



PHUMELELA LOCAL MUNICIPALITY

IDP/BUDGET PROCESS PLAN

For

IDP/BUDGET 2018-2019/20/21

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SECTION ONE: INTRODUCTION AND BACKGROUND

1.1 Introduction

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

In order to ensure certain minimum quality standards of the IDP process and proper coordination between and within spheres of government, municipalities need to prepare IDP process plan and formulate budget to implement the IDP. The IDP and Budget Process Plan have to include the following:

- A programme specifying the timeframes 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 and budget formulation processes; and
- Cost estimates for the process.

The preparation of IDP process plan is in essence the formulation of the IDP and Budget processes, set out in writing and requires the adoption by Council.

1.2 Legal Planning Context

The preparation of the IDP and Budget processes are regulated by the Municipal Systems Act, Act 32 of 2000 and the Municipal Finance Management Act, No 56 of 2003. This is to ensure certain minimum quality standards of the integrated development planning and budget process and proper coordination between and within the spheres of government.

As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local level.

The Municipal Systems Act, No 32 of 2000 (as amended) and the Municipal Finance Management Act, Act 56 of 2003 confer the responsibility on the Mayor to provide political guidance over the budget process and the priorities that must guide the preparation of the annual budgets. In terms of section 53 of the Municipal Finance Management Act the Mayor must also coordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be

taken into account or revised for the purpose of the budget. The Municipal Systems Act further requires the following regarding the IDP process:

Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000) indicate that:

Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all-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) Complies with the provisions of this Chapter; and
- d) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

In terms of the core components of the integrated development plan, Chapter 5 and Section 26 of the Municipal Systems Act (2000) indicate that:

An integrated development plan must reflect-

- a) The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- b) An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- c) The council's development priorities and objectives for its elected term including its local economic development aims and its internal transformation needs;
- d) The council's development strategies which must be aligned with any national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- e) A spatial development framework which must include the provision of basic guidelines for land use management system for the municipality;
- f) The council's operational strategies;
- g) Applicable disaster management plans;
- h) A financial plan, which must include a budget projection for at least the next three years; and
- i) The key performance indicators and performance targets determined in terms of section 41.

Section 27 stipulates that:

- 1) Each district municipality, within a prescribed period after the start of its elected terms and after following a consultative process with the local municipalities within its area, must adopt a framework for integrated development planning in the area as a whole;

- 2) A framework referred to in subsection (1) binds both the district municipality and the local municipalities in the area of the district municipalities,
- 3) The framework must ensure proper consultation, co-ordination and alignment of the IDP Process of the district municipality and the various local municipalities.

1.3 Alignment between IDP, Budget and PMS

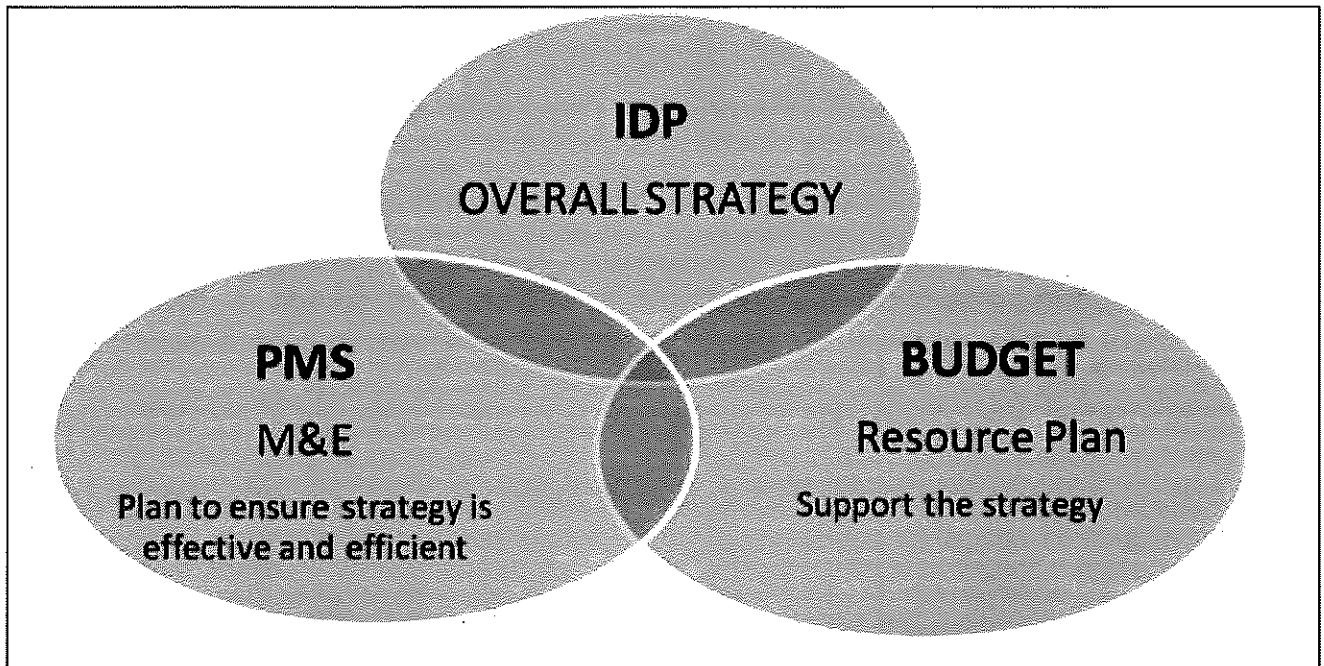
In terms of the Municipal Systems Act, municipalities are required to prepare organisational performance management system that must be linked to the IDP. Tremendous progress has been made with the process of aligning the IDP, Budget and Performance Management System (PMS).

