council during the period referred to in item 6 (b) of Schedule 6B to the Constitution.

[S. 93A inserted by s. 7 of Act 20 of 2002 and amended by s. 9 of Act 2 of 2003.]

93B Publication of notice by Electoral Commission

The Electoral Commission must, within seven days of the expiry of a period referred to in item 4 (1) (a) (i) or (ii) of Schedule 6B to the Constitution, publish a notice in the *Gazette* in respect of each municipal council whose composition has changed as a result of any conduct in terms of item 2, 3 or 7 of that Schedule, which must reflect-

- (a) the number of seats allocated to each party represented in that council;
- (b) the name of, and party represented by each councillor in the proportionally elected component of that council; and
- (c) the wards and the names of, and if applicable the party affiliation of, ward representatives in that council.

[S. 93B inserted by s. 7 of Act 20 of 2002 and amended by s. 9 of Act 2 of 2003.]

94 Amends section 5 (1), of the Electoral Commission Act 51 of 1996 by deleting paragraph (m).

95 Short title

This Act is called the Local Government: Municipal Structures Act, 1998, and takes effect, subject to section 93, on a date determined by the President by proclamation in the *Gazette*.

Schedule 1

ELECTORAL SYSTEM FOR METRO AND LOCAL COUNCILS

[Schedule 1 amended by s. 93 of Act 27 of 2000, by s. 8 of Act 20 of 2002 and by ss. 22, 23, 24, 25 and 26 of Act 51 of 2002.]

1 Definitions

In this Schedule, unless the context otherwise indicates-
'**chief electoral officer**' means the chief electoral officer appointed in terms of section 12 (1) of the Electoral Commission Act, 1996 (Act 51 of 1996), and includes a person designated by the chief electoral officer for the purposes of this Schedule;

'**election**' means an election called in terms of section 24, and, where appropriate, also a by-election called in terms of section 25;

'**independent ward councillor**' means a councillor who was not nominated by a party as a candidate in a ward election;

[Definition of 'independent ward councillor' substituted by s. 93 of Act 27 of 2000.]

'**nomination day**' means the day determined in terms of the Electoral Act for the announcement of the nominated candidates and parties for a municipal election;

'**ward candidate representing a party**' means a ward candidate who was nominated by a party as a candidate in a ward election.

[Definition of 'ward candidate representing a party' substituted by s. 93 of Act 27 of 2000.]

Part 1 **General**

2 Delimitation of wards

The Demarcation Board after consultation with the Electoral Commission, for purposes of an election, must delimit all metropolitan municipalities and all local municipalities that must have wards, into wards.

3 Number of wards

The number of wards in a metropolitan or local municipality must be equal to the number of ward councillors determined for the municipality in terms of section 22 (2).

4 Delimitation criteria

The Demarcation Board after consulting the Electoral Commission must delimit a municipality into wards, each having approximately the same number of voters, taking into account the following criteria:

- (a) The number of registered voters in each ward, may not vary by more than fifteen per cent from the norm, where the norm is determined by dividing the total number of registered voters on the municipality's segment of the national common voters roll by the number of wards in the municipality.
- (b) The need to avoid as far as possible the fragmentation of communities.
- (c) The object of a ward committee as set out in section 72 (3) which is to enhance participatory democracy in local government.
- (d) The availability and location of a suitable place or places for voting and counting if appropriate, taking into consideration-
 - (i) communication and accessibility;
 - (ii) density of population;
 - (iii) topography and physical characteristics; and
 - (iv) the number of voters that are entitled to vote within the required time-frame.
- (e) The safety and security of voters and election material.
- (f) Identifiable ward boundaries.

5 Publication of delimitation

(1) The Demarcation Board must publish its delimitation of wards for a municipality in the *Provincial Gazette*.

(2) Any person aggrieved by a delimitation may within 14 days of publication submit objections in writing to the Demarcation Board, and the Board must-

- (a) consider those objections; and

(b) confirm, vary or withdraw its determination.

6 Electoral system for metro and local councils with wards

A metro council, and a local council having wards, must be elected as follows:

- (a) A number of councillors equal to the number of wards in the municipality must be directly elected in accordance with Part 2 of this Schedule to represent the wards in the Council; and
- (b) the rest of the councillors must be elected from party lists in accordance with Part 3 of this Schedule to represent parties proportionally in the council.

7 Electoral system for local councils without wards

If a local council has no wards, all the councillors must be elected from party lists in accordance with Part 3 of this Schedule to represent parties proportionally in the council.

Part 2 Ward elections

8 Number of votes

(1) In an election of a councillor for a ward each voter has one vote only, and a voter may vote for one candidate only.

(2) In each ward the candidate who receives the most votes is the elected councillor for that ward. In the event of two or more candidates receiving an equal number of votes, the result will be determined by lot.

8A Uncontested ward elections

If only one candidate is duly nominated in a ward, an election is not held in that ward and the uncontested ward candidate is deemed to have been elected-

- (a) in the case of an election called in terms of section 24 (2), with effect from the date set for the election; or
- (b) in the case of a by-election, with effect from the date stated in the time table for the by-election as the final date on which nominations for the by-election may be submitted.

[Item 8A inserted by s. 22 of Act 51 of 2002.]

Part 3 Proportional representation elections

9 Number of votes

(1) In an election for a metro council, or for a local council that has wards, each voter has two votes, and may vote for-

- (a) not more than one ward candidate; and
- (b) not more than one party.

(2) In an election for a local council that has no wards, each voter has one vote only, and may vote for one party only.

10 Submission of lists of candidates

(1) A list of candidates may be submitted only by a party.

(2) A party that has gained representation in a municipality as a result of the provisions of item 2, 3 or 7 of Schedule 6B to the Constitution, may submit a list of candidates within seven days after the expiry of a period referred to in item 4 (1) (a) (i) or (ii) of Schedule 6B to the Constitution.

[Item 10 substituted by s. 93 of Act 27 of 2000 and by s. 8 of Act 20 of 2002 and

amended by s. 9 of Act 2 of 2003.]

11 Party lists

(1) The number of candidates on a list submitted by a party may not exceed double the number of seats in the metro or local council to be filled from party lists.

(2) The candidates' names must appear on the list in the order of the party's preference, commencing with the first in order of preference and ending with the last.

(3) Every party must seek to ensure that fifty per cent of the candidates on the party list are women and that women and men candidates are evenly distributed through the list.

12 Quota

(1) The quota of votes for a seat in the metro or local council, must be determined in accordance with the following formula (fractions to be disregarded):

$$\frac{A}{B-C} + 1$$

Where-

A represents the total number of valid votes cast for all parties, consisting of those cast on the party vote and those cast for ward candidates representing parties;

B represents, the number of seats in the metro or local council; and

C represents the number of independent ward councillors elected in the election.

