



**FINAL COMBINED IDP,
BUDGET AND PMS PROCESS
PLAN FOR 2021/22 FY**

Table of Contents

1	SECTION ONE: INTRODUCTION AND BACKGROUND	3 -
1.1	INTRODUCTION	3 -
2	PREPARING FOR THE 2021/2022 IDP, Budget & PMS REVIEW	5 -
2.1	IDP STEERING COMMITTEE	5 -
2.1.1	COMPOSITION.....	5 -
2.1.2	TERMS OF REFERENCE FOR THE IDP STEERING COMMITTEE.....	5 -
2.2	IDP REPRESENTATIVE FORUM.....	6 -
2.2.1	COMPOSITION OF IDP REPRESENTATIVE FORUM	6 -
2.2.2	TERMS OF REFERENCE FOR THE IDP REPRESENTATIVE FORUM	6 -
3	SECTION THREE: ROLES AND RESPONSIBILITIES.....	6 -
3.1	ROLE PLAYERS.....	6 -
3.1.1	Internal Role-players.....	6 -
3.1.2	External Role-players	7 -
3.1.3	ROLES AND RESPONSIBILITIES	7 -
4	SECTION FOUR: MECHANISMS AND PROCEDURES FOR PARTICIPATION AND ALIGNMENT.....	11 -
4.1	MECHANISMS FOR PUBLIC PARTICIPATION.....	11 -
4.2	IDP REPRESENTATIVE FORUM (IDP REP FORUM)	11 -
4.3	MEDIA.....	11 -
4.4	ROADSHOWS.....	11 -
4.5	IDP STEERING COMMITTEE	11 -
4.6	PROCEDURES/PROCESS FOR PARTICIPATION	11 -
4.6.1	IDP REPRESENTATIVE FORUM	12 -
4.6.2	COUNCIL APPROVAL	12 -
4.6.3	NEWSPAPERS	12 -
4.6.4	MAYORAL IMBIZOS and ROADSHOWS	12 -
5	SECTION FIVE: 2021/2022 IDP, BUDGET & PMS REVIEW ACTION PROGRAMME	13 -
5.1	INTRODUCTION AND ALIGNMENT	13 -
5.1.1	MUNICIPAL AND PROVINCIAL BUDGET AND IDP REVIEW ALIGNMENT.....	13 -
5.2	IMPORTANT ACTIVITIES AND ACTION PROGRAMME FOR THE 2021/2022 IDP REVIEW PROCESS.....	17
5.2.1	FOCUS AREAS FOR THE 2021/22 IDP REVIEW	17
6	SCHEDULE OF ACTIVITIES.....	17
	ACTION.....	18
7.	COST ESTIMATES FOR THE PLANNING PROCESS.....	26
8.	CONCLUSION.....	26

• **SECTION ONE: INTRODUCTION AND BACKGROUND**

.1 INTRODUCTION

According to the legislative requirements set out in the Municipal Systems Act (Act No. 32) of 2000 (MSA) as well as the Planning and Performance Management Regulations, all municipalities, both districts and local, have to annually review their IDP and subsequently submit the document to the MEC for Local Government. An assessment has to be completed in terms of Chapter 5, Section 25, of the MSA by the MEC.

The Municipal Finance Management Act (Act N° 56) of 2003 (MFMA) also requires the IDP annual review and budget to be prepared alongside each other thus necessitating a joint process plan. Section 21 of the MFMA specifically calls for the two processes to be “mutually consistent and credible” and for the annual budget to “take into account the municipality’s IDP”.

In terms of Municipal Systems Act, 2000 (Act No. 32 of 2000 as amended), Section 25 (1) each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which-

- a) Links, integrates, and coordinates plans and takes into account proposals for the development of the municipality;
- b) Aligns the resources and capacity of the municipality with the implementation of the plan;
- c) Forms the policy framework and general basis on which annual budgets must be based;

In terms of Section 34 of the MSA:

A municipal council-

- (a) *must review its integrated development plan-*
 - (i) *annually in accordance with an assessment of its performance measurements in terms of section 4i; and*
 - (ii) *to the extent that changing circumstances so demand; and*
- (b) *may amend its IDP in accordance with a prescribed process*

In terms of Section 26 of the MSA:

A municipal council-

- (a) *incorporate the core components of the Integrated Development Plans*
 - *Municipal Council’s Vision;*
 - *Assessment of existing level of development in the municipality;*
 - *Council’s Development priorities and objectives;*
 - *Alignment of Council’s development strategies to National and Provincial sectoral Plans;*
 - *Spatial Development Framework (including the provision of basic guidelines for LUMS of the municipality)*

In order to effectively review the municipal IDP the municipality must prepare and adopt an annual IDP Review Process Plan to guide the review process. The preparation of a Process Plan for the annual review is referred to in chapter 5, Section 28 of the MSA as follows:

Adoption of a process-

(1) Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting and adoption and review of its integrated development plan.

The MFMA Section 21 (1) requires the municipality to prepare a process plan at least 10 months before the start of the budget year.

The purpose of the process plan is to identify and detail the elements to be attended, set out are they to be addressed and the time frames.

