

CEDERBERG MUNICIPALITY
FINAL IDP/PMS/BUDGET PROCESS PLAN

2017/2022



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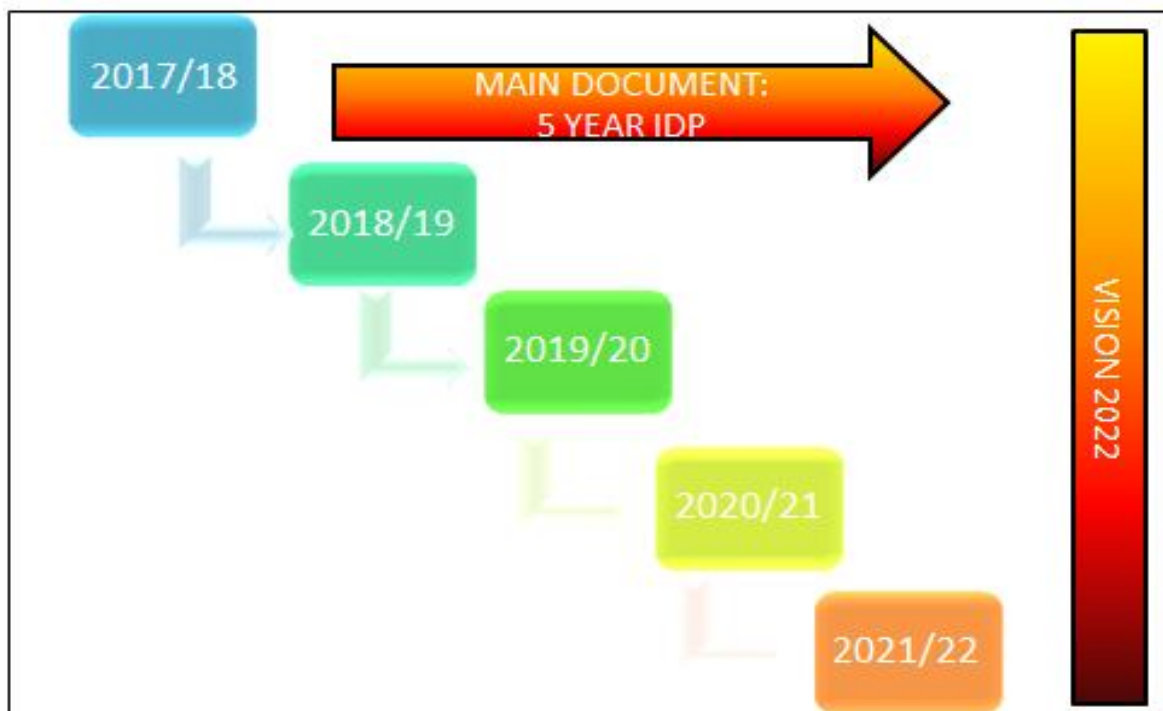
1. INTRODUCTION

The South African Constitution (Section 152 and 153) has given local government (municipalities) major developmental responsibilities which mandates them to conduct municipal planning in order to ensure a better quality of life for all the country's citizens. This role of local government includes delivery of basic services, economic development and eradication of poverty. To be able to perform this role effectively, municipalities must develop Integrated Development Plans (IDP).

An IDP serves as a single, inclusive strategic plan for the development of the municipality which spans over a period of five years and is reviewed annually to ensure the municipality is updated with the changing circumstances of the communities. The IDP is also the strategic management instrument which guides and informs the planning, budgeting, management and decision-making processes in the municipality.

The IDP/PMS/BUDGET Process Plan ensures proper coordination between all relevant stakeholders. A series of engagements are held annually in order to host a platform for an inclusive participatory process such as community forums, IDP/BUDGET Roadshows. Municipal Indabas, Intergovernmental Relations Forum and Strategic Planning Workshops.

The five year cycle of the 2017/2022 IDP are as follows:



2. LEGAL CONTEXT

(a) The Integrated Development Plan

Section 25 (1) of the Municipal Systems Act (32 of 2000) indicates that:

“Each Municipal Council must, within prescribed period after the start of its elected term, adopt a single, all-inclusive and strategic plan for the development of the municipality which -

- Links, integrates and coordinates plans and takes into account proposals for the development of the community;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Complies with the provisions of this Chapter (Chapter 5 MSA); and
- 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 plans, Section 26 of the Municipal Systems Act (32 of 2000) indicates that:

“An integrated development plan must reflect:

- The municipal council’s vision for 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 an identification of communities which do not have access to basic municipal services;
- The councils development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- The councils development strategies which must be aligned with any national and 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 councils 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”.