(2) If a ward candidate representing a party is elected unopposed, a vote cast by a voter registered in that ward for the party of which that candidate is a representative must for the purpose of factor A be counted as two votes.

13 Allocating seats

(1) (a) The total number of valid votes cast for each party on the party vote and for the ward candidates representing the party must be divided by the quota of votes for a seat. The result is the total number of seats to which each party is entitled before any adjustment in terms of subitem (3).

(b) If a ward candidate representing a party is elected unopposed, a vote cast by a voter registered in that ward for the party of which that candidate is a representative must for the purpose of paragraph (a) be counted as two votes.

(2) (a) If the calculation in subitem (1) yields a surplus not absorbed by the seats awarded to a party, that surplus must compete with similar surpluses accruing to any other party or parties, and any undistributed seat or seats must be awarded to the party or parties concerned in sequence of the highest surplus.

(b) If the surplus for two or more parties is equal the seat must be awarded to the party that obtained the highest number of valid votes.

(3) (a) In an election for a metro council or for a local council that has wards, the Electoral Commission must deduct from the total number of seats to which each party is entitled in terms of subitem (1) and (2), the number of ward candidates representing that party who were declared elected.

(b) The result is the number of seats which the party is entitled to fill from its list of party candidates.

(4) If no party is awarded a seat in terms of subitem (1), the votes for each party, read with subitem (1) (b), must be treated in accordance with subitem (2) as if they are

surpluses.

(5) The Electoral Commission must determine which party candidates are elected by selecting from the party's list, in accordance with the party's order of preference on the list, the number of candidates that is equal to the number of seats to which the party is entitled, beginning with the first candidate on the list and ending with the lowest ranking candidate.

[Item 13 amended by s. 23 of Act 51 of 2002.]

14 Uncontested elections

(1) If only one party submitted a list, an election according to proportional representation must not be held for the metro or local council.

(2) The number of seats to which the party is entitled is the total number of seats on the council to be filled by proportional representation.

(3) The chief electoral officer must determine which party candidates are elected by selecting from the party's list, according to the party's order of preference on the list, the number of candidates that is equal to the number of seats to which the party is entitled.

15 Procedure if no party applications

(1) If no party submitted a list, a by-election must be held within 90 days of nomination day and the MEC for local government must, after consultation with the Commission, determine the date of the election.

[Subitem (1) substituted by s. 93 of Act 27 of 2000.]

(2) Section 25 applies to a by-election in terms of this item, to the extent that that section can be applied.

[Subitem (2), previously subitem (3), renumbered by s. 93 of Act 27 of 2000.]

16 Excessive seats

(1) If, through the election of ward candidates, a party listed on the part of the ballot paper for parties has obtained a number of seats that is equal to, or greater than the total number of seats in the council to which it is entitled under item 13, that party must not be allocated any seats from its list of party candidates.

(2) The seats of ward candidates are not affected.

17 Insufficient party lists

(1) If a party list contains fewer candidates than the party is entitled to, the Electoral Commission must in writing immediately notify the party of the exact shortfall and request the party to deliver a list supplemented by the name or names of one or more eligible candidates.

(2) Immediately upon receipt of the list referred to in subitem (1), the Electoral Commission must allocate the number of representatives, in the order of preference on the list, to which the party is entitled.

(3) (a) Subject to paragraph (b)-

- (i) if the party concerned has ceased to exist, the seat or seats must remain unfilled;
- (ii) if the party concerned does not deliver a supplemented list, the seat or seats remain unfilled until it delivers a list; or
- (iii) if the party concerned delivers a supplemented list containing fewer names than the number of seats to be filled from that list, the seat or seats remain unfilled to the extent of the shortfall until it delivers a further list.

(b) Where seats are unfilled in terms of paragraph (a), and the vacancies render a quorum for the municipal council impossible, the party concerned forfeits the unfilled seats, and the seats must be filled within 14 days in accordance with subitems (4) to (10).

(4) If a party forfeits seats, a new quota of votes for a seat must be determined in accordance with the following formula (fractions to be disregarded):

$$\frac{A-B}{C-(D+E)} + 1$$

Where-

- A represents the total number of valid votes cast for all parties, consisting of those cast on the party vote and those cast for ward candidates representing parties;
- B represents the total number of valid votes cast for the party that has forfeited seats, both on the party vote and for ward candidates representing the party;
- C represents the number of seats in the council;
- D represents the number of seats awarded to the forfeiting party; and
- E represents the number of independent ward councillors elected in the election.

(5) (a) The total number of valid votes cast for each party, both on the party vote and for ward candidates representing the party, excluding the party that has forfeited seats, must be divided by the quota of votes for a seat. The result is the total number of seats to which each party is entitled.

(b) If the calculation in paragraph (a) yields a surplus not absorbed by the seats awarded to a party, that surplus must compete with similar surpluses accruing to any other party or parties, and any undistributed seat or seats must be awarded to the party or parties concerned in sequence of the highest surplus.

(c) If the surplus for two or more parties is equal, the seat must be awarded to the party that received the highest number of valid votes.

(6) If a ward candidate representing a party is elected unopposed, a vote cast by a voter registered in that ward for the party of which that candidate is a representative must for the purpose of factors A and B and subitem (5) be counted as two votes.

(7) In an election for a council that has wards, the Electoral Commission must deduct from the total number of seats to which each party is entitled in terms of subitem (5), the number of ward candidates representing the party who were declared elected.

(8) If no party is awarded a seat in terms of subitem (5) (a) the votes for each party must be treated in accordance with subitem (5) (b) as if they are surpluses.

(9) The Electoral Commission must determine in the manner provided in item 13 (5) which party candidates are elected.

(10) If a party is entitled to an additional number of seats in terms of subitem (5) and its list of candidates does not contain a sufficient number of candidates, the party concerned forfeits, subject to subitem (1), the unfilled seats and the process provided in this item must be repeated until all seats have been filled or until all listed candidates have been allocated to a vacant seat.

[Item 17 amended by s. 23 of Act 51 of 2002.]

18 Filling of vacancies

(1) (a) If a councillor elected from a party list ceases to hold office, the chief electoral officer must, subject to item 20, declare in writing the person whose name is at

the top of the applicable party list to be elected in the vacancy.

(b) Whenever a councillor referred to in paragraph (a) ceases to hold office, the municipal manager concerned must within seven days after the councillor has ceased to hold office, inform the chief electoral officer accordingly.

[Para. (b) added by s. 25 of Act 51 of 2002.]

(2) Where a party list has become exhausted, item 17, adjusted as may contextually be necessary, applies to the supplementation of the list, and if the party fails to supplement its list, or if the party has ceased to exist, the vacancy must remain unfilled.