The following will be addressed for the 2021/2022 IDP, Budget & PMS Review Process:

- ❖ Alignment with International, National, Provincial, and District Policy and Legislative framework;
- ❖ Provisional Comments received from the MEC for Local Government and Auditor General in the assessment of the 2019/2020 IDP Review documentation;
- ❖ Provisional comments from the Outcome of the IDP Hearings conducted by National government.
- ❖ Comments received from IDP/Budget Roadshows.
- ❖ Areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process;
- ❖ Consideration, review and inclusion of any other relevant and new information;
- ❖ Shortcomings and weaknesses identified through self-assessment;
- ❖ The preparation and review of relevant sector plans and their alignment with the IDP;
- ❖ Implementation and review of the Performance Management System (PMS);
- ❖ Preparation and finalisation of the annual municipal budget in terms of the relevant legislation;
- ❖ Alignment of the various important municipal processes such as the IDP Review, Performance Management and Budget Process; and
- ❖ Review of the Spatial Development Framework;
- ❖ Alignment of SDF with Provincial SDF and South Coast Regional Plan;
- ❖ Alignment of IDP to the National and Provincial planning and budgeting processes; And
- ❖ Alignment of Municipal IDP to the District Development Model

• PREPARING FOR THE 2021/2022 IDP, Budget & PMS REVIEW

In order to ensure certain minimum quality standards of the IDP Review process, and a proper coordination between and within spheres of government, the preparation of the Process Plan has been regulated in the MSA. The preparation of a Process Plan, which is in essence the IDP Review Process set in writing, requires adoption by Council. According to Chapter 5 section 29 of the MSA says the plan has to include the following:

- ❖ **A programme** specifying the time frames for the different planning steps;
- ❖ **Appropriate mechanisms, processes and procedures for consultation and participation** of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process;
- ❖ An indication of the **organisational arrangements** for the IDP process;
- ❖ **Binding plans and planning requirements**, i.e. policy and legislation; and
- ❖ **Mechanisms and procedures for vertical and horizontal alignment.**

SECTION TWO: ORGANISATIONAL ARRANGEMENTS

.1 IDP STEERING COMMITTEE

.1.1 COMPOSITION

As part of the 2021/2022 IDP Review Process, the Municipal Manager and the Manager Development Planning will be conducting quarterly meetings in order to facilitate and strengthen the review process as well as address provincial comments. The committee will comprise of the TOP Management Committee comprised of the Director Social & Community Services, Director Corporate Services, Director Technical Services and the Chief Financial Officer.

.1.2 TERMS OF REFERENCE FOR THE IDP STEERING COMMITTEE

The summarised terms of reference for the IDP Steering Committee are as follows:

- ❖ Provides terms of reference for the various planning activities
- ❖ Commissions research studies
- ❖ Considers and comments on:
 - Inputs from sub-committee/s, study teams and consultants
 - Inputs from provincial sector departments and support providers
- ❖ Processes, summarises and document outputs
- ❖ Makes content recommendations
- ❖ Prepares, facilitates and documents meetings

- ❖ Verify facts and figures identified in the IDP Representative Forum

.2 IDP REPRESENTATIVE FORUM

.2.1 COMPOSITION OF IDP REPRESENTATIVE FORUM

The IDP Representative Forum (IDP Rep Forum) was established as part of the start of the 5year IDP processes and is reviewed annually. It will perform its functions throughout the annual IDP Review process. The proposed composition of the IDP Rep Forum is as follows:

❖ Councillors	❖ Stakeholder representatives of organised groups
❖ Traditional leaders	❖ Resource persons
❖ Business Forums	❖ Other community representatives
❖ Senior municipal officials	❖ National and Provincial Departments
❖ Public utilities	❖ NGO's
❖ Youth Organisations	

.2.2 TERMS OF REFERENCE FOR THE IDP REPRESENTATIVE FORUM

The summarised terms of reference for the IDP Representative Forum will be based on the composition of the constituency's interests in the IDP process, and it should be to:

- ❖ Serve as consultative forum
- ❖ Represent the interest of the municipality's constituency in the IDP process
- ❖ Provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders inclusive of municipal government
- ❖ Ensure communication between all the stakeholder representatives
- ❖ Monitor the performance of the planning and implementation process
- ❖ Ensure alignment of programmes

• SECTION THREE: ROLES AND RESPONSIBILITIES

.1 ROLE PLAYERS

The following internal and external role players have been identified to ensure a successful and useful IDP Review Process within the municipality. Each of these role players contribute immensely to the success of the 2021/2022 IDP Review Process.

.1.1 Internal Role-players

- ❖ Council and the Executive Committee;

- ❖ Mayor;
- ❖ Umzumbe Municipal officials;
- ❖ Municipal Manager;
- ❖ Manager Development Planning
- ❖ IDP Steering Committee;

.1.2 External Role-players

- ❖ UGU District Municipality
- ❖ Government Departments;
- ❖ Planning professionals/facilitators;
- ❖ Representative Forum/Civil Society;
- ❖ Parastatals;
- ❖ Traditional leaders
- ❖ Business Forums
- ❖ NGO's/NPO's

.1.3 ROLES AND RESPONSIBILITIES

- .1.4 As with the preparation of the IDP/Budget, in the IDP/Budget review the main roles and responsibilities allocated to each of the internal and external role players are set out in table 3.2.1 and 3.2.2 below respectively. The tables provide an indication of the various roles and responsibilities of the different groupings relating to specifically the IDP Review, PMS and budgeting processes.