Moreover and [also] in view of the foregoing, Section 28 (1) of the Municipal Systems Act (32 of 2000) stipulates that:

- “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;
- The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Municipal Systems Act (32 of 2000), consult the community before the adopting the process; and
- A municipality must [also] give notice to the local community of particulars of the process it intends to follow”.

The way in which the IDP process will be undertaken is outlined in this process plan in which [all] municipalities must prepare. The Local Government: Municipal Planning and Performance Management Regulation 2001, provides elaborately on the contents of the IDP and the processes the Municipality must subject the IDP process into when doing its development or review.

Section 29 (1) of outlines the process to be followed as:

“The process to be followed by a municipality to draft its Integrated Development Plan, including its consideration and adoption of the draft plan, must-

- (a) Be in accordance with a predetermined programme specifying time-frames for the different steps;
- (b) Through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for-
 - (i) The local community to be consulted on its development needs and priorities;

- (ii) The local community to participate in the drafting of the integrated development plan; and
 - (iii) Organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan;
- (c) Provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation; and
- (d) Be consistent with any other matter that may be prescribed by regulation.”

(b) The Annual Budget

The Annual Budget and the IDP are inseparably linked to one another; something has been formalized through the promulgation of the Municipal Finance Management Act (56 of 2003). Section 21 (1) of the Municipal Finance Management Act (MFMA) indicates that:

“The Mayor of a municipality must:

- At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for
 - The preparation, tabling and approval of the annual budget;
 - The annual review of –
 - a. The integrated development plan in terms of section 34 of the Municipal Systems Act; and
 - b. The budget related policies.
 - The tabling and adoption of any amendment to the integrated development plan and the budget related policies; and
 - The consultative processes forming part of the processes referred to subparagraph (i), (ii) and (iii)” – herein first three sub bullets (denoted as -).

(c) The SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (SDBIP)

The Service Delivery & Budget Implementation Plan (SDBIP) is an implementation plan of the approved Integrated Development Plan (IDP) and Medium Term Revenue Expenditure Framework.

Therefore, only projects that are budgeted for are implemented. Section 1 of the MFMA defines the SDBIP as:

“a detailed plan approved by the Mayor of a municipality in terms of section 53 (1) (c) (ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:

- (a) Projections for each month of –
 - (i) Revenue to be collected, by source; and
 - (ii) Operational and capital expenditure, by vote;
- (b) Service Delivery Targets and Performance indicators for each quarter

3. PURPOSE OF THE IDP/PMS/BUDGET PROCESS PLAN

The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compile its integrated development plan for the 2017-2022 period. The process plan enhances integration and alignment between the IDP, Budget and Performance Management System. It fulfils the role of 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 of the budget and IDP compilation, performance management 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 are mutually 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 encompasses the involvement of external role-players and interest groups, therefore it requires accurate logistical planning and arrangements of engagement session to ensure that the process is implemented in accordance with the approved schedule. However, ever experiences have taught us that deviation from the approved schedule may occur due to unforeseen circumstances which are beyond the control of the Cederberg Council and administration. This would therefore require adjustment to the timeframes to ensure that the execution of the process remains practical and that all legislative requirements are adhered to.

The following diagram depicts the process of the Integrated Development Plan of Cederberg Municipality:



4. ORGANISATIONAL ARRANGEMENTS

4.1. IDP Representative Forum

The IDP Representative Forum has not yet been constituted but we will have an active Forum after the first quarter of the new financial year. Herewith is a proposed composition of the forum:

- Mayco Members
- Ward Committees
- Municipal Manager
- Senior Manager
- IDP Manager
- Stakeholder Representatives of organised groups

The Proposed Terms of Reference for the IDP Representative Forums are as follows:

- represent the interests of their constituents on the IDP process;
- form a structured link between the municipality and representatives of the public;
- ensure communication between all the stakeholder representatives including the municipality;
- provide an organizational mechanism for discussion, negotiation and decision making between the stakeholders including municipal government;
- integrate and prioritize issues, strategies, projects and programmes and identify budget requirements; and
- Monitor the performance of the planning and implementation process. It is co-chaired by a nominated councillor and an elected representative of the Forum.

4.2. Ward Committees

The role of the Ward Committees with regards to the IDP is as follows:

- Assist the Ward Councillor in identifying challenges and needs of residents.
- Provide a mechanism for discussion and negotiations between the stakeholders within the ward.
- Advise and make recommendations to the ward councillor on matters and policies affecting the ward.
- Disseminate information in the ward.
- Ensure constructive interaction between the municipality and the community.
- Interact with other forums and organisations on matters affecting the ward.
- Monitor the implementation process concerning its area.