Every endeavour will be made over the 2018-21 cycle to fully link and integrated these three processes to an even greater extent through the Process Plan. It should however, be noted that the PMS on its own requires an in-depth process comparable to that of the IDP. Such PMS is tightly linked and guided by the IDP and Budget processes.

The PMS process will address the following issues:

- Alignment of the PMS, Budget and IDP processes;
- Implementation of individual performance management system at managerial level.

The IDP, performance management systems (PMS) and budget are all components of one overall development planning and management system. The IDP sets out what the municipality aims to accomplish, how it will do this. The PMS enables the municipality to check to what extent it is achieving its aims. The budget provides the resources that the municipality will use to achieve its aims. As indicated earlier, every attempt is made in this process plan to align the IDP and PMS formulation and/or review, and the budget preparation process. The linkages of the three processes are summarised in the following diagram:

FIG 1: THE LINKAGES BETWEEN IDP, BUDGET AND PMS

THE PHUMELELA LOCAL MUNICIPALITY IDP

1.4 The purpose of the process plan

All municipalities needs to plan, direct and manage its capacity and resources to support the successful implementation of its integrated development planning process and the budget. The reality of limited capacity and resources in Phumelela Local Municipality demands innovation and the need for greater intergovernmental cooperation between various spheres of government.

The Phumelela Local Municipality process plan is a document that describes how the municipality will develop and implement the integrated development plan through budget in its area of jurisdiction. Therefore, it will have a meaningful bearing on the foreseen IDP document once completed and/or most importantly, it must lead to the process of developing an all-inclusive integrated development planning methodology to plan and actualize future development in Phumelela Local Municipality through our budgetary allocations. The process plan is thus similar to business plan and deals with the allocation of municipality capacity and resources in support of and serve as a guideline in terms of which Phumelela Local Municipality Local Municipality will carry out its mandate with regard to integrated development planning. In our case it also requires us to seek more resources to support our challenges in terms of unemployment poverty

1.5 Proper management of planning process

This plan is meant to ensure the proper management of the planning process through the following:

- Setting the scene to manage the planning process and legal requirements in planning for the implementation of the integrated planning system;
- A programme specifying time schedule that guide IDP and budget planning processes and various planning steps;
- Outlining appropriate mechanisms, processes and procedures on how the public, stakeholders, state organs can participate in the drafting of the IDP and formulation of the budget structures that will be used to ensure this participation
- Indicate necessary organisational arrangements to ensure the successful implementation of the integrated development planning process;
- Binding plans and planning requirements, i.e. policy and legislation;
- Mechanisms and procedures for vertical and horizontal alignment;
- A programme specifying how wills the process be monitored in order to manage the progress of the IDP and budget processes.

1.6 The annual budget

The Annual Budget and the IDP are inextricably linked to one another, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act (MFMA) indicate that:

The Mayor of a municipality must-

(b) At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for;

i. The preparation, tabling and approval of the annual budget; (Budget Schedule)

ii. The annual review of

aa) The integrated development plan in terms of section 34 of the Municipal Systems Act; and

bb) The budget related policies. (CFO Timeline with all budget related policies)

iii. The tabling and adoption of to the integrated development plan and the budget-related policies; and

iv. The consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).

This document constitutes the Process Plan of the 4th Generation IDP 2018-2022 and Budget formulation for this period for Phumelela Local Municipality Local Municipality and essentially fulfils the function of a business plan and/or operational plan for the IDP process and presents, in a simple and transparent manner **what** should happen **when**, by **whom**, with **whom** and **where** during the process of formulating an IDP for the Phumelela Local Municipality Local Municipality.

SECTION TWO: IDP DEVELOPEMENT PROCESS

2.1 Key elements to be addressed in this process

During the 2018-2022 IDP and Budget consultative sessions, the IDP/Budget Steering Committee under the leadership of the Mayor must reflect to addressing service delivery challenges across the municipality dating as far back as over the 2nd and 3rd generation IDP's. This must be undertaken in conjunction with the task of fulfilling Constitutional mandate and effect strategic partnerships to coordinate development process. (Report when and what is due in preparation for consultation for

The Municipality will pursue the following strategic goals during this term of local government that are informed by the Back to Basics, Medium-Term Strategic Framework and Five Year Local Government Strategic Agenda:

- To ensure **service excellence** within and around Phumelela Local Municipality Local Municipality;
- To stimulate integrated and sustainable **economic development**;
- To improve and sustain **financial, human resource and management** excellence;
- To evolve **institutional excellence** through a thoroughgoing institutional reengineering, effective leadership and effective long range development planning.
- Financial Recovery Plan developed in collaboration with National and Provincial Treasury
- Municipal departmental business plans developed

The municipality will accelerate implementation to roll back existing service delivery backlog identified during previous IDP consultative processes, and in line with the financial situation/status of the municipality.