TABLE 3.2.1: INTERNAL ROLES AND RESPONSIBILITIES

Role Player	Roles and Responsibilities
Council	<p>IDP</p> <ul style="list-style-type: none"> ❖ Final decision making ❖ Approval of the reviewed IDP documentation. ❖ Ensuring horizontal alignment of the IDP's of the municipalities in the district council area. ❖ Ensuring vertical alignment between the district and local planning. ❖ Facilitation of vertical alignment of IDP's with other spheres of government and sector departments. ❖ Provide events for joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists. ❖ Linking the IDP process with their constituencies ❖ Organising public participation. <p>PMS</p> <ul style="list-style-type: none"> ❖ Final decision making ❖ Consider and adopt final report. ❖ Consider and approve the performance agreement of the MM ❖ Popularising PMS within their constituencies

Role Player	Roles and Responsibilities
	<p>BUDGET</p> <ul style="list-style-type: none"> ❖ Final decision making ❖ Approve the budget before the start of the financial year. ❖ Council to approve unforeseen and unavoidable expenses ❖ Approve Service Delivery and Budget Implementation Plan
Mayor	<p>IDP</p> <ul style="list-style-type: none"> ❖ Responsible for overseeing the process ❖ Political responsibility and accountability regarding the process <p>PMS</p> <ul style="list-style-type: none"> ❖ Establishing the performance agreement for the Municipal Manager in terms of the PMS. ❖ Determine KPA's for MM based on institutional KPI's. ❖ Determine the performance objectives and targets that the MM must meet in relation to the KPA's. ❖ Negotiate the performance objectives and targets that the MM must meet. ❖ Submit draft performance agreement for the MM via EXCO to the Council for consideration and approval. ❖ Conclude and sign performance agreement with the MM on behalf of Council. <p>BUDGET</p> <ul style="list-style-type: none"> ❖ Table budget to Council at least 90 days before the start of the financial year. ❖ Table budget timetable to Council. ❖ Report authorization of unforeseeable and unavoidable expenses at Council meeting after having authorized such expenses. ❖ Submit SDBIP to Council, 14 days after approval of budget ❖ Ensure conclusion of management's performance agreements. ❖ Ensure that the management's performance agreements are made public. ❖ Submit to Council an annual report within 7 months after the end of the financial year.
Umzumbe Municipal Officials	<p>IDP</p> <ul style="list-style-type: none"> ❖ Provide technical/sector expertise through the IDP Steering Committee (Senior officials) ❖ Prepare selected Sector Plans. ❖ Provide comments on the IDP Review document <p>PMS</p> <ul style="list-style-type: none"> ❖ Setting KPI's for administrative components and service providers. ❖ Prepare progress reports- Top management: Monthly ❖ Reporting on the performance measures. ❖ Verification of interim PMS measurement results.

Role Player	Roles and Responsibilities
Municipal Manager, CFO and Manager Development Planning	<p>IDP</p> <ul style="list-style-type: none"> ❖ Decide on planning process. ❖ Monitor process. ❖ Overall Management and co-ordination. <p>PMS</p> <ul style="list-style-type: none"> ❖ Submission of annual performance report to Council for approval. ❖ Submission of audit to Council ❖ Submit report to the Council about mechanisms, systems and processes for auditing the results of performance measurements as part of the internal auditing process. ❖ Establishment of a performance audit committee. ❖ Entering into performance agreements with departmental heads. ❖ Performance monitoring ❖ Submission of approved annual performance report, together with financial statements, to the Auditor General. ❖ Receive external Auditors report. ❖ Submission of audit report via EXCO to Council within 1 month of receipt. ❖ Within 14 days of adopting the annual report: <ul style="list-style-type: none"> • make copies available to the public and the media; • Submit a copy of the report to the MEC for local government in the province; • Submit a copy of the report to the Auditor General and any other institutions prescribed by regulation. <p>BUDGET</p> <ul style="list-style-type: none"> ❖ Give notice of bank account to National Treasury (NT) and Auditor General (AG). ❖ Supply NT and AG with a list of bank accounts. ❖ Table consolidated report of all withdrawals from bank account to Council within 30 days after the end of each quarter. ❖ Submission of draft budget implementation plan to Mayor within 14 days after approval of the budget. ❖ Perform mid-year performance assessment of the municipality and the submission of the report to the Mayor. ❖ The submission of the annual financial statements to the AG within two months after the end of the Financial Year. ❖ Submission of annual oversight reports to the Provincial Legislature within 7 days after adoption by Council.
Manager Development Planning	<p>IDP</p> <ul style="list-style-type: none"> ❖ Ensure that the Process Plan is finalised and adopted by Council; ❖ Day-to-day management of the IDP process ❖ Ensure continuous and improved participation of role players through IDPRF and other means;

Role Player	Roles and Responsibilities
	<ul style="list-style-type: none"> ❖ Prepare documentation and submissions; ❖ co-ordinate the preparation of the Sector Plans and their inclusion into the IDP documentation; ❖ Co-ordinate the inclusion of the Performance Management System (PMS) into the revised IDP; ❖ Submit the reviewed IDP to the relevant authorities. <p>PMS</p> <ul style="list-style-type: none"> ❖ Day-to-day management of the process ❖ Performance management review planning and preparation. ❖ Prepare documentation and submissions; ❖ Day-to-day management of the PMS process <p>BUDGET</p> <ul style="list-style-type: none"> ❖ Interact with Budget Officer for alignment of processes ❖ Ensuring IDP process conducted timeously for budgeting purposes
CFO	<p>IDP</p> <ul style="list-style-type: none"> ❖ Interact with IDP Manager to ensure that processes are aligned ❖ Ensuring that budget proposals are in line with the IDP <p>BUDGET</p> <ul style="list-style-type: none"> ❖ ensure that the Process Plan is finalised and adopted by Council; ❖ Day-to-day management of the budgeting process ❖ Make information available to staff members for budgeting purposes ❖ Prepare documentation and submissions; ❖ Ensure draft budget is in place for submission to Council.