Part 4

Filling and amending party lists

19 Causes of vacancies on lists

A person who is a candidate on a party list ceases to be a candidate and a vacancy arises in the list when the party withdraws the person's name by written notice to the chief electoral officer, or when that person-

- (a) assumes office as a councillor;
- (b) resigns from the list by written notice to the chief electoral officer;
- (c) becomes ineligible to be a candidate;
- (d) is disqualified or removed from the list in terms of any legislation;
- (e) ceases to be a member of the party for which that person was listed as a party candidate; or
- (f) ceases to be ordinarily resident in the municipality to which the list relates.

20 Filling vacancies and changing the order

(1) A party may supplement, change or increase its list at any time, provided that if a councillor elected according to a party list, ceases to hold office, the party concerned may supplement, change or increase its list by not later than 21 days after the councillor has ceased to hold office. The vacancy must be filled as soon as the party in question has supplemented, changed or increased its list, but not later than 14 days after expiry of the 21-day period.

[Subitem (1) substituted by s. 26 of Act 51 of 2002.]

(2) If a party supplements, changes or increases its list in terms of subitem (1) it must provide the chief electoral officer with an amended list.

Schedule 2

ELECTORAL SYSTEM FOR DISTRICT COUNCILS

[Schedule 2 amended by s. 93 of Act 27 of 2000, by s. 9 of Act 20 of 2002 and by ss. 27, 29, 30, 31 and 32 of Act 51 of 2002.]

1 Definitions

In this Schedule, unless the context otherwise indicates-

'**chief electoral officer**' means the chief electoral officer appointed in terms of section 12 (1) of the Electoral Commission Act, 1996 (Act 51 of 1996), and includes a person designated by the chief electoral officer for the purposes of this Schedule;

'**election**' means an election called in terms of section 24, and, where appropriate, also a by-election called in terms of section 25;

'**independent ward councillor**' means a councillor who was not nominated by a party as a candidate in a ward election;

[Definition of 'independent ward councillor' inserted by s. 27 (b) of Act 51 of 2002.]

'**nomination day**' means the day determined in terms of the Electoral Act for the announcement of the nominated candidates and parties for an election.

Part 1
Proportional elections

2 Electoral system for party representatives

The councillors of a district council that in terms of section 23 must be elected in accordance with this Part, must be elected as follows:

- (a) a number of councillors determined for the municipality in terms of section 23 (3) must be elected from party lists to proportionally represent parties in the council; and
- (b) a number of councillors allocated in terms of section 23 (2) (b) to any district management areas in the municipality must be elected from party lists to proportionally represent parties in those areas.

3 Number of votes

In an election for a district council-

- (a) each voter registered in the area of a local municipality within the district municipality has one vote, and may vote for one party only; and
- (b) each voter registered in a district management area within the district municipality has two votes, and may vote for-
 - (i) not more than one party that submitted a list for the district council; and
 - (ii) not more than one party that submitted a list for the district management area.

4 Submission of lists of candidates

- (1) A list of candidates may be submitted only by a party.
- (2) A party that has gained representation in a municipality as a result of the provisions of item 2, 3 or 7 of Schedule 6B to the Constitution, may submit a list of candidates within seven days after the expiry of a period referred to in item 4 (1) (a) (i) or (ii) of Schedule 6B to the Constitution.

[Item 4 substituted by s. 93 of Act 27 of 2000 and by s. 9 of Act 20 of 2002 and amended by s. 9 of Act 2 of 2003.]

5 Party lists

(1) The number of candidates on a party list submitted by a party may not exceed double the number of seats in the district council allocated, as the case may be, for the election of councillors-

- (a) referred to in section 23 (1) (a); or
- (b) to represent a district management area in the district council.

(2) The candidates' names must appear on the list in the order of the party's preference, commencing with the first in order of preference and ending with the last.

(3) Every party must seek to ensure that fifty per cent of the candidates on the party list are women and that women and men candidates are evenly distributed through the list.

6 Quota

The quota of votes for a seat in a district council or for a seat in a district council as a representative of a district management area, must be determined in accordance with the following formula (fractions to be disregarded):

$$\frac{A}{B} + 1$$

Where-

A represents the total number of valid votes cast for all parties; and

B represents, as the case may be, either-

(a) the number of seats in the district council allocated in terms of section 23 (1) (a); or

(b) the number of seats allocated to a district management area in the district council.

7 Allocating seats

(1) The total number of valid votes cast for each party must be divided by the quota of votes for a seat. The result is the total number of seats to which each party is entitled.

(2) (a) If the calculation in subitem (1) yields a surplus not absorbed by the seats awarded to a party, that surplus must compete with similar surpluses accruing to any other party or parties, and any undistributed seat or seats must be awarded to the party or parties concerned in sequence of the highest surplus.

(b) If the surplus for two or more parties is equal the seat must be awarded to the party that obtained the highest number of valid votes.

(3) If no party is awarded a seat in terms of subitem (1), the votes for each party must be treated in accordance with subitem (2) as if they are surpluses.

(4) The chief electoral officer must determine which party candidates are elected by selecting from the party's list, in accordance with the party's order of preference on the list, the number of candidates that is equal to the number of seats to which the party is entitled, beginning with the first candidate on the list and ending with the lowest ranking candidate.

8 Uncontested elections

(1) If only one party submitted a list, an election must not be held for the district council or in the district management area concerned.

(2) The number of seats to which the party is entitled is the total number of seats on the council to be filled by the election concerned.

(3) The chief electoral officer must determine which party candidates are elected by selecting from the party's list, according to the party's order of preference on the list, the number of candidates that is equal to the number of seats to which the party is entitled.

9 Procedure if no party applications

(1) If no party submitted a list, a by-election must be held within 90 days of nomination day and the MEC for local government must, after consultation with the Commission, determine the date of the election.

[Subitem (1) substituted by s. 93 of Act 27 of 2000.]

(2) Section 25 applies to a by-election in terms of this item, to the extent that that section can be applied.

[Subitem (2), previously subitem (3), renumbered by s. 93 of Act 27 of 2000.]s

10 Insufficient party lists

(1) If a party list contains fewer candidates than the party is entitled to, the chief electoral officer must in writing immediately notify the party of the exact shortfall and request the party to deliver a list supplemented by the name or names of one or more eligible candidates.

(2) Immediately upon receipt of the list referred to in subitem (1), the chief electoral officer must allocate the number of representatives, in the order of preference on the list, to which the party is entitled.