The following is a summary of the main activities to be undertaken during this IDP Process:

2.1.1 Refine and/or develop the strategic elements of the IDP in terms of council's new priorities

- Develop a new vision, mission and objectives;
- Develop strategy elements of the IDP within context of a 30 year Long-term planning framework
- Determining programmes to achieve the strategic intent;
- Develop and enhance existing institutional plans ;
- Develop a fully integrated spatial development framework ;
- Tighten our performance management system;
- Develop organisational scorecard;
- The preparation and review of relevant sector plans;

2.1.2 Assessment issues

- Comments received from Councillors, Ward Committees and other various role-players in the presentation and assessment of the IDP for 2017/18,
- Gaps in terms of shortcomings and weaknesses identified through self-assessment of previous IDP's
- Current status on the implementation process.

2.1.3 Details of activities to accomplish outputs

- *Incorporation of role-players inputs in planning process*

In developing the IDP for the newly constituted Council, the Municipality need to assess the impact on the achievement of the IDP development priorities. This includes reviewing the projects and programme since 2011 and also those that are coming from various role-players in different engagements, so that they are linked to MTREF. In this way the Municipality will focus on the implementation for the coming three years, while on the other hand is able to monitor and evaluate implementation progress on those programmes, projects and services.

- *Review of progress with lessons for the future*

The starting point in understanding the current developmental situation is the review of the relevance or fit of the strategies employed to achieve the past and current set goals.

Secondly we need to determine the extent of implementation with regard to projects, programmes and services against IDP plans for the previous years. Some of this can be from secondary data (e.g. previous annual reports). The review of the organisational performance for the 2014-15/16 financial year(s) would provide an opportunity to review progress for the IDP and also assist in making information for the annual report readily available, as well as determining the implications for the future. It is suggested that the two processes are integrated, and a format used which ensures that directorates provide lessons learned and implications for the future, as well as analysis of what they have done. This will build on

refining and/or developing section 3.2 as part presentation and discussion, so that we are able to come up with coherent recommendations across the Municipality.

- *Core elements of the IDP preparation*

The core elements of the IDP preparation correspond to the core functions of the municipalities as outlined in the Municipal Systems Act and other legislations, including the critical elements that came up during the IDP development and review in the past years.

The core components of the integrated development plan follows:

- the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- an assessment of the existing level of development in the municipality, which must include the identification of communities which do not have access to basic municipal services;
- the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- the council's operational strategies;
- applicable disaster management plans;
- a financial plan, which must include a budget projection for at least the next three years; and
- The key performance indicators and performance targets determined in terms of section 41 of Municipal Systems Act.

2.1.4 Inclusion of new information where necessary

- Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review
- Process (i.e. MFMA);
- Alignment of the IDP with newly completed Phumelela Local Municipality Statutory Plans;
- Development of the Strategic elements of the IDP;
- The ongoing alignment of the Phumelela Local Municipality Performance Management System (PMS), in terms of Chapter 6 of the MSA, with the IDP;

- The update of the Financial Plan, the list of projects (both internal and external), and the capital investment framework;
- Incorporate final Ward Projects in term of Medium Term Revenue and Expenditure Framework (MTREF).

SECTION THREE: HORIZONTAL AND VERTICAL ALIGNMENT

3.1. Framework plan

In terms of Chapter 5 and Section 26 of the Municipal Systems Act (2000), districts are required to prepare and adopt a Framework Plan which indicates how the district and Local Municipalities will align their IDPs. The Framework Plan provides the linkage and binding relationships to be established between the district and local municipalities in the district and in doing so, proper consultation, coordination and alignment of the review process of the district municipality and various local municipalities can be maintained.

Alignment with service providers is essential to ensure that the district and local municipality's priorities can be reflected in the service providers' project prioritisation process and in turn the service providers' projects can be reflected in the IDP document. Regular meetings with service providers would be required in the course of IDP review process

Cross-border alignment with neighbouring municipalities is also necessary to ensure the spatial coordination of development effort. This can be achieved by using the existing Provincial Coordinating IDP INDABA as well as strategic discussions between neighbouring local municipalities.

3.2. Alignment with stakeholders

It is anticipated that an IDP and Budget Conference and IDP Programme Workshops which will be led by EXCO and Directors will create such a platform as well as a series of individual meetings with key organs of the state.

3.3 Stakeholders in the IDP process

- *Municipality*
The IDP guides the development plans of the local municipality.
- *Councillors*
The IDP gives councillors an opportunity to make decisions based on the needs and aspirations of their constituencies.
- *Communities and other stakeholders*

The IDP is based on community needs and priorities. Communities have the chance to participate in identifying their most important needs. The IDP process encourages all stakeholders who reside and conduct business within a municipal area to participate in the preparation and implementation of the development plan.

Ward Committees

Sectoral Interests (For future they must structure themselves for future engagements)

- *National and provincial sector departments*

Many government services that affect communities at local level are delivered by provincial and national government departments -for example: police stations, clinics and schools. Municipalities must take into account the programmes and policies of these departments. The departments should participate in the IDP process so that they can be guided how to use their resources to address local needs.

National Departments & Entities

Provincial departments & Entities

SECTION FOUR: PUBLIC PARTICIPATION IN THE IDP PROCESS

4.1. Public Consultation

Public consultation must be informed by the strategic intent. and forms an integral part of the IDP preparation and formulation process under the direct leadership of the political heads of the institution. The municipality's direct links with communities are councillors whom represent the direct interests of communities. Community or public consultation must thus be driven and directed by council, technically supported by the bureaucracy based on the nature of support required.

The Mayor and Speaker will chair public consultation sessions with the public as public representatives, supported by ward councillors in the respective areas where consultations will be undertaken.

The logistical and technical support provided by the administration must be aligned with the IDP planning process and directed towards achieving IDP outcome.