TABLE 3.2.2: EXTERNAL ROLES AND RESPONSIBILITIES

Role Player	Roles and Responsibilities
Planning Professionals	<ul style="list-style-type: none"> ❖ Specialist & targeted input. ❖ Facilitation of planning workshops. ❖ Sector Plans. ❖ Documentation.
Representative Forum/Civil Society	<ul style="list-style-type: none"> ❖ Representing interest and contributing knowledge and ideas.
Government Departments	<ul style="list-style-type: none"> ❖ Provide data and information. ❖ Budget guidelines. ❖ Alignment of budgets with the IDP. ❖ Provide professional and technical support (sector specialisation)

Traditional Authorities	<ul style="list-style-type: none"> ❖ Submission of community needs through Rep forum ❖ Provide traditional leadership ❖ Joint planning ❖ Make land available ❖ Provide data and information
District Municipality	<ul style="list-style-type: none"> ❖ Provide data and information
NGOs and Business fraternity	<ul style="list-style-type: none"> ❖ Provide inputs

• SECTION FOUR: MECHANISMS AND PROCEDURES FOR PARTICIPATION AND ALIGNMENT

.1 MECHANISMS FOR PUBLIC PARTICIPATION

Four major objectives said to be the motive behind the public participation process namely:

- ⇒ Needs orientation;
- ⇒ Appropriateness of solutions;
- ⇒ Community ownership; and
- ⇒ Empowerment.

Umzumbe Municipality will confirm the following mechanisms for participation:

.2 IDP REPRESENTATIVE FORUM (IDP REP FORUM)

This forum will represent all stakeholders and will be as inclusive as possible. Efforts will be made to bring additional organisations into the Representative Forum and ensure their continued participation throughout the process.

.3 MEDIA

Local newspapers, the Municipal website and Facebook will be used to inform the community of the progress of the 2020/2021 IDP and budget Review.

.4 ROADSHOWS

Roadshows will be conducted when draft IDP and budget is ready so as to solicit public comments as well as when both processes are finalised to confirm municipal programme for the year.

.5 IDP STEERING COMMITTEE

This will consist of Section 56 (MSA, 2000) management and other layers of management participating in an IDP process.

.6 PROCEDURES/PROCESS FOR PARTICIPATION

.6.1 IDP REPRESENTATIVE FORUM

In order to ensure maximum participation in the IDP Representative Forum meetings from members of the public, representatives and relevant government officials, it is recommended that Representative Forum meetings are scheduled as per the municipal roster for all the key stages of the IDP Review Process.

- ❖ The first IDP Representative Forum meeting will involve a presentation of the Process Plan focussing on identifying areas to be addressed in the IDP Review Phase.
- ❖ Following IDP Representative Forum workshops to be held at critical stages as per the scheduling of activities in this process plan.

.6.2 COUNCIL APPROVAL

The Council will consider, for comments, a draft 2021/2022 IDP and Budget Review document by March 2020. This will ensure inclusion into the national and provincial budgeting processes as well as inform the municipal budgeting process. The final IDP and Budget review will be adopted by May 2020. Sector Plans will be approved by Council on their completion.

.6.3 NEWSPAPERS

Four newspaper adverts will be posted, the first one at the beginning of the process inviting the public to participate, the second advert will be posted once draft budget and IDP are in place inviting the public to comment, the third advert will be posted once the IDP is ready for Council approval to comply with legislative requirement to advertise for 21 days for the public and the fourth one will be after the adoption of the 2021/2022 IDP and budget.

.6.4 MAYORAL IMBIZOS and ROADSHOWS

The Mayoral Imbizos will be held in five venues by September/October 2020 to provide progress on the implementation of 2020/21 IDP projects and get inputs for 2021/22 IDP. In March/April 2021 the mayor will embark on IDP road shows to present draft IDP and budget for 2021/22 financial year.

Focus Areas for 2021/2022 financial year are as follows:

- Alignment of the reviewed SDF with the neighbouring municipality's SDF e.g. Ubuhlebezwe municipality.
- Alignment of cross border programmes such as P68 corridor that is shared with Harry Gwala District Municipality.
- Alignment of reviewed municipality's SDF with that of UGU District Municipality (District Development Model) and other Provincial programmes (PSDF Review & South Coast Regional Plan).
- Review of sector plans e.g. Integrated Waste Management Plan, Housing Sector plan and Disaster Management Plan etc.

- Review of Capital Investment Framework

Public Participation Process: as part of the public participation process, a visual representation of services in Umzumbe will be presented to the communities. The aim would be to audit already existing services and identify key strategic issues which are in turn to inform the rest of the planning, especially in making budget allocations and prioritising the delivery of services over a 5 year period. This will assist in extracting priority issues from community members. It is envisaged that the programme will be undertaken in all 5 clusters of the municipality, with all the ward committees of Umzumbe. This will ensure the development of a credible IDP.

