



**Z F MGCAWU DISTRICT MUNICIPALITY
IDP / BUDGET & PMS PROCESS PLAN 2021/2022**

PLANNING FOR 2022/2023

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1. INTRODUCTION

The Integrated Development Planning (IDP) Process is a process through which municipalities prepare strategic development plans for a five year period. An IDP is one of the key tools for Local Government to cope with its developmental role and seeks to arrive at decisions on issues such as Municipal budgets, land development and management, promotion of local economic development, and institutional transformation in a consultative and systematic manner.

The process plan of the District and its Local Municipalities need to be prepared in line with a Framework Plan as agreed to by all municipalities in the District. The framework plan provides linkage for binding relationships to be established between the District and Local Municipalities in the District. In so doing, proper consultation, co-ordination and alignment of the IDP process of the District Municipality and its various municipalities can be maintained.

2. LEGISLATIVE CONTEXT

According to section 34 of the Municipal System Act (32 of 2000), 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 41, and
 - (ii) To the extent that changing circumstances so demand, and
- (b) May amend its integrated development plan in accordance with a prescribed process.

In terms of section 28 (1) of the Municipal System Act of 2000, each municipal council must adopt a process set out in writing to guide the planning, drafting adoption and review of its integrated development plan.

Section 28 (2) further provides that the Municipality must through appropriate mechanisms, processes and procedures established in terms of section 4, consult the local community before adopting the process.

The preparation of a Process Plan, which is in essence the IDP Process set out in writing, requires the adoption by Council.

3. Purpose of IDP and Budget Process Plan

The purpose of the process plan is to indicate the various planned activities, strategies and deadline timeframes to compose the IDP for the five-year cycle (2021/2022-2026/2027), the budget for 2020/2021 and the two outer years and the SDBIP. The process plan aims to ensure integration and alignment between the IDP, Budget and SDBIP, thereby ensuring the development of an IDP based budget. It fulfills the role of a business plan or an operational framework for the IDP process outlining the manner in which the IDP process will be undertaken. In addition, it identifies the activities in the process around the key statutory annual operational processes in budget, SDBIP and IDP compilation, performance management implementation and the adoption of the municipality's annual report.

The IDP and Budget processes are two distinct but integrally linked processes which must be coordinated to ensure that the IDP and budget related policies and the final budget and SDBIP are consistent and credible. Credibility refers to the municipality's ability and capacity to spend and deliver services in accordance with its approved budget. The process creates its own dynamics since it involves external role-players and vested interest groups. This requires accurate logistical planning and arrangements of engagement sessions to ensure that the process is implemented in accordance with the approved time schedule.

Experience has taught us that deviation from the approved time schedule may occur due to unforeseen events and circumstances which are beyond the control of the municipal council and the administration. This may require adjustment to the timeframes to ensure that the execution of the process remains practical and that all legislative requirements are adhered to. The Mayor as coordinator of the budget process will regularly inform council, the National Treasury, provincial treasury and the Department of Cooperative Governance and Traditional Affairs (COGHSTA) on progress against the approved targets and timeframes and any adjustments that may be required.

4. Mechanisms for participation and engagement with stakeholders

The following mechanisms for participation will be utilized;

Media

Local newspapers and the Municipal newsletter will be used to inform the community of the of the IDP/Budget processes.

Website

The website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for people and service providers to download.

Procedures for participation

The following procedures for participation will be utilized:

IDP Representative Forum

This forum represents all stakeholders and is inclusive as possible. Efforts will be made to bring additional organizations into the IDP RF and ensure their continued participation throughout the process.

Public Consultation Meetings

The municipality will be hosting public consultation with all stakeholders to publicize the draft and budget. The venues for these meetings will be publicized through the media.

5. Roles and responsibilities

Council:

- Approve and adopt the process and framework plans as well as IDP and budget
- Monitor the implementation and approve any amendments of the plan when necessary.

Executive Mayor and Mayoral Committee:

- Consider the IDP and Budget timetable and Process Plan and submit to Council for approval annually by latest 31 August of each year
- Overall political guidance, management, coordination and monitoring of the IDP and budget process (MFMA section 53).
- Establish a budget steering committee as envisaged in the Municipal Budget and Reporting Regulations (MBRR) (Regulation 4).
- Assign and delegate responsibilities in this regard to the Municipal Manager.
- Submit the draft IDP, budget and SDBIP to Council for community consultation and approval.
- Submit final IDP and Budget to Council for adoption.
- The Mayor to approve the final SDBIP.
- Co-ordinate plans and timetables for the Budget.
- Exercise close oversight on the IDP, Budget and SDBIP preparation.
- Ensure and drives political engagement with the province and national departments on unfunded or under-funded mandates.
- Escalate community priorities and requests (relating to national and/ or provincial mandates) formally, in writing, to the relevant national/ provincial organs of state – follow-up and coordinate that feedback to the community is provided.