4.2. Area-based planning

A fundamental and statutory component of the IDP process is community engagement and the public participation. Participation in the integrated development planning process is only one of the several arenas of participatory interaction between local government and citizens.

The municipality's approach in participatory interaction is based on its innovative ward based planning process which escalates to area -based planning (ABP) process where all 8 wards will be involved in the confirmation of their development priorities in the context of the area/town. ABP as a form of participation in the development of Phumelela Local Municipality IDP is seen within the context that it must be people-focused and empowering, led and owned by Ward Councillors and ward committee members, based on vision and strengths of the ward and area, and should be holistic and promote mutual accountability between elected public representatives, community and municipal administration.

- Through ABP, communities and stakeholders highlight and/or confirm their development priorities that should be included in the IDP in the form of projects, services and programmes linked to wards and on a broader basis the area/town of which the ward forms an integral part.

SECTION FIVE: ORGANISATIONAL ARRANGEMENTS

5.1 IDP institutional and management arrangements

The IDP and Budget formulation process will be guided and undertaken within the following organizational management mechanisms:

- Municipal Council is the final decision-making/approval of IDP and will continuously monitor progress of the development and implementation of its IDP;
- Councillors will be responsible for linking integrated development planning process to their constituencies/wards;
- Political leadership to the IDP is provided by the Mayor and he/she may involve other political and administrative leadership for guidance.
- IDP/Budget Steering Committee of politicians to drive the process, and make key strategic decisions needed at various points on the way;????
- SMT (Senior Management Team) chaired by the Municipal Manager to drive the administrative part of the process;
- IDP Task Team across directorates, line management level to drive the IDP;
- IDP Representative Forum/Budget Conference to consult with stakeholders.

IDP/Budget Steering Committee and SMT meet alternately on a two weekly basis. EXCO will also devote IDP/Budget as a standing item on the agenda for other EXCO meetings during the IDP preparation and drafting process. SMT/Directors Meetings will devote standing item to IDP/Budget preparation during preparation and drafting process. IDP/Budget Steering Committee members will also play a leading role in the revisions to programmes, working closely with their directorates.

The IDP Stakeholder Forum is also required in terms of legislation to bring in external stakeholders at key decision points in the process, who have a statutory right to be involved in the decision-making process around the IDP. Wards will be making their proposals and inputs through the Area-based planning process, but will also form part of the Stakeholder Forum. Programme Task Teams will be established by respective directorates involving external stakeholders in the review of development programmes.

5.1.1 IDP/Budget Steering Committee

The IDP/Budget Steering Committee (SC) is a strategic, political and technical working team making political and technical decisions and inputs that must ensure a smooth compilation and implementation of the IDP. The IDP SC and the Stakeholder Forum will be constituted for the preparation of the IDP process. As part of the IDP and budget formulation process, the Steering Committee which supports the Municipal Manager, the Manager: IDP and the Budget Office should remain as follows:

Institutional composition:

- The IDP/Budget Steering Committee will be chaired by the Mayor and in his absence, a delegated EXCO councillor.
- Members of the IDP/Budget Steering Committee will consist of EXCO, Speaker, SMT and IDP Manager,
- EXCO and Directors and IDP Manager responsible for the preparation of the IDP, PMS and Budget and any other members as the Mayor may deem fit.
- Secretariat will be provided by the Corporate Services.

5.1.2 Terms of Reference for the IDP/Budget Steering Committee

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

- Facilitate terms of reference for the various planning activities associated with the IDP and Budget;
- Commission studies necessary as may be required for the successful compilation of the IDP;
- Primary role of the Steering Committee is to receive and review reports from management
- Processes and documents:
 - Inputs from sub-committee/s, study teams;
 - Inputs from provincial sector departments and support providers;
 - Processes, summarise and document outputs;
 - Makes content and technical recommendations;
 - Prepare, facilitate and documents meetings;

- Facilitate control mechanisms regarding the effective and efficient implementation, monitoring and amendment of the IDP and Budget;
- Ensure coordination and integration of sectoral plans and projects; and
- Ensure that the municipal budget is in line with the IDP.

5.1.3 Municipal Manager

As a head administration, the Municipal Manager is responsible and accountable for the implementation of the municipality's IDP, and the monitoring of progress with implementation of the plan. He is also the responsible person for championing the integrated development planning process.

5.1.4 Managers: IDP and Organisational Performance

Amongst others, the following responsibilities have been allocated to the Manager: IDP and Manager Organisational Performance respectively for the IDP Process:

- Ensure that the Process Plan is finalised and adopted by Council;
- Adjust the IDP according to the proposals of the MEC;
- Identify additional role-players to sit on the IDP Stakeholder Forum;
- Ensure the continuous participation of role players;
- Monitor the participation of role players;
- Ensure appropriate procedures are followed;
- Ensure documentation is prepared properly;
- Carry out the day-to-day management of the IDP process;
- Respond to comments and enquiries;
- Ensure alignment of the IDP with other IDPs within the District Municipality;
- Co-ordinate the inclusion of Sector Plans into the IDP documentation;
- Co-ordinate the inclusion of the Performance Management System (PMS) into the IDP;
- Submit the reviewed IDP to the relevant authorities.

5.2. IDP Representative Forum

5.2.1 Composition of IDP Representative Forum

The IDP and Budget Forum will facilitate and co-ordinate participation as part of the preparation phase of the IDP and will continue its functions throughout the annual IDP Review processes. The proposed composition of the IDP and Budget Forum is potentially municipal stakeholders.