4.3. Budget Steering Committee

The Mayor of the municipality must establish a Budget Steering Committee as required by Section 4 of the Municipal Budget and Reporting Regulations. The function of the Budget Steering Committee is to provide technical assistance to the Mayor in discharging the responsibilities set out in Section 53 of the Municipal Finance Management Act 2003 (Act 56 of 2003).

The Committee is constituted as follows:

- Executive Mayor (Chairperson);
- MMC: IDP/PMS/Finance;
- Municipal Manager;
- Chief Financial Officer;
- Director: Technical Services;
- Director: Community Services;
- Director: Strategic Support Services;
- Senior Manager: Financial Planning;
- Manager: IDP/PMS;
- Any technical expert that may be required.

The primary aim of the Budget Steering Committee is to ensure that:

- the process followed to compile the budget complies with legislation and good budget practices;
- there is proper alignment between the policy and the service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- the municipality's revenue and tariff setting strategies meet cash resource requirements to deliver services; and
- the various spending priorities of the different municipal departments are properly evaluated and prioritised during resource allocation.

5. ROLES AND RESPONSIBILITIES

STAKEHOLDERS	ROLES & RESPONSIBILITY'S
Council	AS the ultimate political decision-making body of the municipality, council must consider, adopt and approve the IDP.
Executive Mayor (Together with Mayoral Committee)	<ul style="list-style-type: none"> • Manage the drafting of the IDP. • Assign the responsibility in this regard to the municipal manager. • Submit the draft plan to municipal council for adoption. • Submit final IDP and Budget to Council for adoption.
Municipal Manager	The Municipal Manager is responsible and accountable for implementation of the municipality's IDP and the monitoring of progress with the implementation plan, responsible for advocating the IDP process and nominates persons in charge of different roles.
IDP/PMS Section	<p>The IDP/PMS section reports to the Director Corporate & Strategic Services, and is required to manage and co-ordinate the IDP review process, ensure IDP/Budget integration, the roll out of the Performance management system and monitor the implementation of the IDP, including:</p> <ul style="list-style-type: none"> • Preparing the Process Plan for the development of the IDP; • Day to day management of the IDP process; • Ensure involvement of different role-players; • Adjustments of the IDP in accordance with the MEC's proposals are made • Respond to comments and queries; • Ensure that the IDP is vertically and horizontally aligned; • Ensure proper documentation of the IDP; • Submit the reviewed IDP to the relevant authorities.
Budget Steering Committee	The Budget Steering Committee is responsible for recommending the budget as well as any other budget related issues such as changes in internally funded projects, prior to approval by council. This Committee is chaired by the Executive Mayor, with chairpersons of portfolio committees and all section 57 managers as members.
Ward Committees	<p>Ward Committees are a major link between the municipality and the residents. As such their role is to:</p> <ul style="list-style-type: none"> • Ensure communities understand the purpose of the IDP, Budget and Performance management processes. • Assist the municipality in prioritizing the ward specific needs

	<ul style="list-style-type: none">• Facilitate public consultation and participation within their wards• Provide feedback to their communities on the adopted IDP and Budget.
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6. MECHANISMS FOR PUBLIC PARTICIPATION

The involvement of Community stakeholders in the IDP process is one of the main features of the review process. Participation by all stakeholders ensures that the IDP addresses issues experienced by the local communities.

(a) Ward Committee Meetings

These meetings are held to prioritize needs that are identified in the different wards. To complement the process, ward level planning where planning methods are used to gather data are utilized. The Ward Committee Meetings will take place during September/November 2015.

(b) Community Roadshows

The municipality intend to undertake IDP & Budget consultation meetings with the communities, which give community members the opportunity to make valuable contributions to the draft IDP and Budget. The consultation meetings will take place during April 2016.

(c) IDP Representative Forum

This forum represents all stakeholders to ensure an inclusive participatory process. This Forum will be established and will have its first meeting after the first quarter of the new financial year.