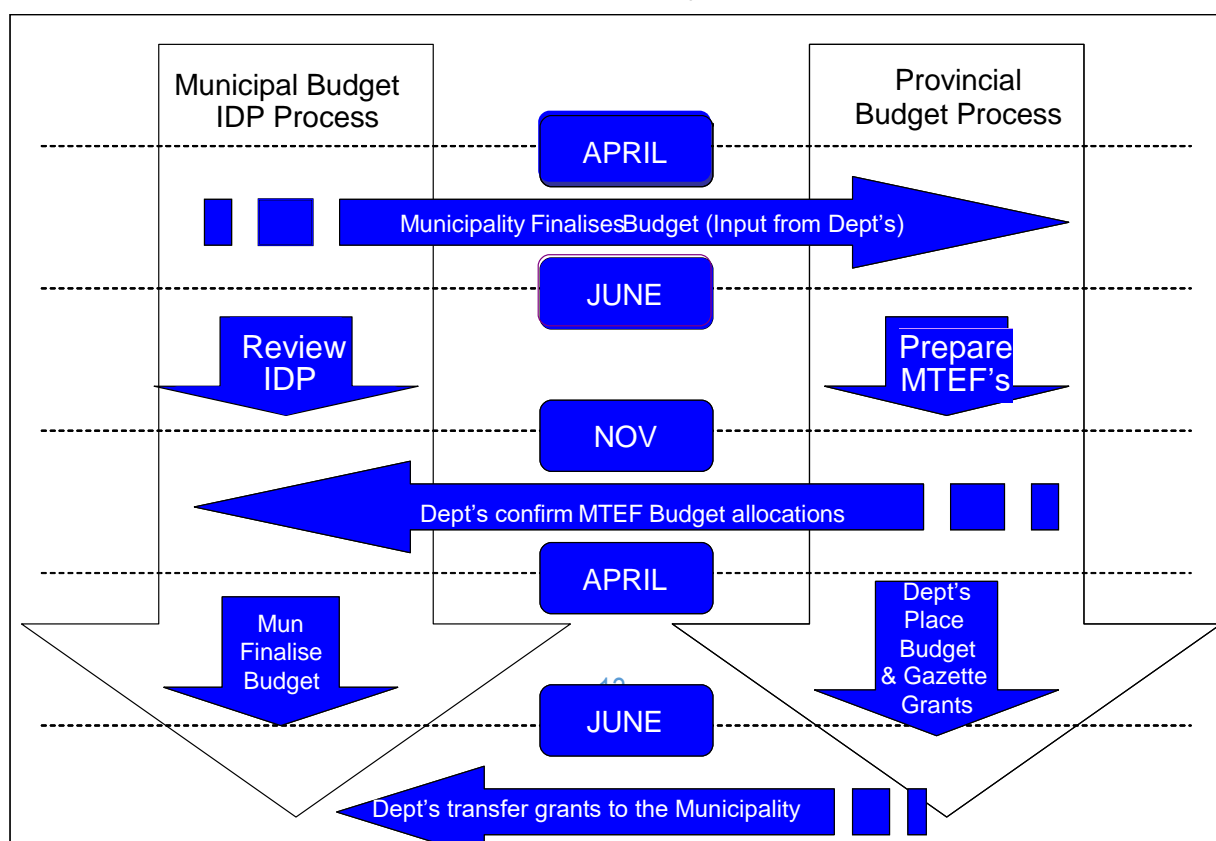
• SECTION FIVE: 2021/2022 IDP, BUDGET & PMS REVIEW ACTION PROGRAMME

.1 INTRODUCTION AND ALIGNMENT

.1.1 MUNICIPAL AND PROVINCIAL BUDGET AND IDP REVIEW ALIGNMENT

The 2021/22 IDP Review Action Programme is based on the alignment of the internal municipal processes (IDP Review, PMS and Budget) with the external processes (planning and budgeting) of national and provincial government. This alignment has a substantial impact on the 2021/21 IDP, Budget & PMS Review Process, specifically in terms of key milestones and deadline dates. The Municipal Finance Management Act (MFMA) No 176 of 2004 also has a direct and large impact on the 2021/22 IDP Review Process in terms of alignment. Diagram 5.1.1 below indicates to the municipal and provincial budget and IDP alignment process. The diagram points to the critical dates for IDP Review and budget approval and development.