(3) (a) Subject to paragraph (b)-

- (i) if the party concerned has ceased to exist, the seat or seats must remain unfilled;
- (ii) if the party concerned does not deliver a supplemented list, the seat or seats remain unfilled until it delivers a list; or
- (iii) if the party concerned delivers a supplemented list containing fewer names than the number of seats to be filled from that list, the seat or seats remain unfilled to the extent of the shortfall until it delivers a further list.

(b) Where seats are unfilled in terms of paragraph (a), and the vacancies render a quorum for the municipal council impossible, the party concerned forfeits the unfilled seats, and the seats must be filled within 14 days in accordance with subitems (4) to (8).

(4) If a party forfeits seats, a new quota of votes for a seat must be determined in accordance with the following formula (fractions to be disregarded):

$$\frac{A-B}{C-D} + 1$$

Where-

A represents the total number of valid votes cast for all parties;

B represents the total number of valid votes cast for the party that has forfeited seats;

C represents the number of seats in the council to be filled in the election; and

D represents the number of seats awarded to the forfeiting party.

(5) (a) The total number of valid votes cast for each party, excluding the party that has forfeited seats, must be divided by the quota of votes for a seat. The result is the total number of seats to which each party is entitled.

(b) If the calculation in paragraph (a) yields a surplus not absorbed by the seats awarded to a party, that surplus must compete with similar surpluses accruing to any other party or parties, and any undistributed seat or seats must be awarded to the party or parties concerned in sequence of the highest surplus.

(c) If the surplus for two or more parties is equal, the seat must be awarded to the party that received the highest number of valid votes.

(6) If no party is awarded a seat in terms of subitem (5) (a) the votes for each party must be treated in accordance with subitem (5) (b) as if they are surpluses.

(7) The chief electoral officer must determine in the manner provided in item 8 (3) which party candidates are elected.

(8) If a party is entitled to an additional number of seats in terms of subitem (5) and its list of candidates does not contain a sufficient number of candidates, the party concerned, subject to subitem (1), forfeits the unfilled seats and the process provided in this item must be repeated until all seats have been filled or until all listed candidates

have been allocated to a vacant seat.

11 Filling of vacancies

(1) (a) If a councillor elected from a party list ceases to hold office, the chief electoral officer must, subject to item 13, declare in writing the person whose name is on the top of the applicable party list to be elected in the vacancy.

(b) Whenever a councillor referred to in paragraph (a) ceases to hold office, the municipal manager concerned must within seven days after the councillor has ceased to hold office, inform the chief electoral officer thereof.

[Para. (b) added by s. 29 of Act 51 of 2002.]

(2) Where a party list has become exhausted, item 10, adjusted as may contextually be necessary, applies to the supplementation of the list, and if the party fails to supplement its list, or if the party has ceased to exist, the vacancy must remain unfilled.

12 Causes of vacancies on lists

A person who is a candidate on a party list ceases to be a candidate and a vacancy arises in the list when the party withdraws the person's name by written notice to the chief electoral officer or when that person-

- (a) assumes office as a councillor;
- (b) resigns from the list by written notice to the chief electoral officer;
- (c) becomes ineligible to be a candidate;
- (d) is disqualified or removed from the list in terms of any legislation;
- (e) ceases to be a member of the party for which that person was listed as a party candidate; or
- (f) ceases to be ordinarily resident in the municipality to which the list relates.

13 Filling vacancies and changing the order

(1) A party may supplement, change or increase its list at any time, provided that if a councillor elected according to a party list, ceases to hold office, the party concerned may supplement, change or increase its list by not later than 21 days after the councillor has ceased to hold office. The vacancy must be filled as soon as the party in question has supplemented, changed or increased its list, but not later than 14 days after expiry of the 21-day period.

[Subitem (1) substituted by s. 30 of Act 51 of 2002.]

(2) If a party supplements, changes or increases its list in terms of subitem (1) it must provide the chief electoral officer with an amended list.

Part 2

Allocation and election of representatives of local councils and district management areas to district councils

14 Manner of election

The section 23 (2) members of a district council must be-

- (a) appointed by the councils of the local municipalities in the area of the district council from among their members; and
- (b) if there is a district management area in the district municipality, elected in accordance with Part 1 of this Schedule to represent that area on the district council.

15 Award of seats on district councils

(1) The quota of registered voters that a local council or a district management

area must have in order to be entitled to a seat on a district council must be determined in accordance with the following formula (fractions to be disregarded)-

$$\frac{A}{B} + 1$$

Where-

- A represents the total number of voters registered on the district council's segment of the national common voters roll; and
- B represents the number of seats on the district council determined in terms of section 23 (2) (a) for representatives of the local councils and district management areas but disregarding any increase in terms of section 20 (5).

(2) Each local municipality and each district management area in the area of a district municipality is entitled to a number of seats on the district council determined by dividing the total number of voters registered on the segment of the national common voters' roll for that local municipality or district management area by the quota of votes for a seat on the district council determined in accordance with subitem (1).

(3) If the calculation in subitem (2) gives a figure that is a fraction of the figure 1, the council or district management area, must be awarded one seat and must not participate in any further calculation or award.

(4) If the calculation in subitem (2) yields a surplus, that surplus must compete with similar surpluses of any other council or district management area, and any seat or seats not awarded in terms of subitems (2) and (3) must be awarded in sequence of the highest surplus.

16 Electing local councils' representatives to district councils

(1) The chief electoral officer must manage the election of representatives of a local council to the district council.

(2) If a local council has been awarded one seat-

- (a) any councillor may nominate a candidate;
- (b) each councillor has one vote; and
- (c) the candidate who receives the most votes is elected.

(3) If the council has been awarded more than one seat, the council must elect that number of members according to proportional representation as set out in items 17 to 22.

17 Candidates lists

(1) Every party or independent ward councillor may submit a candidates' list containing the names of councillors, accompanied by a written acceptance by each listed candidate.

[Subitem (1) substituted by s. 31 (a) of Act 51 of 2002.]

(2) A party or independent ward councillor may not submit more than one list.

[Subitem (2) substituted by s. 31 (b) of Act 51 of 2002.]

(3) The candidates' names must appear on the list in order of preference, starting with the first in order of preference and ending with the last.

(4) The name of a councillor may appear on one list only.

(5) Every party or independent ward councillor must seek to ensure that fifty per cent of the candidates on the candidates list are women and that women and men candidates are evenly distributed through the list.

[Subitem (5) amended by s. 31 (c) of Act 51 of 2002.]

18 Number of votes

Each councillor casts one vote for one list only.

19 Determining the quota

In a local council, the quota of votes for a seat to the district council must be determined in accordance with the following formula (fractions to be disregarded)-

$$\frac{A}{B} + 1$$

Where-

A represents the number of members of the local council; and

B represents the number of seats that the local council has been awarded on the district council in accordance with item 15.