Municipal Manager:

- Managing and coordinate the entire IDP process as assigned by the Executive Mayor.

- Chair the IDP Steering Committee Meetings.
- Fulfills the duties of Accounting Officer as set out in Sections 68 and 69 of the MFMA, Act 56 of 2003.
- Ensure that the budget is prepared in the prescribed format and includes the minimum prescribed information and in the sequence prescribed (MFMA and Municipal Budget and Reporting Regulations (MBRR)).
- Certifies and signs-off that the budget does meet the minimum quality and content requirements (MFMA and MBRR).

IDP Manager:

- Prepare IDP process plan and monitor the timeously implementation thereof.
- Day to day management and coordination of the IDP and budget process.
- Ensure stakeholder engagement in IDP process by organizing and setting up meetings for engagement.
- Ensure that the IDP process is participatory and that planning is development-oriented. Respond to public and MEC comments on Draft IDP.
- Compilation of comprehensive, neat and presentable IDP document that complies with all legislator requirements.
- Amend the IDP document in accordance with the comments of the MEC.
- To coordinate within the administration and prepare a consolidated formal document of the community needs/ requests (relating to national/ provincial mandates) that arose during community engagements. This must be provided to the Mayor for escalation to national/ provincial organs of state.

Directors and Head of Departments:

- Provide relevant technical, sector and financial information for analysis for determining priority issues.
- Provide technical expertise in consideration and finalisation of strategies and identification of projects.
- Provide departmental, operational and capital budgetary information.
- Preparation of project proposals, integration of projects and sector programmes.

IDP/Budget Steering Committee:

- Refinement and Quality check of IDP document to ensure compliance with legislation.
- Consist of Municipal Manager, Senior Management/Directors, IDP Manager/Office, Speaker.
- To provide technical assistance to the mayor in discharging the responsibilities set out in Section 53 of the MFMA.
- Consist of portfolio Councillor for Financial matters, the Municipal Manager, the Chief Financial Officer, Senior Managers/Directors and Head of Departments to give technical advice if necessary.

IDP Representative Forum:

- Provide an organisational mechanism for discussion, negotiation and decision making between stakeholders.
- Represents the interest of their constituencies in the IDP process.
- Monitors the performance of the planning and implementation process.
- Comprises of the Mayor, Councillors, Municipal Manager, Directors, representatives of various sectors, NGO's, Government Departments and specialised community members.

6. Roles and responsibilities within the municipality

Z F Mgcawu District Municipality:

- Prepare and adopt the IDP, budget and SDBIP.
- Undertake the overall planning, management and coordination of the IDP and budget process.
- Consider comments of the MEC's for local government and finance, the National Treasury and/ or provincial treasury and other national and/ or provincial organs of state on the IDP, budget and SDBIP and adjust if necessary.
- Ensure linkage between the Budget, SDBIP and IDP.
- Ensure alignment of the IDP between the municipality and the district municipality (Integrated District and Local Planning).
- Preparation of joint strategy workshops between municipality, provincial and national government.

Category B municipalities and Stakeholders:

- Represents interest and contributes knowledge and ideas in the IDP process by participating stakeholder engagements
- Keep constituencies informed on IDP activities and outcomes.

Provincial Government:

- Ensure horizontal alignment of the IDPs of the local municipalities and that of the District municipality.
- Ensuring vertical and sector alignment between provincial sector departments/ provincial strategic plans and the IDP process at local/district level.
- Efficient financial management of Provincial grants.
- Monitor the IDP and budget progress.
- Assist municipalities in compiling the IDP and budget.
- Coordinate and manage the MEC's assessment of the IDP.
- Provincial Treasury must provide views and comments on the draft budget and any budget-related policies and documentation for consideration by council when tabling the budget.
- Conduct Medium Term Revenue and Expenditure Framework (MTREF) budget and IDP assessment.

Sector Departments:

- Contribute sector expertise and knowledge.
- Provide sector plans and programmes for inclusion in the IDP and budget.

National Government:

- National Treasury issues MFMA Circulars and guidelines on the manner in which municipal councils should process their annual budgets, including guidelines on the formation of a committee of the council to consider the budget (Section 23(3) of the MFMA).

- National Treasury issues guidance and provide support to the provincial treasury to assess the budget, SDBIP and integrations/ links of the budget with the IDP.