5.2.2 Terms of Reference for the IDP Representative Forum

The terms of reference for the IDP Representative Forum are as follows:

- Represent the interest of the municipality's constituency in the IDP process;

- Form a structures link between the municipality and representatives of the public;
- Provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders including municipal government;
- Ensure communication between all the stakeholder representatives including the municipal;
- Monitor the performance of the planning and implementation process;
- Integrate and prioritise issues, strategies, projects and programmes and identify budget requirements; and
- Monitor the performance of planning and implementation process.

5.3 Area-based Planning Forum

5.3.1 Composition of Area - Based Planning Forum

The Area Planning Forums is where representative participation at ward level in the IDP process really takes place. Because these Forums will be the formal communication channel between the community and the Council, representation on the Forums must be inclusive as possible, for example, Councillors/Ward Committee members, officials, representatives of organised stakeholder groups, advocates for unorganised groups, etc.

5.3.2 Terms of Reference for the Area-Based Planning Forum

The role of Area Planning Forums is to:

- Identify critical issues facing the area;
- Provide mechanism for discussions, negotiations and decision-making between the stakeholders including municipal government;
- Form a structured link between the IDP Representative Forum and the community of each area; and
- Monitor the performance of the planning and the implementation process concerning its area.

5.4 IDP Task Team

5.4.1 Composition of IDP Task Team

There will be an IDP Task Team to drive the preparation and development of the IDP. This should ideally a small technical team constituted by relevant municipal and line function officials. The IDP Task Team should be chaired by the Municipal Manager and/or a Director and the secretary should be the Manager: IDP. It will work full-time for the period of the preparation of the IDP, and should meet formally with the Municipal Manager and/or the Director on a weekly basis. Additional project teams may be needed to develop specific projects.

5.4.2 Terms of Reference for the IDP Task Team

The IDP Task Team will be involved in the management, discussion of the contents of IDP by:

- Providing inputs related to the various planning steps;
- Summarising/digesting/processing inputs from participation process;
- Providing technical and sector related expertise and information; and
- Preparing draft projects proposals.

5.5 Roles and Responsibilities of Different Spheres of Government in the IDP Process

The responsibility to prepare and adopt the IDP lies with Phumelela Local Municipality Local Municipality. However IDP is seen as a key measure to identify and respond timeously and effectively to local developmental challenges and priorities, in a manner that leverages involvement and responses of all stakeholders including across sectoral basis and contributions by the district, provincial and national governments. It is therefore a requisite for all stakeholders to be fully aware of their own responsibilities and of other role-players' responsibilities so that the planning process is smooth and well-organised.

In order to ensure that there is a clear understanding of all required roles and responsibilities between the three spheres, the following are highlighted:

SPHERE OF GOVERNMENT	ROLES & RESPONSIBILITIES
LOCAL	
Local Municipality and Entity	Prepare the IDP
	Adopt the IDP
District Municipality	Prepare the District IDP
	Adopt the District IDP
	Facilitate District Guidelines on Growth and Development
Provincial	
COGTA	IGR Planning – Local Basic Service Delivery Forum
	Coordinate training
	Provide financial support
	Provide general IDP Guidance

	Monitor municipal process
	Facilitate alignment of IDPs with sector department policies and programmes
Sector Departments	Provide relevant information on sector department's policies, programmes and budgets
	Contribute sector expertise and technical knowledge to the formulation of municipal policies and strategies
	Be guided by municipal IDPs in the allocation of resources at the local level
National	
Department of Cooperative Governance and Traditional Affairs	Issue legislation and policy in support of IDP's
	Issue Integrated Development Planning Guidelines
	Establish a Planning and Implementation Management Support System
	Provide a national training framework
	Provide financial assistance
Sector Departments	Provide relevant information on sector department's policies, programmes and budgets
	Contribute sector expertise and technical knowledge to the formulation of municipal policies and strategies
	Be guided by municipal IDP's in the allocation of resources at the local level

SECTION SIX: ROLES, RESPONSIBILITIES AND KEY ACTIVITIES

6.1 Role Players

The Municipality will confirm the identification of the following role players in the IDP and Budget processes:

Internal Role-players

- Council and the EXCO ;
- Nominated Councillors;
- Mayor;
- Municipal Manager;
- Manager: IDP;
- IDP/Budget Steering Committee; and
- Stakeholder Forum/Civil Society.

External Role –players

1. Relevant Government Departments;
2. Municipal officials;
3. Representative Forum / Civil Society.

6.2 Key Activities

Following are a summary of the key activities to take place in terms of the IDP, Budget and PMS for the 2018-22 IDP Process:

ACTIVITIES

MONTH	IDP	PMS	BUDGET
JULY	Finalise, publicise and submit 2016/2021 to the National Treasury, COGTAFS for approval by the MEC.	Municipal Manager submits draft service delivery and implementation plan to Mayor no later than 14 days after approval of budget.	Mayor and Council / Municipal Administration and Mayor begin planning for next three -year budget in accordance with co-ordination role of budget process, MFMA s 53.
	District adopts a binding framework for IDP in the area as a whole ensuring alignment of the IDP process of the district and various local municipalities, MSA s 27.	Mayor ensures that service delivery and budget implementation plan is approved within 28 days of approval of budget.	Planning includes review of the previous year budget process and completion of the Budget Evaluation Checklist forwarded to Phumelela Local municipality by National Treasury.
	Development of IDP Process Plan that guides the planning, drafting, adoption and review of the plan, MSA s 28.	Mayor to ensure that the following is made public within 14 days of approval of service delivery and budget implementation plan.	
AUG		Municipal Manager submits draft performance agreements to Mayor no later than 14 days after approval of budget, s 69 of the MFMA and s 57 of the MSA.	
			Receive Inputs from Departments: Motivation for Roll-Overs from 2016/2017.
			Approval of Roll-Overs (Adjustment Budget).
			Approval of Budget time.
			Municipal administration and senior officials MM of PLM begins planning for next three year budget, MFMA sec 68,77
			MM and senior officials of PLM review options and contracts for service delivery MSA sec 76-81
			Departments
			Council
			Council