20 Allocating seats

(1) The number of votes cast in favour of each list must be divided by the quota of votes for a seat and the result is the number of seats allocated to that list.

(2) (a) If the calculation in subitem (1) gives a surplus, that surplus must compete with other similar surpluses of any other lists, and any seat or seats not allocated under subitem (1) must be awarded in sequence of the highest surplus.

(b) If the surplus on one list is equal to the surplus on any other list, the seat or seats must be awarded in sequence of the highest number of votes cast for those lists.

[Para. (b) added by s. 32 of Act 51 of 2002.]

21 Selecting names from the list

The chief electoral officer, in accordance with the order of preference on a list, must select the number of candidates from the list that is equal to the number of seats allocated to that list.

22 Insufficient lists

In the case of a list containing fewer names than the number of seats allocated to that list, the corresponding provisions of item 10 must be applied to the extent that that item can be applied.

23 Filling of vacancies

If a councillor elected from a candidates' list ceases to hold office or the list has become exhausted, the corresponding provisions of item 11 must be applied to the extent that that item can be applied.

24 Electing members representing a district management area

The councillors representing a district management area must be elected in accordance with the proportional electoral system set out in Part 1 of this Schedule.

Schedule 3

ELECTION OF MUNICIPAL OFFICE-BEARERS

[Schedule 3 amended by s. 34 of Act 51 of 2002.]

1 Application

The procedure set out in this Schedule applies whenever a municipal council meets to elect a speaker, an executive mayor, a deputy executive mayor, a mayor or a deputy mayor.

2 Nominations

The person presiding at a meeting to which this Schedule applies must call for the nomination of candidates at the meeting.

3 Formal requirements

(1) A nomination must be made on the form determined by the municipal manager.

(2) The form on which a nomination is made must be signed by two members of the municipal council.

(3) A person who is nominated must indicate acceptance of the nomination by signing either the nomination form or any other form of written confirmation.

4 Announcement of names of candidates

At a meeting to which this Schedule applies, the person presiding must announce the names of the persons who have been nominated as candidates, but may not permit any debate.

5 Single candidate

If only one candidate is nominated, the person presiding must declare that candidate elected.

6 Election procedure

If more than one candidate is nominated-

- (a) a vote must be taken at the meeting by secret ballot;
- (b) each councillor present at the meeting may cast one vote; and
- (c) the person presiding must declare elected the candidate who receives a majority of the votes.

7 Elimination procedure

(1) If no candidate receives a majority of the votes, the candidate who receives the lowest number of votes must be eliminated and a further vote taken on the remaining candidates in accordance with item 6. This procedure must be repeated until a candidate receives a majority of the votes.

(2) When applying subitem (1), if two or more candidates each have the lowest number of votes, a separate vote must be taken on those candidates, and repeated as often as may be necessary to determine which candidate is to be eliminated.

8 Further meetings

(1) If only two candidates are nominated, or if only two candidates remain after an elimination procedure has been applied, and those two candidates receive the same number of votes, a further meeting must be held within seven days at a time determined by the person presiding.

(2) If a further meeting is held in terms of subitem (1), the procedure prescribed in this Schedule must be applied at that meeting as if it were the first meeting for the election in question.

(3) If at the further meeting held in terms of subitem (1) only two candidates are nominated, or if only two candidates remain after an elimination procedure has been applied, and those two candidates receive the same number of votes, the person presiding at such meeting must determine by lot who of the two candidates will hold the office for which the election has taken place.

[Subitem (3) added by s. 34 of Act 51 of 2002.]

Schedule 4

[Schedule 4 substituted by s. 10 of Act 20 of 2002.]

Part 1

Method of allocating councillors elected from party lists to metropolitan subcouncils

1 Allocating seats to parties

(1) The seats in the section 63 (1) (b) component of a metropolitan subcouncil are allocated to each party in accordance with the following formula (fractions to be disregarded)-

$$\frac{A}{B} \times C$$

Where-

- A represents the total number of valid votes cast for each party on the party vote in the area of the metropolitan subcouncil;
- B represents the total number of valid votes cast for each party on the party vote in the area of the metro council; and
- C represents the total number of seats allocated to each party in the metro council in accordance with Part 3 of Schedule 1.

(2) If all the seats held by councillors elected to the metro council from party lists in accordance with Part 3 of Schedule 1 have not been allocated in terms of subitem (1), the remaining number of seats are allocated to the parties represented in the metro council in accordance with the following formula:

$$A - B = C$$

Where-

- A represents the total number of seats allocated to a party in the metro council in accordance with Part 3 of Schedule 1;
- B represents the total number of seats allocated to a party in terms of subitem (1); and
- C represents a positive number.

(3) (a) The number of seats allocated to a party in terms of subitem (2) are distributed amongst the metropolitan subcouncils in sequence of the highest fractions obtained by that party for the respective subcouncils during the calculations in terms of subitem (1).

(b) If the fraction for two or more subcouncils is equal, and the number of seats still to be distributed are less than the number of subcouncils to which the equal fractions apply, the party must elect to which of those subcouncils such seats are to be distributed.

Part 2: Principles of allocating councillors elected from party lists to metropolitan subcouncils

2 Principles of allocating seats to parties

The seats in the section 63 (1) (b) component of a metropolitan subcouncil must be allocated to parties represented in the metro council in a manner that will allow parties and interests reflected in the metro council to be fairly represented in the metropolitan subcouncil in a manner consistent with democracy, taking into account the parties and interests reflected in the section 63 (1) (a) component of that metropolitan subcouncil.

Part 3: General principles

3 Designation of councillors for metropolitan subcouncils

Each party represented in a metro council must designate from among the councillors not representing wards, its representatives to each metropolitan subcouncil in the municipality with regard to which seats were allocated to it in accordance with Part 1 or the principles set out in item 2.

4 Councillors to serve on one metropolitan subcouncil only

No councillor may serve on more than one metropolitan subcouncil.

5 Vacancies

Parties must fill vacancies as they occur.

Schedule 5

[Schedule 5 repealed by s. 121 of Act 32 of 2000.]

Schedule 6

IDENTIFICATION OF TRADITIONAL LEADERS FOR PURPOSES OF SECTION 81

1 Manner of identification

(1) If it comes to the notice of the MEC for local government in a province that one or more traditional authorities traditionally observe a system of customary law in the area of a municipality, the MEC-

- (a) must inform the provincial House of Traditional Leaders of the maximum number of traditional leaders that may be identified in terms of section 81 to participate in the proceedings of the council of that municipality;
- (b) must request that House of Traditional Leaders to recommend which leaders of that traditional authority or of those traditional authorities can be identified for the purposes of section 81;
- (c) on receipt of the recommendation, or if no recommendation is received within 30 days after the request in terms of paragraph (b) has been made, may identify the leaders of that authority or authorities; and
- (d) if any leaders have been identified in terms of paragraph (c), must submit the names of those leaders to the municipal manager of that council.