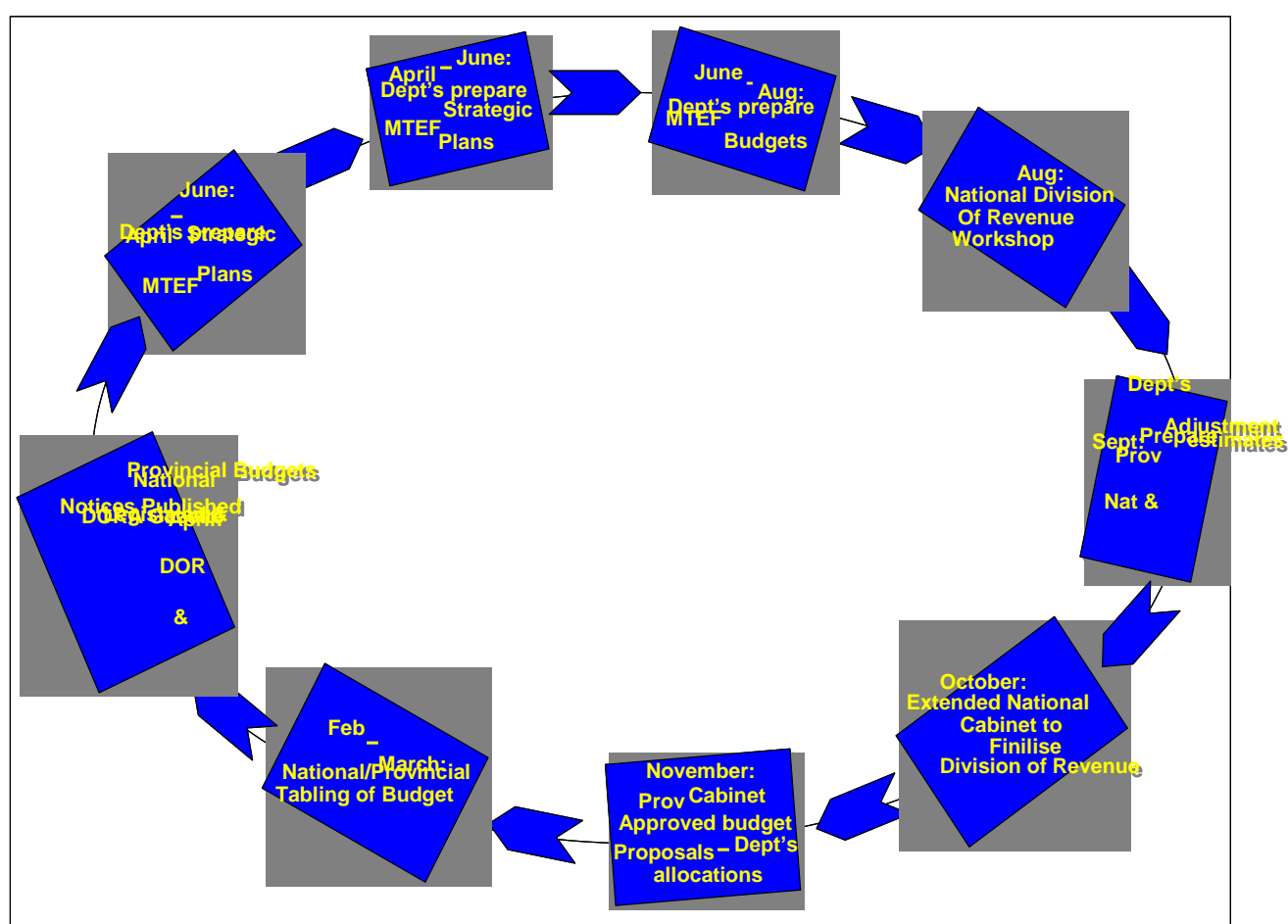
DIAGRAM 5.1.1: MUNICIPAL AND PROVINCIAL BUDGET / IDP ALIGNMENT PROCESS



5.1.2 NATIONAL AND PROVINCIAL PLANNING AND BUDGETING CYCLE

Diagram 5.1.2 provides the Provincial and National Government Departments' budgeting cycle which informs the municipal planning and budgeting cycle. It is important for municipalities to take note of these budgeting cycles to ensure relevant and useful input into the budgeting processes of national and provincial government at strategic times. In doing this, municipalities will ensure that their priorities are captured and addressed and that IDP implementation is facilitated.