			Submission of Unspent Conditional Grants of 2016/2017 to NT	Finance
August / September	Workshop the entire Process Plan with Council.	Mayor to ensure that performance agreements comply with MFMA to promote sound financial management.	Mayor tables in Council a Process Plan outlining key deadlines for: preparing, tabling and approving the budget, developing and/or 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, MFMA s 21, 22, 23; MSA s 34, Chpt. 4 (as amended).	Municipal Manager submit PLM's AFS to Auditor-General by 31 August, MFMA Sec 126(1)(a)
	IDP process plan tabled at SMT, EXCO and Council for approval.	Mayor to ensure that agreements are linked to the measurable performance objectives approved with the budget and service delivery implementation plan.		
	Give notice to local community of particulars of the Process Plan, MSA s 28. (The advert will come out in the third week of August 2017).	Mayor to ensure that agreements are linked to the measurable performance objectives approved with budget and service delivery implementation plan.	Mayor establishes committees and consultation forums for the budget process.	
	IDP preparation process Consider proposals received from MEC, if any, MSA s 32.	Mayor to ensure performance agreements submitted to Council and MEC for local government in the province.		
	Consider comments received from	Quarterly SDBIP, MPPR Reg. 14.		

	Councillors, Ward Committees and other various role-players during the 2018-21 IDP Screening Session and IDP/Budget Conference.			
September	IDP Preparation Process	Auditor General audit of performance Measures	Council through the IDP process determines five -year strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans.	Municipal Manager submit PLM consolidated AFS to Auditor-General by 30 September, MFMA Sec 126(1) (b).
	Hold a self-assessment Dialogue to review performance of the municipality and determine shortcomings and weaknesses.			
	Integration of information into IDP where necessary including incorporation of Service Plans from Directorates.			Budget offices of municipality 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.
	Evaluate status of PLM Spatial Development Framework			
	Updating and review of the strategic elements of the SDF in line with the			Engages with Provincial and National sector departments on sector

	EXCO focus.			specific programmes for alignment with municipality's plans (schools, libraries, clinics, water, electricity, roads, etc).
	Public consultation in terms of CBP continues.			
	Refinement of Statutory Plans initiated by directorates			
October	Continue with integration of information from Service Plans into the IDP.	Appointment of the Audit Committee, MPPR Reg. 14.	Starting of Budget Process	Municipal Manager does initial review of national policies and budget plans and potential increases of bulk resources with function and department officials, MFMA s 35, 36, 42; MTBPS Budget Office
	EXCO Lekgotla to review and update the IDP Vision, Objectives and Strategies. Setting new strategic agenda for the IDP in light of the new focus of council	Sect 57 Managers' quarterly assessments	Determine Strategies and Priorities for Municipality	EXCO Assisted by Budget Steering Committee
	Initiate CBP Community-based planning launched. Engage in a process of developing ward plans in		Indication of Increase in Tariffs for 2018/2019	EXCO Assisted by IDP/Budget Steering Committee

	line with MTREF.			
	Updating and review of the strategic elements of the SDF in line with the EXCO focus.		Distribute Capital & Operating Budget Files to Departments for 2018/2019	Budget Officer
			Submit Quarterly Report to the Council on the Implementation of the Budget and the Financial State of Affairs of the Municipality	Mayor
			Revision of IDP Completed	IDP Manager
			Receive inputs from Departments: Capital Budget 2018/2019 (Emanating from Revised (IDP)	Departments
November	Continue with integration of information from Service Plans, Statutory Plans into the IDP.		Receive Inputs from Departments: Operating Budget 2018/2019 (Emanating from Revised IDP)	Municipal Manager reviews and drafts initial changes to IDP, MSA s 34. Departments
	Initiate the process of reviewing Spatial Development Framework.		Identifying Projects to Comply with Strategic Objectives	Councillors and Management
	Confirming municipal priority areas for the next 5 years.		Assessing Affordability	Finance

	High level programmes from all wards integrated into IDP.		Availability of Own funds	Finance
	Refining municipal Strategies, Objectives, KPA's, KPI's and targets so as to influence the budget.		Affordability of New Loans to Fund Projects	Finance
	Set and agree on three IDP priority projects.		Possible Grant Funding to Fund Projects	Finance
	Stakeholder Forum to refine, amend and/or confirm the above.			
December	Institutional plan refined to deliver on the municipal strategy.	Compile annual report, MFMA s 121	Council finalises tariff (rates and service charges) policies for next financial year, MSA s 74, 75.	Audit report returned to the Municipal Manager by 31 December, MFMA s 133(2).
	Horizontal and vertical alignment with District, Province and other stakeholders begins.			On receipt of the audit report PLM must address issues raised by the Auditor-General and prepare action plans to address these in the annual report, MFMA s 131(1).
	Directorates identifying programmes and projects with external stakeholders.		Personnel Budget 2018/2019 Completed	Finance
				Submit annual report to the Municipal Manager by 31 December, MFMA s 127 (1).