(2) In a province in which no provincial House of Traditional Leaders has been established, the MEC must consult the traditional authority concerned before identifying any leader for the purposes of section 81.

2 Guidelines for identification

The traditional leader to be identified must-

- (a) hold the supreme office of authority among all the leaders of the traditional authority referred to in item 1; and
- (b) be ordinarily resident within the area of the municipality concerned.

LOCAL GOVERNMENT: MUNICIPAL STRUCTURES AMENDMENT ACT 58 OF 1999

[ASSENTED TO 12 JANUARY 2000]

[DATE OF COMMENCEMENT: 14 JANUARY 2000]

(English text signed by the President)

ACT

To amend the Local Government: Municipal Structures Act, 1998, so as to vest the power to determine whether an area must have a single category A municipality or whether it must have municipalities of both category C and category B in the Municipal Demarcation Board; to vest the power to declare a part of the area of a category C municipality as a district management area in the Municipal Demarcation Board; and to remove the power of the Minister to determine guidelines for types of municipalities and to determine the term of municipal councils; and to provide for matters connected therewith.

1 Substitutes section 4 of the Local Government: Municipal Structures Act 117 of 1998.

- 2** Repeals section 5 of the Local Government: Municipal Structures Act 117 of 1998.
- 3** Amends section 6 of the Local Government: Municipal Structures Act 117 of 1998 by substituting subsections (2) and (3).
- 4** Repeals section 13 of the Local Government: Municipal Structures Act 117 of 1998.
- 5** Amends section 24 of the Local Government: Municipal Structures Act 117 of 1998 by substituting subsection (1).

6 Short title

This is the Local Government: Municipal Structures Amendment Act, 1999.

LOCAL GOVERNMENT: MUNICIPAL STRUCTURES AMENDMENT ACT 33 OF 2000

[ASSENTED TO 11 OCTOBER 2000]

[DATE OF COMMENCEMENT: 13 OCTOBER 2000]

(English text signed by the President)

as amended by

Local Government Laws Amendment Act 51 of 2002

ACT

To amend the Local Government: Municipal Structures Act, 1998, so as to further regulate the contents of notices establishing municipalities; to further regulate transitional measures when existing municipalities are disestablished and new municipalities established; to further regulate the determination of the number of councillors; to redetermine the provisions from which a municipality may be exempted; to determine the date on which the first term of municipalities end; and to further regulate the transitional arrangements; and to provide for matters connected therewith.

CHAPTER 1

AMENDMENT OF ACT 117 OF 1998 (ss 1-11)

- 1** Amends section 12 (3) of the Local Government: Municipal Structures Act 117 of 1998, as follows: paragraph (a) substitutes the words preceding paragraph (a); paragraph (b) inserts paragraph (dA); and paragraph (c) deletes paragraph (g).
- 2** Amends section 14 of the Local Government: Municipal Structures Act 117 of 1998, as follows: paragraph (a) substitutes subsection (1); paragraph (b) substitutes in subsection (2) the words preceding paragraph (a); paragraph (c) substitutes subsection (2) (b); and paragraph (d) substitutes subsection (3).
- 3** Amends section 16 (1) of the Local Government: Municipal Structures Act 117 of 1998 by deleting paragraph (e).
- 4** Amends section 20 (1) of the Local Government: Municipal Structures Act 117 of 1998 by substituting paragraph (a).
- 5** Amends section 81 of the Local Government: Municipal Structures Act 117 of 1998 by substituting the expression '20 per cent' for the expression '10 per cent', wherever it occurs.
- 6** Amends section 84 of the Local Government: Municipal Structures Act 117 of 1998, as follows: paragraph (a) substitutes subsection (1); and paragraph (b) substitutes subsection (3).
- 7** Amends section 85 of the Local Government: Municipal Structures Act 117 of 1998, as follows: paragraph (a) substitutes subsection (1) (b); and paragraph (b) adds subsection (10).

8 Substitutes section 86 of the Local Government: Municipal Structures Act 117 of 1998.

9 Amends the Afrikaans text of section 90 (2) of the Local Government: Municipal Structures Act 117 of 1998 by substituting the words 'betrokke provinsie' for the words 'betrokke munisipaliteit'.

10 Amends section 91 of the Local Government: Municipal Structures Act 117 of 1998 by substituting subsection (1).

11 Amends section 93 of the Local Government: Municipal Structures Act 117 of 1998, as follows: paragraph (a) substitutes subsection (2); paragraph (b) substitutes subsection (3); and paragraph (c) adds subsections (4), (5) and (6).

CHAPTER 2

TRANSITIONAL ARRANGEMENTS IN RESPECT OF NEW LOCAL GOVERNMENT DISPENSATION (ss 12-20)

12 Definitions

(1) In this Chapter a word or expression to which a meaning has been assigned in the Structures Act, has that meaning and, unless the context otherwise indicates-

'existing municipality' means a municipality established in terms of legislation other than the Structures Act before the date of the first elections of municipal councils in terms of that Act;

'new municipality' means a municipality established or to be established in terms of the Structures Act;

'section 12 notice' means a notice envisaged in section 12 (1) of the Structures Act;

'Structures Act' means the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

'superseding municipality' means a new municipality which wholly or partially supersedes an existing municipality in accordance with section 14 (1) of the Structures Act;

'transition' means the process of putting into operation the new local government dispensation as set out in the Structures Act read with Chapter 7 of the Constitution.

13 Duration of transition

(1) The transition ends on 30 June 2003.

[Sub-s. (1) substituted by s. 47 of Act 51 of 2002.]

(2) This Chapter lapses when the transition ends.

14 Transitional application of section 12 of Act 117 of 1998

(1) For purposes of the transition, section 12 of the Structures Act must be regarded as permitting-

(a) a new municipality to be named in the section 12 notice by way of a

provisional designation which must consist of or include the number allocated to the area of the municipality when that area was demarcated in terms of the Demarcation Act; and

- (b) the establishment of a district municipality, the establishment of local municipalities within the area of the district municipality, and the total or partial disestablishment of existing municipalities within that area, to be effected by way of the same section 12 notice.

(2) Section 12 (4) of the Structures Act does not apply during the transition.

15 Transitional application of section 14 of Act 117 of 1998

For the purposes of the transition-

- (a) section 14 (2) (b) of the Structures Act must be regarded as permitting the regulation of any legal, practical and other consequences of the disestablishment of an existing municipality, to be effected by way of an amendment to the section 12 notice disestablishing the existing municipality, provided the notice is amended before the date on which the disestablishment of the existing municipality takes effect; and

- (b) section 14 (5) of the Structures Act must be regarded to read as follows:

'(5) (a) The MEC for local government in a province, by notice in the *Provincial Gazette*, may make provision for transitional measures to facilitate the disestablishment of an existing municipality and the establishment of a new municipality.