(d) Communication

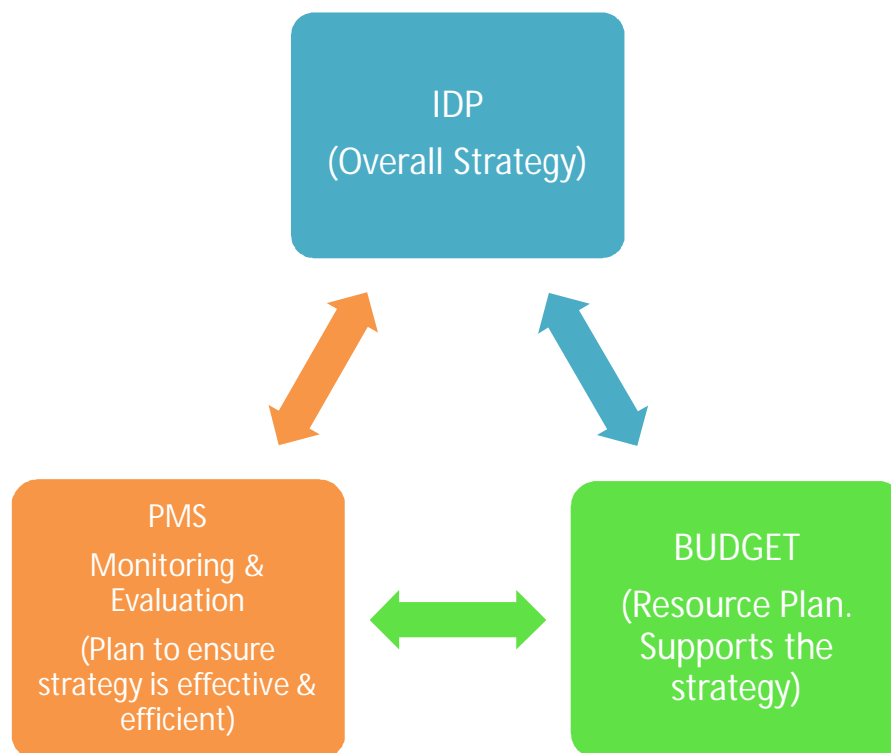
The MSA requires that municipalities inform communities of the various processes that are undertaken during the review of the IDP and the development of the budget for a financial year. The municipality will make use of the following:

- Local news papers
- Municipal Website
- Notices
- Facebook
- Bulk Smse
- Loud Hailing

7. INTER-GOVERNMENTAL ALIGNMENT

7.1. ALIGNMENT OF THE IDP, BUDGET AND PERFORMANCE MANAGEMENT

The IDP review process is mainly geared towards identifying early-warning signs for corrective action whenever it is required. The Performance Indicators are flowing from the IDP and constitute the heart of the Performance Management System. The IDP Process Plan 2017/2022 aligns the IDP, Budget process and Performance Management in order to adhere to the legislative requirements. The linkages of the three processes are summarized in the following diagram:



Cederberg Municipality IDP Process Plan: IDP, BUDGET & PERFORMANCE linkages

7.2. HORIZONTAL & VERTICAL ALIGNMENT

(a) District Alignment

West Coast District Municipality has established a IDP CC (Integrated Development Planning Co-ordinating Committee) which are also attended by the Department of Local Government to provide strategic Direction in terms of IDP's. The IDP preparation process utilizes this forum to ensure vertical and horizontal alignment with other municipalities.

(b) Alignment with Sector Departments

Alignment with Sector Departments is essential in order to ensure that the priorities of Cederberg Municipality can be reflected in their prioritization process, as well as their projects can be reflected in the IDP document. Alignment with sector departments currently emanates from the following engagements:

- LGMTECH Assessments
- Provincial IDP Indaba 1 & 2
- One on One Meetings with sector departments

ANNEXURE A

IDP/PMS/BUDGET

TIME SCHEDULE (SECTION 29)

2017/18

TIME SCHEDULE FOR IDP REVIEW PROCESS 2017/2018

NO	ACTIVITY/TASK	RESPONSIBLE OFFICIAL	TARGET DATES		
			IDP & Public Participation	BUDGET	PMS
JULY 2016					
1	Submit Draft IDP/PMS/BUDGET Process Plan to Council	IDP/PMS	28/06/2016		
2	Advertise Draft IDP/PMS/BUDGET Process Plan for public comments	IDP/PMS	05/07/2016		
3	Make public the targets and indicators as set out in the SDBIP (no later than 14 days after the approval of the SDBIP) and submit to National & Provincial Treasury (no later than 10 days after the approval of the SDBIP)	IDP/PMS			06/07/2016
4	Submit monthly report on the budget for period ending 30 June 2016 within 10 working days to the Executive Mayor	Manager Budget		14/07/2016	
5	Senior Management to discuss the Draft IDP/PMS/BUDGET Process Plan	IDP/PMS	29/07/2016		
6	IDP Task Team Meeting (Internal)	IDP/PMS	29/07/2016		
AUGUST 2016					
7	Submit IDP/PMS/BUDGET Process Plan to Council for adoption	IDP/PMS	12/08/2016		
8	Submission to Council re-establishment of Ward Committees	Public Participation	12/08/2016		