	Financial Plan and Capital Investment Plan are developed.			
January	Horizontal and vertical alignment with District, Province and other stakeholders continues.	Mayor tables annual reports of PLM for 2016/2017, MFMA Sect 127(2).	Receive Department Adjustment 2017/2018	Accounting officer reviews 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 Jan), MFMA s 36.
	Directorates identifying programmes and projects with external stakeholders.	Make public annual report and invite community inputs into report (MFMA s 127 & MSA s 21a).	Section 72 Mid-year budget and Performance Assessments	Departments Immediately after the annual report is tabled, the Municipal Manager make public annual report and invite community inputs into report (MFMA s 127 & MSA s 21a).
	Capital Investment and Financial Plans refined.	s 57 Managers' quarterly assessments (for second quarter of 09/10).	Submission of Mid-Year Budget and Performance Assessments to NT and PT	Municipal Manager
	.	Quarterly SDBIP, MPPR Reg. 14	Publication of Mid-Year Budget and Performance	Municipal Manager

		Assessment	
		Mayor to Submit section 72 Report to Council	Mayor
		Determine Preliminary Tariffs	Manager Revenue
		Revision of Budget Related Policies	Finance
FEBRUARY	Horizontal and vertical alignment with District, Province and other stakeholders continues.	Quarterly Audit Committee meeting (for the second quarter of 17/18, MFMA Sect 166 & MPPR Reg. 14(3)(a))	Municipal Manager 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.
	Directorates identifying programmes and projects with external stakeholders.	Submit annual report to Auditor General, MECs for Local Government and Treasury, MFMA s 127.	Finance
	Capital Investment and Financial Plans refined.	Finalising Multi-Year Budgets	Finance
		Approval of Final Adjustment Budget	Council
MARCH	Prepare Service Delivery Budget Implementation Plans linked to the IDP Strategies, objectives KPI's and	Council to consider and adopt an oversight report, due by 31 March, MFMA, Sec 129(1).	Municipal Manager publishes tabled budget, plans, and proposed revisions to IDP at least 90 days before start of IDP, invites local

	targets			budget year, MFMA s 16, 22, 23, 87; MSA s 34.	community comment and submits to NT, PT and others as prescribed MFMA s 22 & 37; MSA Ch 4 (as amended).
	Finalise Capital Investment Plan and Financial Plans.	Set performance objectives for revenue for each budget vote, MFMA s 17.		Draft Multi-Year Budgets Tabled before Council	Mayor
	Conclusion of Service Plans and integration into the IDP document.	Refinement of Municipal Strategies, Objectives, KPA's, KPI's and targets and inclusion into 2018/22 IDP report.		Proposed Amendments to IDP following Annual IDP Review Process Tabled before Council	Mayor
	Tabling of draft IDP, budget, plans and related policies with resolutions before Council	s 57 Managers' Quarterly Performance Assessments			
	Publication of the tabled IDP, budget, plans and invitation to local community and stakeholders for comments and inputs and submission to National and Provincial treasuries.	Publicise Annual Oversight Report within seven day of adoption, MFMA Sec 129(3) and s 21A MSA.			
APRIL	Portfolio Committee and Council Hearings launched through series of public representations by community and stakeholders on the IDP and Budget.	Within seven days of adoption of Oversight Report submit to the Provincial Legislature/MEC Local Government the annual report of PLM and the oversight reports on those annual reports, MFMA Sec 132(2).		Consultation with national and provincial treasuries and finalise service plans for water, sanitation, electricity etc, MFMA s 21.	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year.

	Prepare service delivery and budget implementation plans linked to the IDP strategies, objectives, KPI's and targets.	Quarterly SDBIP Report, MPPR Reg. 14	Submission of Draft Multi-Year Budgets to NT and PT	Municipal Manager
		Quarterly Audit Committee, MFMA s 166 & MPPR Reg. 14(3) (a).	Publication of Draft Multi-Year Budgets and Invite Local Community to Submit Representations in Connection with the Budget	Municipal Manager
			Submit Quarterly Report to the Council on the implementation of the Budget and the Financial State of Affairs of the Municipality	Mayor
MAY	IDP Budget Conference to consider the revisions and amendments to the IDP and budget.	Annual review of organisational KPI's, MPPR Reg 11.	Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state 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, MFMA s 23, 24; MSA Ch 4 (as amended).	Municipal Manager 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.

	Consultative Workshop with the entire Council on the final draft IDP and the budget.		Approval of Draft Multi-Year Budgets and any Changes to the IDP	Council
	EXCO recommends adoption of the IDP to Council.	Review annual organisational performance targets, MPPR Reg 11.		
	Council sitting to approve IDP, budget and related policies.			
JUNE	Submission of draft 2018-18 SDBIP and annual performance agreements by Municipal Manager to the Mayor for consideration.	Community input into organisation KPI's and targets.	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, MFMA s 16, 24, 26, 53.	Municipal Manager 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 and MFMA s 69; MSA s 57.
	Mayor approves 2018-19 SDBIP and annual performance agreements for Municipal Manager and senior managers (s 57).m		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.	Municipal Manager publishes budget and plans MFMA s 75, 87.
			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, MFMA s 53; MSA s 38-45, 57(2).	
		Council must finalise a system of delegations, MFMA s 59, 79, 82; MSA s 59-65.	
JULY			
		SDBIP's are made public	Mayor
		Implementation of Budgets and SDBIP's	Municipal Manager
		Submit Preliminary Quarterly Report to the Council on the Implementation of the Budget and the Financial State of Affairs of the Municipality.	Mayor