(b) The measures contemplated in paragraph (a) may include measures-

- (i) establishing a committee to advise the MEC on any matter affecting the transition; or
- (ii) in relation to the existing municipality, restricting or regulating the-
 - (aa) alterations to the staff establishment;
 - (bb) appointment of staff or the filling of vacancies;
 - (cc) upgrading of posts or promotions;
 - (dd) increases in salaries or wages;
 - (ee) disposal or acquisition of assets;
 - (ff) conclusion of contracts with a duration longer than one year or the renewal of such contracts; or
 - (gg) use of reserve capital.

(c) The MEC must consult the existing municipality before publishing the notice contemplated in paragraph (a).'

16 Transitional application of section 16 of Act 117 of 1998

(1) For purposes of the transition, section 16 (2) of the Structures Act must be regarded to read as follows:

'(2) Any amendment of a section 12 notice must be consistent with the provisions of this Act read with the provisions of Chapter 2 of the Local Government: Municipal Structures Amendment Act, 2000.'

(2) Section 16 (3) of the Structures Act does not apply when a section 12 notice is

amended for the purposes of the transition.

17 Transitional arrangement in respect of notice and consultation

For purposes of the transition, the MEC for local government in a province must, before publishing a notice in terms of section 12 or 16 of the Structures Act-

- (a) consult organised local government in the province; and
- (b) publish particulars of the proposed notice for public comment for at least 14 days.

18 Temporary authorisations

(1) The MEC for local government in a province, by notice in the *Provincial Gazette*, may authorise-

- (a) a local municipality to perform a function or exercise a power of a nature described in section 84 (1) (e), (f), (g), (h), (j), (k), (l), (m) and (n) in its area or an aspect of such function or power; or
- (b) a district municipality to perform a function or exercise a power of the nature referred to in section 84 (2) in the area of a local municipality, or an aspect of such function or power.

(2) The MEC may issue an authorisation in terms of subsection (1) only if-

- (a) the district municipality or the local municipality, as the case may be, cannot or does not perform the function or exercise the power in the relevant area or if, for any other reason, it is necessary to ensure the continued performance of the function or exercise of the power in that area; and
- (b) the Demarcation Board has recommended the authorisation.

(3) (a) If the Demarcation Board has made a recommendation in favour of an authorisation and the MEC disagrees with the recommendation, the MEC must furnish reasons, in writing, to the Board and the Minister.

(b) After considering the reasons furnished by the MEC and after consulting the Demarcation Board, the Minister may by notice in the *Government Gazette* issue the authorisation subject to subsection (2) (a).

(4) The MEC or the Minister must in the notice referred to in subsection (1) or (3), as the case may be, regulate the legal, practical and other consequences of the authorisation, which may include-

- (i) the transfer of staff;
- (ii) the transfer of assets, liabilities, rights and obligations, and administrative and other records; and
- (iii) the continued application of any by-laws and resolutions in the area of the municipalities concerned and the extent of such application.

(5) The MEC or Minister may amend a notice issued in terms of subsection (1) or (3), as the case may be, to effect technical changes or to regulate the authorisation more effectively.

(6) (a) The MEC must revoke an authorisation issued in terms of subsection (1) or (3) if-

- (i) the Demarcation Board so recommends; or
- (ii) an adjustment concerning the relevant function or power is made in terms of section 85.

(b) The Demarcation Board must so recommend if the reason for the authorisation

is no longer valid.

(7) When an authorisation is revoked in terms of subsection (6) or lapses in terms of section 13, the MEC must, if necessary, regulate by notice in the *Provincial Gazette* the legal, practical and other consequences resulting from the revocation or lapsing of the authorisation, which may include-

- (a) the transfer of staff;
- (b) the transfer of assets, liabilities, rights and obligations, and administrative and other records; and
- (c) the continued application of any by-laws, and resolutions in the area of the municipalities concerned and the extent of such application.

19 Transitional arrangement in respect of section 20 of Act 117 of 1998

For the first election of municipal councils after the enactment of this Act, the date contemplated in section 20 (1) (a) of the Structures Act, as amended by section 2 of this Act, must be regarded as 31 March 2000.

20 Short title

This Act is called the Local Government: Municipal Structures Amendment Act, 2000.

LOCAL GOVERNMENT: MUNICIPAL STRUCTURES AMENDMENT ACT 20 OF 2002

[ASSENTED TO 19 JUNE 2002]

[DATE OF COMMENCEMENT: 20 JUNE 2002]

(Unless otherwise indicated)

(English text signed by the President)

as amended by

Constitution Tenth Amendment Act of 2003

ACT

To amend the Local Government: Municipal Structures Act, 1998, in order to enable a member of a municipal council to become a member of another party whilst retaining membership of that council; to enable an existing party to merge with another party, or to subdivide into more than one party, or to subdivide and any one of the subdivisions to merge with another party, whilst allowing a member of a council affected by such changes to retain membership of that council; to provide for the convening of meetings after the composition of a municipal council has changed as a result of the provisions of Schedule 6A to the Constitution; to provide for the reconstitution of metropolitan subcouncils; to provide for special measures for the application of Schedule 6A to the Constitution; to further regulate the submission of lists of candidates; and to provide for matters connected therewith.

Preamble

WHEREAS section 46 (1) (d) of the Constitution requires an electoral system for the National Assembly that results, in general, in proportional representation;

AND WHEREAS section 105 (1) (d) of the Constitution requires an electoral system for provincial legislatures that results, in general, in proportional representation;

AND WHEREAS section 157 (2) of the Constitution requires an electoral system for local government comprising either proportional representation or proportional representation combined with a system of ward representation;

AND WHEREAS the Local Government: Municipal Structures Act, 1998, provides for an electoral system for local government comprising proportional

representation combined with a system of ward representation;

AND WHEREAS item 23A of Schedule 2 to the Constitution of the Republic of South Africa, 1993, provides that an Act of Parliament may, within a reasonable period after the new Constitution took effect, be passed in accordance with section 76 (1) of the new Constitution to amend that item and item 23 in order to provide for-

- * the manner in which it will be possible for a member of a legislature who ceases to be a member of the party which nominated that member, to retain membership of such legislature; and
- * any existing party to merge with another party, or any party to subdivide into more than one party, whilst allowing a member of a legislature affected by such changes, to retain membership of such legislature;

AND WHEREAS provision has been made by Schedule 6A to the Constitution in respect of local government for-

