

KHÂI-MA MUNICIPALITY



**IDP & BUDGET (2017/2018)
PROCESS PLAN**

KHÂI-MA MUNICIPALITY IDP & BUDGET (2017/2018) PROCESS PLAN

1.1 INTRODUCTION

The Integrated Development Plan (IDP) is a single and inclusive strategic planning instrument that is intended to promote Local Economic Development, Spatial Development, Infrastructure Development, Institutional Transformation and Budget Alignment of a municipality.

This Process Plan guides the planning of the development of Khâi- Ma Municipality for the period starting 1 July 2016 and ending 30 June 2022.

1.2 LEGISLATIVE FRAMEWORK

The Local Government Municipal Systems Act (Act 32 of 2000) hereinafter referred to as the Act, prescribes that municipalities must adopt and follow a process to draft, consider and adopt an Integrated Development Plan.

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 co-ordinates 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; ~~
- (d) complies with the provisions of this Chapter; and
- (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

Section 28 (1) determines: “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, adoption and review of its integrated development plan.”

Parallel to the Act, the Local Government: Municipal Finance Management Act (Act 56 of 2003) states in section 21

(a) that a “the mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget -related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;

(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

(ii) annual review of –

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

(bb) the budget related policies

(iii) tabling and adoption of any amendments to the Integrated development plan and budget related policies; and

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

BACKGROUND

This plan therefore seeks to provide the timeframes, mechanisms and procedures that will be followed by Khai- Ma Local Municipality in preparing its Integrated Development Plan for next five years, from 2017 until 2022 as well as the approval of annual budget financial year in question.

1.3 Elements of the IDP Process Plan

The IDP process plan entails the following elements;

- Time frames
- Mechanisms and procedures for alignment;
- Mechanisms for Public Participation.
- Binding plans and planning requirements at Provincial and National level

ACTIVITIES RELATED TO THE NEW BUDGET	IDP FOR THE NEXT YEAR	RESPONSIBILITY	DUE DATE
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- Procedures and principles for monitoring the planning process and amendments.

Timeframes for IDP Process Plan

The table below provides all activities, responsibilities and stakeholders and timeframes.

TIME SCHEDULES PLANNING			
Compilation of time schedules for the next budget cycle.	Compilation of time schedules for the next IDP process.	Municipal Manager	29 July 2016
TIME SCHEDULES AND CONSULTATIONS			
Mayor submits new budget process and timeframes to the Council.	Mayor submits new IDP planning process and timeframes to Council.	Mayor	31 August 2016
Advertisement (website, local newspapers and notice boards) of budget process and time schedules.	Advertisement (website, local newspapers and notice boards) of the new process, schedules and meetings of all forums and committees.	Municipal Manager	Within 5 days after submission to the Council
Ensure linkages of consultation of both the budget and IDP process take place.	Ensure linkages of consultation of both the budget and IDP process take place.	Mayor	Continuous process
Review all extern mechanisms to ensure that all possible changes with agreements, which may have an impact on the next budget, are considered.		Municipal Manager	30 September 2016

PERFORMANCE AND FINANCIAL CAPACITY			
	Review the performance of the IDP for the past year and consult with the community ward committees included) on performance and changes in needs (Steering Committee and IDP Rep Forum)	Municipal Manager	1 Oct– 10 Nov 2016
Submit draft annual report for 2015/ 2016 financial year		Municipal Manager	31 August 2016
Based on the financial statements of the previous year and the results of performance investigations consider the financial position and capacity of the Municipality to determine the impact thereof on future strategies and budgets.		Chief Financial Officer	30 September 2016
Assess quarterly performance of departments (section 52)		Mayor	Quarterly
LONG TERM PLANNING			
In consultation with the Council (workshops), determine future priority areas for the Municipality to guide the budget allocations and IDP plans.	In consultation (workshops) with the Council update the future directions, strategies and priorities for the next 3 to 5 years.	Mayor	21 October 2016
Confirm present policy priorities and compile new policy priorities for the next three years.		Municipal Manager	31 October 2016
Council approves the policy directions and priority areas.		Mayor	31 October 2016
Identify all factors, which may have an impact on future budgets and determine			