7. PROGRAMME OF ACTION FOR IDP REVIEW 2021-2022

Item No	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
1	Jun 2021	Assess the 2020/21 IDP & Budget process & adapt the process to address deficiencies, improvement and ensure integration and alignment of processes for 2021/2022	IDP Office	IDP Manager	Internal Process	25 June 2021	
2	Jul 2021	Compile draft 2021/22 <i>IDP and Budget process plan</i> outlining the steps and timeframes for compilation of the 2021/22 IDP, Budget and two outer year's Budget and SDBIP	IDP Office	IDP Manager	MFMA s21(1)(b)	30 July 2021	
Item No	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments

3	Aug 2021	Attend District IDP Forum Meetings, Discuss outcomes of IDP and Budget Assessments, Challenges and District Interventions i.t.o IDP and Budget planning for the review process.	IDP Office	IDP Manager	MSA Ch 5	26 August 2021	
4		Consider MEC comments and recommendations on assessment of initial IDP Document and IDP processes followed.	IDP Office	IDP Manager	MSA Ch 5	August 2021	
5		Council adopts IDP Process plan Milestone / Deliverables	IDP Officer IDP Steering Committee	IDP Manager CFO	MSA Ch5 s28	31 August 2021	
6	Sep 2021	Advertise the budget process and dates of IDP/Budget Public meetings on Municipal Website and Local Newspapers	IDP Office	IDP Manager Municipal Manager	MSA and MFMA	10 September 2021	
Item No	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments

		Convene IDP Steering Committee IDP Steering Committee convened to assess the implementation of the support to B municipalities & discuss readiness for public participation process	IDP Office	Municipal Manager IDP Manager	MSA	13 October 2021	
7		Convene IDP Representative Forum to discuss alignment of sector programmes within the ZF Mgcawu district area. Allow LM's to report on public participation processes	IDP Office	Municipal Manager IDP Manager	MSA	14 October 2021	
	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
8	Oct 2021	Start preparing Medium Term Forecast and determine Budget Assumptions to be used & Capital and Operational Briefing Session with Directorates concerning adjustments budget.	BTO	CFO Directors	MFMA s28	29 October 2021	
9		Public participation process commence	IDP Manager	IDP/Municipal Manager/Executive Mayor	MSA and MFMA	16 November 2021	

				CFO			
10		Based on financial statements of 2020/21 determine municipality's financial position & assess its financial capacity & available funding for next three years	BTO	CFO	Internal Process	30 November 2021	
11		Finalise Salary Budget for 2022/23	BTO	CFO	Internal Process	30 November 2021	
		Preparation of Budget by BTO & Commence Mid- year Assessments	BTO	CFO	Internal Process	30 November 2021	
12	Dec 2021	Convene Budget Steering Committee for the adjustment budget 2021/22	BTO	CFO	Internal Process		No meetings convened for this month
	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
13		Finalise departmental Plans and link to IDP	All Departments	IDP Official Directors	MSA	17 December 2021	
14	Jan 2022	Convene Budget Steering Committee for the adjustment budget 2021/2022	BTO	CFO	MFMA	21 January 2022	

15		Compilation of mid-term Annual Performance Report	PMS	PMS Manager	Internal Process	19 January 2022	
16		Finalize Mid- year Assessments and submit to the Municipal Manager	Office of the MM	Municipal Manager Directors	MFMA s72	25 January 2022	
18		Tabling of 2020/21 Draft Annual Report to, Adjustment Budget & Annual Performance Report Council	IDP, PMS & BTO	Municipal Manager	MFMA s127(2)	29 January 2022	31 January 2022
	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
19	Jan 2022	Review all budget related policies	BTO	CFO	MBRR 7	2 - 29 January 2022	
20	Feb 2022	Submit Annual Report to Auditor General, Provincial Treasury and COGHSTA	Office of the MM	Municipal Manager	MFMA s(127)(5)(b)	8 February 2022	
21		Convene Budget Steering Committee to finalise the adjustment budget 2021/2022	Office of the MM	Executive Mayor	MFMA s52(d)	18 February 2022	
22		Attend Mid-year Budget and Performance visits with PT	IDP/BTO Office	BTO Official	Internal Process	24 February 2022	

		Convene an IDP Steering Committee to get inputs from departments & review KPI; s for 2020/21	IDP Office	IDP Official Directors	Internal Process	23 February 2022	
		Convene an IDP Representative Forum to get sectoral inputs from departments	IDP Office	IDP Official Directors	Internal Process	24 February 2022	
23	Feb 2022	Incorporate Sector Departments Projects in Draft IDP.	IDP Office	IDP Official Directors	Internal Process	18-24 February 2022	
24		Municipalities receive inputs from National and Provincial Government and other bodies on factors influencing the budget, e.g. Grant Allocations	Office of the MM BTO	Municipal Manager CFO	MFMA21(2)(c)	28 February 2022	
25		Table Adjustment Budget to Council for approval.	Office of the MM	Municipal Manager	MBRR 23	28 February 2022	
26	Mar 2022	Present Draft IDP and Budget to Steering Committees for quality check (Including recommendations / reviewed KPI's)	IDP Office BTO	IDP and Budget Steering Committees	MBRR 4	11 March 2022	