- * a councillor to retain membership of a municipal council where such councillor ceases to be a member of the party which nominated that councillor; and
- * any existing party to merge with another party, or any party to subdivide into more than one party, or to subdivide and any one of the subdivisions to merge with another party, whilst allowing a member of a council affected by such changes to retain membership of that council;

AND WHEREAS the need exists for uniformity within the three spheres of government regarding loss or retention of membership of any legislature or municipal council in the event of a change of party membership, or mergers or subdivision or subdivision and merger of parties,

BE IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:-

1 Amends section 26 (1) of the Local Government: Municipal Structures Act 117 of 1998 by substituting paragraph (b).

2 Amends section 27 of the Local Government: Municipal Structures Act 117 of 1998 by deleting paragraphs (c) and (f).

3 Amends section 29 of the Local Government: Municipal Structures Act 117 of 1998 by adding subsection (3).

4 Amends section 62 (1) of the Local Government: Municipal Structures Act 117 of 1998 by inserting paragraph (cA).

[Date of commencement of s. 4: 5 August 2002.]

5 and 6 Substitute respectively sections 63 and 66 of the Local Government: Municipal Structures Act 117 of 1998.

7 Inserts sections 93A and 93B in the Local Government: Municipal Structures Act 117 of 1998.

8 Amends Schedule 1 to the Local Government: Municipal Structures Act 117 of 1998 by substituting item 10.

9 Amends Schedule 2 to the Local Government: Municipal Structures Act 117 of 1998 by substituting item 4.

10 Substitutes Schedule 4 to the Local Government: Municipal Structures Act 117 of 1998.

11 Amends the Table of Contents of the Local Government: Municipal Structures Act 117 of 1998, as follows: paragraph (a) substitutes the reference to Schedule 4; and

paragraph (b) inserts references to sections 93A and 93B.

12 Registration of new parties for purposes of Schedule 6B to Constitution

(1) A party which has not been registered in terms of any law applicable to the registration of political parties will be regarded as a party for the purposes of item 7 of Schedule 6B to the Constitution, but such a party must apply for registration as a party in accordance with applicable law within the period referred to in item 7 of Schedule 6B to the Constitution. If the party is not registered accordingly within four months after the expiry of that period, it is regarded as having ceased to exist as a party, and the seats in question must be allocated to the remaining parties, with the necessary changes, as if such seats were forfeited seats in terms of applicable law.

(2) For the purposes of items 2 and 3 of Schedule 6B to the Constitution, 'party' means a party duly registered as a political party in accordance with applicable law, including a party so registered during a period referred to in item 4 (1) (a) (i) or (ii) of Schedule 6B to the Constitution.

[S. 12 amended by s. 9 of Act 2 of 2003.]

13 Transitional arrangement

Despite section 14 (2), a metro council may determine the mechanism referred to in section 62 (1) (cA) of the Local Government: Municipal Structures Act, 1998, by way of resolution until a period of 30 days following the period referred to in item 7 of Schedule 6A to the Constitution, has expired.

14 Short title and commencement

(1) This Act is called the Local Government: Municipal Structures Amendment Act, 2002, and with the exception of section 4, comes into operation on the date that the Constitution of the Republic of South Africa Amendment Act, 2002, comes into operation.

(2) Section 4 comes into operation after a period of 30 days following the period of 15 days referred to in item 7 of Schedule 6A to the Constitution, has expired.

LOCAL GOVERNMENT: MUNICIPAL STRUCTURES AMENDMENT ACT 1 OF 2003

[ASSENTED TO 4 APRIL 2003]

[DATE OF COMMENCEMENT: 9 APRIL 2003]

(English text signed by the President)

ACT

To amend the Local Government: Municipal Structures Act, 1998, so as to regulate the effect of a change in the type of municipality on the terms of office of members of executive committees and executive mayors; and to provide for matters connected therewith.

1 and 2 Substitute respectively sections 45 and 46 of the Local Government: Municipal Structures Act 117 of 1998.

3 Amends section 48 of the Local Government: Municipal Structures Act 117 of 1998, as follows: paragraph (a) substitutes subsection (5); and paragraph (b) substitutes subsection (6).

4 Amends section 55 of the Local Government: Municipal Structures Act 117 of 1998 by substituting subsection (1).

5 Substitutes section 57 of the Local Government: Municipal Structures Act 117 of 1998.

6 Short title

This Act is called the Local Government: Municipal Structures Amendment Act,

2003.

ⁱIn *Matatiele Municipality and others v President of the RSA and others* 2006 (5) SA 47 (CC) the Constitutional Court held on 27 February 2006 that that part of the **Constitution Twelfth Amendment Act of 2005** that alters the boundary of KwaZulu-Natal and that part of the **Cross-boundary Municipalities Laws Repeal and Related Matters Act 23 of 2005** that relates to the area that previously formed the Matatiele Local Municipality, are invalid as they were not adopted in a manner that is consistent with the Constitution. The part of the amendment that transferred the area of Matatiele Local Municipality has been declared invalid. The order of invalidity has been suspended for 18 months so that Parliament can, if it so wishes, adopt a new amendment in a manner that is consistent with the requirements of the Constitution.

ⁱⁱIn terms of s 15 (b) of the Local Government: Municipal Structures Amendment Act 33 of 2000 this subsection must be regarded to read as follows:

'(5) (a) The MEC for local government in a province, by notice in the *Provincial Gazette*, may make provision for transitional measures to facilitate the disestablishment of an existing municipality and the establishment of a new municipality.

(b) The measures contemplated in paragraph (a) may include measures-

- (i) establishing a committee to advise the MEC on any matter affecting the transition; or
- (ii) in relation to the existing municipality, restricting or regulating the-
 - (aa) alterations to the staff establishment;
 - (bb) appointment of staff or the filling of vacancies;
 - (cc) upgrading of posts or promotions;
 - (dd) increases in salaries or wages;
 - (ee) disposal or acquisition of assets;
 - (ff) conclusion of contracts with a duration longer than one year or the renewal of such contracts; or
 - (gg) use of reserve capital.

(c) The MEC must consult the existing municipality before publishing the notice contemplated in paragraph (a).'

ⁱⁱⁱIn terms of s 16 (1) of the Local Government: Municipal Structures Amendment Act 33 of 2000 this subsection must be regarded to read as follows:

'(2) Any amendment of a section 12 notice must be consistent with the provisions of this Act read with the provisions of Chapter 2 of the Local Government: Municipal Structures Amendment Act, 2000.'

^{iv}S 16 (2) of the Local Government: Municipal Structures Act 33 of 2000 provides as follows 'Section 16 (3) of the Structures Act does not apply when a section 12 notice is amended for the purposes of the transition.'