<p>broad financial frameworks.</p> <p>Implementation of municipal Standard Chart of Accounts (mScOA)</p> <p>Determine possible income/funding, which may become available for the next three years.</p> <p>Determine the most likely outcome and identify any needs for changes towards fiscal strategies.</p> <p>Refine income and funding policies, included tariff structures.</p> <p>Prepare the initial allocations based on the financial capacity and the most likely future financial outcome.</p> <p>Council discussed the desire income, objectives, priorities and outputs for the next three years.</p>	<p>Implementation of mSCOA</p> <p>Incorporate the inputs regarding their needs and priorities from the community</p> <p>Council discussed the desire outcome, objectives, priorities and outputs for the next three years.</p>	<p>Municipal Manager</p> <p>All Departments</p> <p>Municipal Manager</p> <p>Chief Financial Officer</p> <p>Municipal Manager</p> <p>Municipal Manager/ Chief Financial Officer</p> <p>Municipal Manager</p> <p>Council</p>	<p>31 October 2016</p> <p>Ongoing/ Continuous</p> <p>20 November 2016</p> <p>30 November 2016</p> <p>30 November 2016</p> <p>30 November 2016</p> <p>30 November 2016</p> <p>30 November 2016</p> <p>15 December 2016</p>
CONSULTATION WITH OTHER AUTHORITIES			
<p>Municipality derives inputs from National and Provincial Government and other bodies about factors which may influence the budget.</p> <p>Advertisement of requests for funding</p>		<p>Municipal Manager</p>	<p>15 December 2016</p>

transfers to organizations outside the government spheres.		Municipal Manager	20 December 2016
PREPARATION OF DRAFTS			
Keep council updated about progress against IDP/ Budget process schedule and obtain approval for any adjustment to the process	Integrated with the IDP, including the update of budget frameworks	Municipal Manager	Quarterly
Assess performance of the municipality and submit reports (section 72) to the mayor, provincial and national treasury		Municipal Manager	25 January 2017
Preparation of draft IDP and capital and operational plans with costs and income projections. Incorporate in the first SDBIP.		All Managers/Heads Municipal Manager	31 January 2017
Preparation of projections of functional allocations based on past performance and adjusts with known factors, known obligations and asset maintenance requirements.		Municipal Manager	31 January 2017
Adjust plans to establish link with available resources and policy priorities.		Municipal Manager	31 January 2017
Finalization of preliminary options for the IDP and budget for the next three years.		Chief Financial Officer	31 January 2017
Consider the impact on tariffs and consumers levies		Chief Financial Officer	31 January 2017
PRIORITY DETERMINATION			
Consult Council about the preliminary		All Managers and Heads	10 February 2017

<p>budget, tariff adjustments and IDP medium term proposals.</p> <p>Council discusses the preliminary budget, tariff adjustments and IDP proposals in consideration with the priorities and objectives which are included in the medium term proposals.</p> <p>Go ahead with the finalization of the detailed operational plans and budgets.</p> <p>Incorporate the objectives and operational plans in the draft Service Delivery and Budget Implementation Plan.</p> <p>National and Provincial accountancy officials finalize any adjustments towards the projected allocations for the next three years no later than their own budgets.</p>	<p>Go ahead with the finalization of the detailed plans.</p>	<p>Council and Management</p> <p>All Managers and Heads</p> <p>Municipal Manager</p> <p>National and Provincial Dept's</p>	<p>28 February 2017</p> <p>28 February 2017</p> <p>28 February 2017</p> <p>28 February 2017</p>
FINALISATION OF DRAFTS			
<p>Finalization of detailed draft budget for the next three years in accordance with the prescribed format.</p> <p>Incorporate the draft budget proposals and monthly projections of Income, Expenditure, Capital and Income per Source in the draft Service Delivery and Budget Implementation Plan.</p> <p>Present Draft IDP and Budgets to the Steering Committee for quality check prior to submission to council</p>	<p>Finalization of detailed updates of the IDP and budget link.</p>	<p>Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Municipal Manager Chief Financial Officer</p>	<p>28 February 2017</p> <p>28 February 2017 1 March 2017</p> <p>20 March 2017</p>

