



## FINAL IDP/BUDGET PROCESS PLAN<sup>1</sup> FOR 2015/2016

**VISION 2030: 'A Viable Municipality in Sustainable Rural Development'**

**MISSION: 'To Provide Integrated Services in Enabled Environment for Growth and Development'**

Section 21(1)(b) of the Municipal Finance Management Act (MFMA) (no. 56 of 2003) generally echoes Section 28(1) of the Municipal Systems Act (MSA) (no. 32 of 2000) by prescribing that the Mayor of the Municipality must at least 10 months before the commencement of the financial year, table in the Council a time schedule outlining key deadlines for the preparations, tabling and approval of the annual budget and also the review of the Integrated Development Plan. **Below is the schedule for the IDP/Budget process for the 2016/2017 Financial Year** (i.e to inform the 1<sup>st</sup> Five Year of 2016/17IDP/Budget):

MONTH	ACTIVITY	Target date
	<b>PREPARATORY PHASE</b>	
July 2015	<ul style="list-style-type: none"> <li>Review of previous year's IDP/Budget process, MTEF included.</li> <li>EXCO provides political guidance over the budget process and priorities that must inform preparations of the budget.</li> <li>IDP/Budget Steering Committee meeting.</li> <li>Consultation with established Committees and fora</li> <li>4<sup>th</sup> Quarter Performance Lekgotla (2014/15)</li> </ul>	July 2015
August 2015	<ul style="list-style-type: none"> <li>Ward-to-Ward based data collection</li> <li>Collate information from ward based data.</li> <li>Submit AFS (Annual Financial Statements) for 2014/15 to AG<sup>2</sup>.</li> <li>Submit 2014/15 cumulative Performance Report to AG &amp; Council Structures</li> </ul>	August 2015
MONTH	ACTIVITY	Target date
	<b>ANALYSIS PHASE</b>	

<sup>1</sup> A time schedule outlining key deadlines for preparing, tabling, approving and reviewing the IDP/Budget tabled by the Mayor in the Council at least 10 months before the start of the budget year to ensure that the annual review/amendment of the IDP in terms of s34 of the Municipal Systems Act and budget related policies are mutually consistent and credible. It guides review/compilation of IDP/Budget.

<sup>2</sup> Auditor General appointed to audit public entities as required in terms of Public Audit Act.

September 2015	<ul style="list-style-type: none"> <li>• Council determines strategic objectives for service delivery through IDP review processes and the development of the next 3 year budget (including review of sector departments plans).</li> <li>• Determine revenue projections and propose tariffs and draft initial allocations per function and department for 2016/17 financial year.</li> <li>• Consult with provincial and national sector departments on sector specific programmes for alignment (schools, libraries, clinics, water, electricity, roads, etc).</li> <li>• Finalize ward based data compilation for verification in December 2015.</li> <li>• Update Council structures on updated data.</li> </ul>	September 2015
	<b>STRATEGIES PHASE</b>	
October 2015	<ul style="list-style-type: none"> <li>• Quarterly (1<sup>st</sup>) review of 2014/15 budget, related policies, amendments (if necessary), any related consultative process.</li> <li>• Begin preliminary preparations on proposed budget for 2015/16 financial year with consideration being given to partial performance of 2014/15.</li> </ul>	October 2015
	<b>PROJECTS PHASE</b>	
November 2015	<ul style="list-style-type: none"> <li>• Confirm IDP projects with district and sector departments.</li> <li>• Engage with sector departments' strategic sessions to test feasibility of attendance to planned sessions.</li> <li>• Review and effect changes on initial IDP draft.</li> </ul>	November 2015
	<b>INTEGRATION PHASE</b>	
December 2015	<ul style="list-style-type: none"> <li>• Table Draft 2014/15 Annual Report<sup>3</sup> to Council</li> <li>• Review budget performance and prepare for adjustment</li> <li>• Consolidated Analysis Phase in place</li> <li>• IDP/Budget Steering Committee meeting</li> <li>• IDP Rep Forum</li> </ul>	December 2015
January 2016	<ul style="list-style-type: none"> <li>• Table Draft 2014/15 Annual Report to Council.</li> <li>• Submit Draft Annual Report to AG, PT<sup>4</sup> and COGHSTA<sup>5</sup>.</li> <li>• Publish Draft Annual Report in the municipal jurisdiction (website etc)</li> <li>• Prepare Oversight Report for the 2014/15 financial year.</li> <li>• Mid-Year Performance Lekgotla/Review/Strategic Planning Session, (review of IDP/Budget, related policies and consultative process).</li> </ul>	January 2016
<b>MONTH</b>	<b>ACTIVITY</b>	<b>Target date</b>
February 2016	<ul style="list-style-type: none"> <li>• Table Budget Adjustment (if necessary).</li> <li>• Submission of Draft IDP/Budget for 2016/17 to Management, relevant stakeholders &amp; structures</li> </ul>	February 2016
March 2016	<ul style="list-style-type: none"> <li>• Council considers the 2016/17 Draft IDP/Budget.</li> <li>• Publish the 2016/17 Draft IDP/Budget for public comments.</li> <li>• Adoption of Oversight Report for 2015/16.</li> </ul>	March 2016
	<b>APPROVAL PHASE</b>	
April 2016	<ul style="list-style-type: none"> <li>• Submit<sup>6</sup> 2016/17 Draft IDP/Budget to the National Treasury,</li> </ul>	April 2016

<sup>3</sup> Overarching institutional performance report prepared for each financial year in terms of s46 of MSA.

<sup>4</sup> Provincial Treasury.

<sup>5</sup> Department of Co-operative Governance Human Settlement and Traditional Affairs.

	Provincial Treasury and COGHSTA in both printed & electronic formats. <ul style="list-style-type: none"> <li>• Consultation with key stakeholders.</li> </ul>	
May 2016	<ul style="list-style-type: none"> <li>• Submit Final Draft IDP/Budget for 2016/17 with incorporated comments from stakeholders' consultation to Council for approval.</li> <li>• Prepare SDBIP<sup>7</sup> for 2016/17 f/y.</li> </ul>	May 2016
June 2016	<ul style="list-style-type: none"> <li>• Submission of the SDBIP to the Mayor.</li> <li>• Prepare 2016/17 Performance Agreements of MM, Senior Managers and Middle Managers for 2016/17 performance year.</li> </ul>	June 2016

NB: The IDP/Budget processes may be compressed/short-circuited to allow sufficient time for **PLANNING**<sup>8</sup> in the light of the comments by the MEC Co-operative Governance Human Settlement and Traditional Affairs during the IDP discourse.

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<sup>6</sup> From a best practice and corporate governance perspective, the submission of relevant documents to stakeholders is within **five (5) days** of the adoption or on the date on which it was made public, whichever occurs first. For further exposition see s75 of the MFMA read with s21 and s32 of the MSA.

<sup>7</sup> Developed as an implementation, management and monitoring tool for IDP/Budget and has to be approved by the Mayor within **28 days** after approving IDP/Budget in terms of **s53(c)(iii)** of MFMA.

<sup>8</sup> i.e two to three months planning period for the ahead (2013/14). This might imply possible adoption of IDP/Budget in March/April 2013.