	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
		Budget steering committee for approval of draft budget 2022/2023	BTO	CFO	MBRR 24	16 March 2022	
27		Forward Adjustment Budget (hard and electronic copies) to National and Provincial Treasury after approval	BTO	CFO	MBRR 24	11 March 2022	
28		Publication of approved Adjustment Budget after approval per MSA and on municipal website	BTO	CFO	MBRR 26	11 March 2022	
29		Municipal Manager presents final draft IDP, Budget, SDBIP and Budget related policies to the Mayor for perusal and tabling to Council	Office of the MM	Municipal Manager	Internal Process	18 March 2022	
30		Budget steering committee for approval of draft budget 2022/2023	BTO	CFO	MBRR 24	24 March 2022	
31		Table (<i>and briefing of council</i>)draft IDP, Budget, SDBIP and Related policies and proposed schedule of Ward Committee Meetings for IDP & Budget	Office of the MM	Municipal Manager	MFMA s16	30 March 2022	

		Feedback/Consultation Process to Council (Principal Approval)					
32	Apr 2022	Advertise & Inviting public comments on Draft Budget, Proposed Tariffs, and IDP Place copies of Draft Budget and IDP at all municipal buildings.	Corporate Services BTO	Director Corporate Services CFO	MBRR 15	8 April 2022	
33	Apr 2022	Forward Copy of preliminary approved Budget ,IDP, SDBIP &related documents (hard and electronic copies) to National &Provincial Treasury – 10 working days after tabling	Office of the MM	CFO IDP Official	MFMA s22(b)	8 April 2022	
	Period	Activity	Coordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
34		Budget steering committee for approval of final budget 2022/2023	BTO	CFO	MFMA Ch 5	22 April 2022	
35	May 2021	Considers public and Government, Departments comments and inputs and revised IDP, Budget and SDBIP if necessary.	IDP Office	IDP Manager	MBRR 16(1)(a)	13 April 2022	
36		Draft budget 2022/2023 engagement with PT	IDP Office BTO	IDP and Budget	MBRR 4	25 April 2022	

		Budget steering committee for approval of final budget 2022/2023	BTO	CFO	MFMA Ch 5	19 May 2022	
37		Table final IDP, budget & related documents to Council for approval.	Office of the MM	Municipal Manager	MFMA S24(1)	31 May 2022	
38	June 2021	Inform local community about approved IDP and Budget Detail – Place Newspaper Article and Copies at Libraries	Office of the MM	Municipal Manager	MBRR 18	8 June 2022	
39		Send copy of approved Budget ,IDP,& related documents (incl. final draft SDBIP) to National and Provincial Governments and other stakeholders	IDP Office BTO	CFO IDP Official	MFMA s24(3)	10 June 2022	
40		Publication of Approved Budget and IDP within 10 workings days on Municipal Website	BTO IDP Office	CFO IDP Official	MFMA s75(1)(a)	10 June 2022	
41		Submit draft SDBIP to Mayor within 14 days after approval of budget	Office of the MM	Municipal Manager	MFMA s 69(3)(a)	10 June 2022	
42		Mayor approves the municipality’s SDBIP within 28 days after the approval of the budget and submit hard and electronic copy to NT and PT	Mayor’s Office	Executive Mayor	MFMA s(53)(1)(c)(ii)	27 June 2022	

43		Place approved IDP, budget, SDBIP and related documents on CD for all councillors and distribute.	IDP Office	IDP Official	Internal Process	27 June 2022	

8. Proposed Schedule for 2021/22 IDP and Budget Public Engagement Sessions

Date	Topic	Municipality	Venue	Facilitator	Admin Support	Senior Management Representative
16 November 2021	IDP Engagement Sesion	All local municipalities	To be Confirm	Executive Mayor Rdl.P.Mgcera	IDP Unit	Municipal Manager Directors Middle Managers
13 October 2021	IDP Steering Committee	ZF Mgcawu DM	ZFM Council Chambers	Municipal Manager	IDP Unit	Municipal Manager Directors Middle Managers
14 October 2021	IDP Representative Forum	ZF Mgcawu DM	ZFM Council Chambers	Executive Mayor Rdl.P.Mgcera	IDP Unit	Municipal Manager Directors Middle Managers & Sector departments
23 February 2022	IDP Steering Committee	ZF Mgcawu DM	ZFM Council Chambers	Municipal Manager	IDP Unit	Municipal Manager

						Directors Middle Managers
24 February 2022	IDP Representative Forum	ZF Mgcawu DM	ZFM Council Chambers	Executive Mayor Rdl.P.Mgcera	IDP Unit	Municipal Manager Directors Middle Managers & Sector departments