Council considers and adopts the oversight report on comments on annual report	Council considers and adopts the oversight report on comments on annual report	Council	31 March 2017
CONSIDERATION OF DRAFTS BUDGET & IDP			
Council considers the draft budget, tariffs, draft SDBIP submitted by Mayor.	Council considers updated draft IDP submitted by the Mayor	Mayor/ Council	31 March 2017
CONSULTATION			
Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs.	Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs.	Municipal Manager	31 March 2017
	Attend Namakwa District IDP Engagement sessions for alignment	Municipal Manager	20 November 2016 & 15 April 2017
Mid- Year Budget and Draft Budget Performance Assessment conducted by Provincial Treasury		Municipal Manager & Management Team	25 April 2016
Consultation with the community regarding the draft budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP.	Consultation with the community regarding the draft budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP.	Mayor	30 April 2017
Receive, analyze and incorporate additional inputs of the communities, National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council.	Receive, analyze and incorporate inputs of the communities, National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council	Mayor	1 April – 20 May 2017
FINAL APPROVAL			

Final Budget, tariffs and IDP is submitted to Council for adoption – no later than 31 May.	Final Budget, tariffs and IDP is submitted to Council for adoption – no later than 31 May.	Mayor	31 May 2017
PUBLICATIONS AND SDBIP			
Publication of the budget, tariffs and IDP send a copy of the approved budget to the National and Provincial Government (for notification).	Publication of the budget, tariffs and IDP and send a copy of the approved budget to the National and Provincial Government	Municipal Manager	30 May 2017
Submit draft SDBIP and draft performance agreements of the Municipal Manager and Senior Managers to the Mayor for approval.		Municipal Manager	28 June 2017
Approval of SDBIP and performance agreements.		Mayor/ Municipal Manager	18 June 2017
Advertise the SDBIP and performance agreements (notification).		Municipal Manager	5 July 2017
Submission of performance agreements to the MEC of COGHSTA (special council meeting).		Mayor	30 July 2017
BUDGET IMPLEMENTATION			
Implementation of the budget.		Municipal Manager	1 July 2017
Place approved budget and policies on municipal website	Place approved budget and policies on municipal website	Municipal Manager	5 July 2017
Start with the preparation of the next budget.			25 January 2018
Review the budget, if necessary			

1.4 ISSUES OF ROLES AND RESPONSIBILITIES

Section 30 of the Act charges the Executive Mayor with the responsibility to manage the drafting of the municipality's integrated development plan in a manner that is in concert with section 29 of the Act. Furthermore, the Executive Mayor is empowered to assign responsibilities to the Municipal Manager relating to the drafting and tabling of the IDP before the municipal council for approval. The Municipal Manager in turn is supported by the IDP unit in managing the preparation of the IDP. In the spirit of promoting the objects of section 29 of Act, the municipality has created an enabling environment for different stakeholders to be involved in developing a people driven IDP. Forums necessitating the achievement of the aforementioned principles are listed below.

- **IDP Coordinators Forum**

This forum must be constituted by the accounting officer and his line managers or heads of departments. This forum provides these representatives with an opportunity to discuss issues of mutual interest and a framework for alignment. This forum meets at least once a month.

- **Public Consultation- Mayoral Road Shows**

The Mayoral road shows are an outreach consultative programme meant for communities across the city who are not organised in any formal structure. This programme which is organised in clustered ward fashion, provides the municipality and communities to engage on the municipality' IDP needs inputs, performance, identification of priority needs for the year ahead and any other matters relating to service delivery issues.

- **The Mayoral Committee/Budget Committee**

The plays an oversight role in preparation and drafting of the IDP and it further approves the IDP process plan, community needs register and public participation plans.

- **The Municipal Council**

According to section 25 of the Municipal Systems Act, the municipal council is the body that has the competence to adopt the draft IDP.

Procedures for Alignment

Section 31(c) of the Act, requires the municipality to align its IDP with the IDP's of municipalities within the area of jurisdiction of the district municipality where such a municipality is located. Furthermore, this section provides that the integrated development plan of a municipality must be aligned to national and provincial plans of organs of the state. In this regard, the Local Government and Housing through the MIDP unit continuously facilitates meetings of all municipalities, national and provincial departments and parastatals to iron out issues of alignment.

Adoption by Council

The process plan outlined above has been tabled by the Mayor for adoptions by Municipal Council again on ... 2016 in compliance with legislative requirements discussed in paragraph 1.

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Cllr. Pasqueline Adonia Van Heerden

Mayor: Khâi-Ma Local Municipality- POFADDER

Signed: 2016