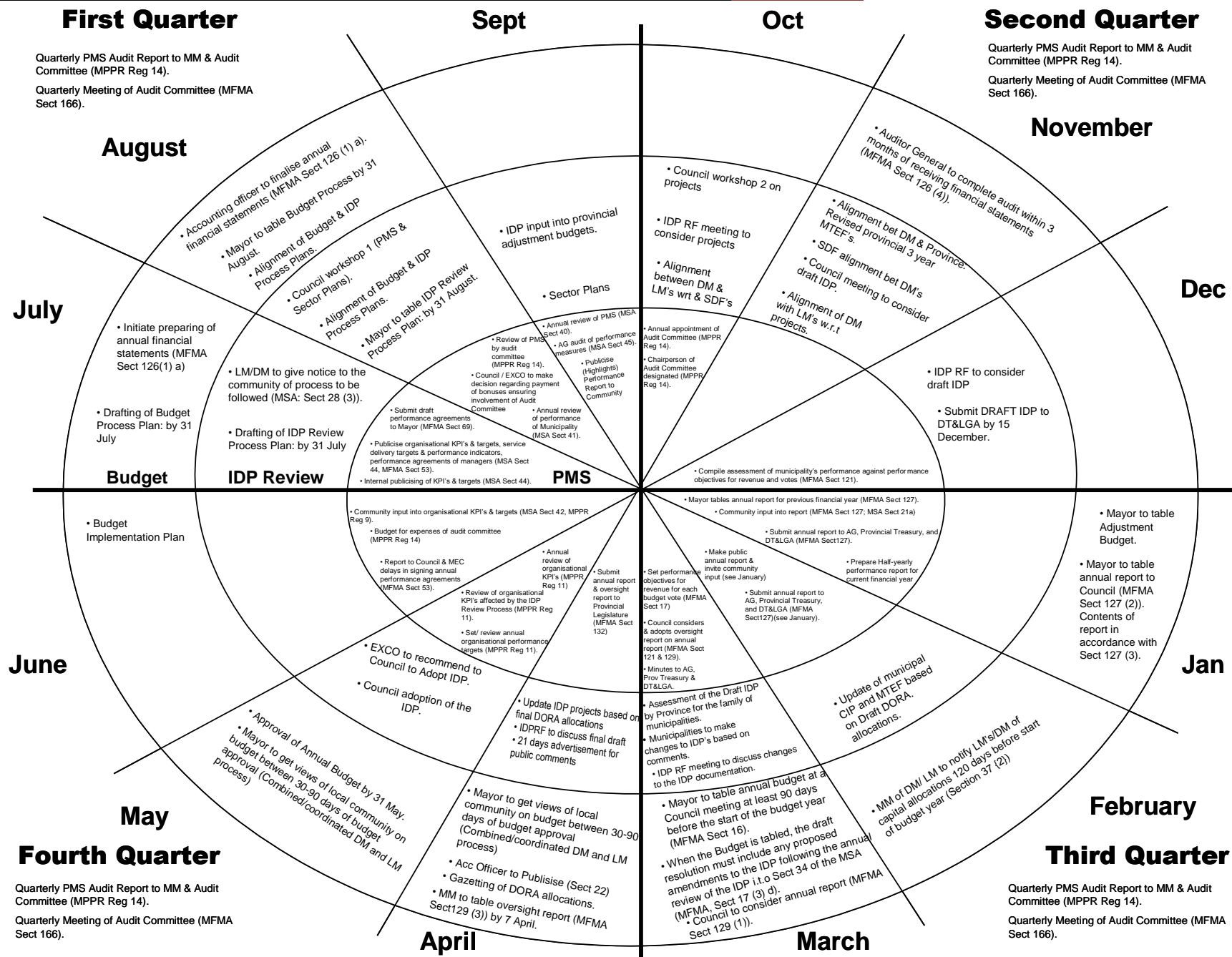
DIAGRAM 5.1.2: NATIONAL AND PROVINCIAL PLANNING AND BUDGETING CYCLE



5.1.2 CRITICAL DATES FOR THE 2021/2022 IDP REVIEW MUNICIPAL PROCESS

Diagram 5.1.2 (see overleaf) provides a concise summary of the critical deadline / milestone dates for the IDP Review, PMS and Budgeted processes of Umzumbe municipality. Some of the critical dates include the following:

⇒ Nov / Dec:	Council considers IDP Review draft (complete strategic document to guide budgeting process)
⇒ April:	Municipal budgets finalised
⇒ May:	IDP Review advertised for public comment
⇒ May:	Finalise IDP Implementation Plan
⇒ June:	Budget and IDP Review final documents approved by Council
⇒ June:	Finalise IDP Performance Agreements
⇒ July:	IDP Implementation Management initiated.



.2 IMPORTANT ACTIVITIES AND ACTION PROGRAMME FOR THE 2021/2022 IDP REVIEW PROCESS

.2.1 FOCUS AREAS FOR THE 2021/22 IDP REVIEW

The following aspects were identified:

A) Alignment

- ⇒ SDG, NDP, NSDP, PSDF, PGDS & IDP etc.
- ⇒ Municipal, provincial and national government planning and budgeting
- ⇒ Cross border alignment with adjacent municipalities

B) Input into the national and provincial MTEF (budgeting) process to ensure funding commitments and IDP Implementation.

C) Objectives, strategies and projects addressing cross dimensional and sector specific issues

D) Performance Management System (PMS) review and implementation (quarterly review workshops, performance reports, performance measuring, performance contracts, etc)

E) Strengthen the municipal budget (MFMA implementation) and IDP alignment processes

F) IDP and budget Implementation

G) LED strategy

H) Development and implementation of schemes

I) District Development Model

• SCHEDULE OF ACTIVITIES

The table below provides a schedule of key activities to be carried out in the IDP, PMS and budget processes

Note: Activity 8 above refers to Sector Plans listed under 5.2.1

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
31 July 2020	<ul style="list-style-type: none"> Accounting officers and senior officials of municipality and entities begin planning for next three-year budget Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process Drafting of IDP/Budget/PMS Process Plan Give notice to the community of process to be followed. Initiate preparing of annual financial statements Accounting officers and senior officials of municipality and entities review options and contracts for service delivery Planning includes review of the previous years budget process and completion of the Budget Evaluation Checklist 	Accounting Officer, Senior Managers Manager Development Planning, Chief Financial Officer, Budget Manager	In house
	<ul style="list-style-type: none"> Internal Publishing of KPIs and Targets Publicise organisational KPIs and targets, service delivery targets and performance indicators (SDBIP). Submit Draft performance agreements to the mayor. Complete Performance contracts and send them to COGTA Annual Review of performance of municipality (Annual Performance Report) 	Manager Development Planning, Accounting Officer, Senior Managers,	In house
August 2020	<ul style="list-style-type: none"> Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. Mayor Establishes committees and consultation forums for the budget process Council to/Exco to make decision regarding payment of bonuses ensuring involvement of Audit Committee Review of PMS by Audit Committee 	Council, Mayor Accounting Officer, Chief Financial Officer, Audit Committee, Manager Development Planning	In house

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
	<ul style="list-style-type: none"> Mayor to table IDP/Budget review process plan by 31 August Finalise Annual Financial Statement Finalise and adopt Annual Performance Report 		
September 2020	<ul style="list-style-type: none"> New Council to convene organisational strategic planning session to review IDP vision. IDP input into national and provincial governments for planning and budgeting process. Development and review of Sector Plans Auditor General audit of performance measures Determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives. Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities' plans Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc) 	Accounting Officer, Manager Development Planning, Chief Financial Officer, Auditor General, Senior Managers, Budget Manager	In house