6.2.2 Key IDP and budget time schedule of events

IDP PHASES	DELIVERABLE AND PROCESS MANAGEMENTRESPONSIBLEOUTPUTDATES...	STATUS
	Development of IDP/Budget Process Plan	IDP	Circulate Draft Process Plan to all senior management	AUGUST 2017	
	SMT to consider Process Plan	IDP	Endorsed Process Plan as per Management Minutes	AUGUST 2017	
Preparation Phase	Draft Process Plan to IDP and Budget Steering Committee/EXCO	IDP	Approved IDP & budget process plan	AUGUST 2017	
	Tabling of the IDP and Budget Process Plan to Council	MAYOR		AUGUST 2017	Scheduled
	Advertisement of IDP and Budget Process Plan	MM		AUGUST 2017	In process
	Advertise for Stakeholder Registration (Civil Society)	MM	Consultation	Sept 2017	
	Establish IGR Forum	PLM & COGTA		End-Sept (28)	
	1 st Public Consultation Sessions with all communities in Vrede, Warden and Memei. One week per town inclusive of stakeholders. Consultation Sessions to be advertised in local press	IDP	Facilitate consultation sessions	3-30 OCTOBER 2017	
	Establish IDP Representative Forum	MM	IDP Rep Forum TOR and Schedule for engagements	October / November 2017	
	Committees and consultation process for budget process	EXCO IDP & FINANCE	Determine and assess the current level of	DECEMBER 2017	

Analysis Phase	Briefing session with IDP/Budget Steering Committee	CFO & MM	development and what are the emerging challenges, opportunities and priority issues	DECEMBER 2017
	SMT to submit budget inputs on capital projects	MM		DECEMBER 2017
	One day self-assessment dialogue with SMT, EXCO and Councillors	MM		JANUARY 2018
	Current status of the implementation progress	MM		JANUARY 2018
	Consideration, review and inclusion of any relevant and new information	IDP		JANUARY 2018
	IDP/Budget Steering Committee to review emerging issues/changes and to prioritize IDP and budget items	MAYOR, IDP & FINANCE		JANUARY 2018
Strategy Phase	Develop municipal Strategies, Objectives, KPA's, KPI's and targets so as to influence the budget	MAYOR	Develop and/or refine objective for priority issues Determine the programmes to achieve strategic intent. Develop organisational scorecard.	13-14 October 2017
	EXCO Lekgotla to confirm IDP, SDBIP and Budget priorities	MAYOR		FEBRUARY 2018
	EXCO approves municipal objectives, strategies, KPIs and targets	MAYOR		FEBRUARY 2018
	Review tariffs and budget policies	CFO		FEBRUARY 2018
	Set and agree on IDP priority programme/projects	MAYOR and MM	Identify projects and	FEBRUARY 2018

	Review and align National and Provincial allocation for inclusion in the draft IDP and MTREF budget		MM						FEBRUARY 2018
Project Phase	Draft MTREF budget developed		CFO						FEBRUARY 2018
	Directorates develop draft SDBIP and present to Portfolio Committees		PMS						FEBRUARY 2018
	Institutional plan refined to deliver on the municipal strategy		MM						MARCH 2018
	Directorates identifying programmes and projects with external stakeholders		SMT						MARCH 2018
Integration Phase	Integration of sector plans and institutional programmes		IDP						MARCH 2018
	Horizontal and vertical alignment with District, Province and other stakeholders		SMT						MARCH 2018
	Financial plan and capital investment plan are developed		CFO						MARCH 2018
	Presentation of service plans and integration into the IDP document to EXCO		MM						MARCH 2018
	Tabling of the Draft IDP including proposed revisions and MTREF Budget and related resolutions – PLM		MAYOR						
	Submission of draft IDP and MTREF to MECs Treasury and Cooperative Governance, Traditional and Human Settlements, and National		IDP & BUDGET OFFICE						MARCH 2018
Approval Phase	Public participation process including hearings on Draft IDP and Budget		IDP						MARCH – APRIL 2018
	IDP Budget Lekgotla		IDP						APRIL 2018
	Special Council considers submissions, representations and recommendations from hearings. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for Council consideration.		COUNCIL						APRIL 2018

set output, target

Agree on Spatial

location of the projects

Develop Draft budget

Integrate and align with sector plans

Incorporate programmes and projects into IDP

Approved IDP, budget and SDBIP

	Mayor with support of EXCO to recommend approval by Council after considering inputs from Council and all sectors	MAYOR	APRIL 2018
	Council meeting to approve MTREF 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	COUNCIL	MAY 2018
	Publication of approved IDP and budget on the website and in local newspapers	IDP	JUNE 2018
	Compilation and submission of draft 2018-19 SDBIP and annual performance agreements by Municipal Manager to the Mayor	MM	
	Mayor approves the 2018/19 SDBIP and annual performance agreements of the City Manager and senior managers within 28 days after the approval of IDP and budget. Mayor ensures that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP.	MAYOR	JUNE 2018
	The Mayor submits the approved SDBIP and performance agreements to Council, MEC for Local Government and makes public within 14 days after approval.	COUNCIL, MAYOR, MM & IDP	JUNE 2018