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
October 2019	<ul style="list-style-type: none"> Assessment of objectives, strategies and projects against cross cutting issues IDP Representative Forum meeting to consider projects Review Capital, institutional, Operational, Maintenance projects Alignment with the District and local municipality Quarterly Review (Q1) of PMS Publicise performance report to the community Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials 	Council, Exco, Top Management, MPAC, Accounting Officer, Manager Development Planning.	In house
November 2020	<ul style="list-style-type: none"> Assessment of alignment of IDP strategies & projects for medium term in relation to SDG, NDP, NSDP, PSDF, DDM and PGDS Auditor General to complete audit (3 months after receiving financial statements) Reviews and drafts initial changes to IDP SDF alignment Accounting officer reviews and drafts initial changes to IDP 	Council, Top Management, Auditor General,	In house
December 2020	<ul style="list-style-type: none"> IDP Rep Forum to consider situational analysis Compile assessment of municipality's performance against performance objectives for revenue and vote Determine funding availability & requirements per sector plan and where relevant prepare business plan / Terms of Reference & rollout accordingly Council finalises tariff (rates and service charges) policies for next financial year Consolidate and prepare proposed budget and plans for next financial year taking into account previous years performance as per audited financial statements Council finalises tariff (rates and service charges) policies for next financial year 	Accounting Officer Senior Managers IDP Representative Forum	In house

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
	<ul style="list-style-type: none"> Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous years performance as per audited financial statements January 		
January 2021	<ul style="list-style-type: none"> Mayor tables Draft Annual Report to council for previous financial year Accounting Officer Reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling (Proposed national and provincial allocations for three years must be available by 20 January 2020). Community make inputs into the Annual Report Submit Annual Report to AG, National and Provincial Treasury, Provincial Legislature and COGTA Prepare Mid-year performance Report Mayor to table adjustment budget Mayor to table annual report to council Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality at least 150 days before the start of the budget year 	Council, EXCO, MPAC, Mayor, Accounting Officer, Top Management, Chief Financial Officer, Manager Development Planning	In house
February 2021	<ul style="list-style-type: none"> Publicise Draft Annual report and invite community inputs Submit Draft Annual Report to AG, National and Provincial Treasury, Provincial Legislature, and COGTA Finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report Update municipal CIF and MTEF based on Draft DORA allocations Council considers municipal entity proposed budget and service 	Accounting Officer, Chief Financial Officer Budget Manager Manager Development Planning,	In house

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
	<p>delivery plan and accepts or makes recommendations to the</p> <ul style="list-style-type: none"> Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report Accounting officer to notify relevant municipalities of projected allocations for next three budget years 120 days prior to start of budget year MFMA 		
March 2021	<ul style="list-style-type: none"> Mayor tables municipality's draft budget, plans, and proposed revisions to IDP at least 90 days before start of budget year Accounting Officer Publishes tabled draft budget, plans, and proposed revisions to IDP, invites local community comment and submits to National Treasury, Provincial Treasury and COGTA Council considers and adopt Oversight Report on Annual Report Performance Assessment of Senior Managers Send minutes to AG, Provincial Treasury and COGTA Assessment of Draft IDP by Province Make changes to IDP based on comments IDP Rep Forum to discuss changes to the IDP documentation Mayor to table draft annual budget, resolutions ,plans and proposed revisions to IDP at a council meeting (90 days before the start of the budget year) Resolution to amend IDP Council to consider annual report Entity board of directors considers recommendations of parent municipality and submit revised budget by 22nd of month MFMA s 87(2) Accounting officer reviews any changes inprices for bulk resources as communicated by 15 March 	<p>Council, Mayor, Exco, MPAC, Accounting Officer, Chief Financial Officer, Top Management, Budget Manager, Manager Development Planning, IDP Representative Forum, Planning and LED Portfolio Committee</p>	In house

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
April 2021	<ul style="list-style-type: none"> • Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc • Submit Annual Report and Oversight Report to Provincial Legislature • Update IDP Projects based on final DORA allocations • IDP Representative Forum to discuss final Draft of IDP • Advertise IDP (21 days) for public comments • Mayor to get views (through IDP/Budget Roadshows) of local community on budget between 30-90 days of budget approval • Revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year • Gazetting of DORA allocations • Accounting Officer to table Oversight Report 	Council, Mayor, Accounting Officer, Manager Development Planning, IDP Representative Forum, Top Management,	In house
May 2021	<ul style="list-style-type: none"> • Review of organisational KPIs affected by the IDP Review Process • Set/review annual organisational performance targets • EXCO to recommend to Council to adopt IDP • Council adoption the IDP • Approval of Annual Budget by 31 May 2018 • Mayor to get views of local community on budget between 30-90 days of budget approval • Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature 	Council Mayor Accounting Officer, Chief Financial Officer	In house

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
	<ul style="list-style-type: none"> Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year. 		
June 2021	<ul style="list-style-type: none"> Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. Accounting officer of municipality and entities publishes adopted budget and plan Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. 	Accounting Officer Mayor Council Senior Managers	

ACTION DATE	ACTION	RESPONSIBILITY	BUDGET
	<ul style="list-style-type: none"> Council must finalise a system of delegations 		

7. COST ESTIMATES FOR THE PLANNING PROCESS

ITEM	COST ESTIMATE
IDP advertising	R12 000-00
Printing costs	R200 000-00
IDP/PMS Road Shows	R755 000-00
Organizational Strategic Planning Session	R180 000-00
IDP Rep Forums	R90 000-00
Total	R1 237 000 -00

The IDP will be prepared in house.

8. CONCLUSION

This process plan is an attempt in our endeavor as a municipality to continuously and systematically improve on the alignment of our processes both internally and externally as envisaged by South Africa's legislative framework. The focus of the IDP review, budget and performance management system process as detailed above is to improve on the implementation aspect, financial sustainability and clear linkage between the two processes.