9	Submit monthly report on the budget for period ending 31 July 2016 within 10 working days to the Executive Mayor	Manager Budget		15/08/2016	
10	Council Induction Training	Municipal Manager	18/08/2016		
11	Mayoral Legotla	Municipal Manager	29-30/08/2016		
12	Table Annual Performance Report and Annual Financial Statements to Council	Municipal Manager		31/08/2016	31/08/2016
13	Submit the Annual Performance Report and Annual Financial Statements to the Auditor-General	IDP/PMS CFO	31/08/2016	31/08/2016	
14	2015/2016 4 th Quarter Performance Report tabled to Council	IDP/PMS			31/08/2016
15	Signing of new Performance Agreements of Section 57 Managers	IDP/PMS			31/08/2016
16	IDP Task Team (Internal)	IDP/PMS	31/08/2016		
SEPTEMBER 2016					
17	Provincial IDP Managers Forum	IDP/PMS	01/09/2016 02/09/2016	-	
18	Advertisement of IDP/Budget Process Plan on website/local newspaper/notice boards	IDP/PMS	06/09/2016		
19	Submit monthly report on the budget for period ending 31 August 2016 within 10 working days to the Executive Mayor	Manager Budget		14/09/2016	
20	Advertise dates of ward committee elections	Public Participation	16/09/2016		

	for geographical representatives				
21	Elections of Geographical representatives	Public Participation	26/09/2016 (Start)		
22	IDP Task Team Meeting (Internal)	IDP/PMS	30/09/2016		
OCTOBER 2016					
23	IDP Public Meetings/Door to Door Campaigns to discuss the needs of the Communities	IDP/PMS & Public Participation	01-31/10/2016		
24	Submit monthly report on the budget for period ending 30 September 2016 within 10 working days to the Executive Mayor	Manager Budget		14/10/2016	
25	IDP Representative Forum	IDP/PMS	20/10/2016		
26	Submit 1st Quarter Performance Report to MAYCO	IDP/PMS			31/10/2016
27	Submit to Council list of Ward Committee members elected	Public Participation	31/10/2016		
28	Meeting with Ward Committees to discuss the needs of the communities	Public Participation	31/10/2016		
NOVEMBER 2016					
29	Submit monthly report on the budget for period ending 31 October 2016 within 10 working days to the Executive Mayor	Manager Budget		14/11/2016	
30	Workshop with Council to review the vision, mission, Strategic Objectives	Municipal Managers	21/11/2016		
31	IDP Task Team Meeting (Internal)	IDP/PMS	29/11/2016		

DECEMBER 2016					
32	Provincial IDP Managers Forum	IDP/PMS	01/12/2016 02/12/2016	-	
33	IDP Representative Forum	IDP/PMS	08/12/2016		
34	Submit monthly report on the budget for period ending 30 November 2016 within 10 working days to the Executive Mayor	Manager Budget		14/12/2016	
JANUARY 2017					
35	Submit monthly report on the budget for period ending 31 December 2016 within 10 working days to the Executive Mayor	Manager Budget		16/01/2017	
36	Submit Mid-Year Budget & Performance Assessment Report to Executive Mayor (Section 72)	IDP/PMS CFO			25/01/2017
37	Submit 2nd Quarter Performance Report to Council	IDP/PMS			26/01/2017
38	Table Draft Annual Report 2015/2016 to Council	Municipal Manager			26/01/2017
39	Submit Mid-Year Budget and Performance Report to Council	IDP/PMS CFO		26/01/2017	26/01/2017
40	Submit Mid-Year Budget and Performance Report to Provincial Treasury, National Treasury and Department of Local	Municipal Manager			31/01/2017

	Government				
41	Make public the Mid-Year Budget and Performance report	Municipal Manager		31/01/2017	31/01/2017
42	Advertise the Draft Annual Report for public comment	IDP/PMS			31/01/2017
43	IDP Task Team Meeting (Internal)	IDP/PMS	31/01/2017		
FEBRUARY 2017					
44	Submit monthly report on the budget for period ending 31 January 2017 within 10 working days to the Executive Mayor	Manager Budget		14/02/2017	
45	IDP Indaba 2	Municipal Manager	28/02/2017		
46	Council considers and adopts 2016/2017 Adjustment Budget and potential revised 2016/2017 SDBIP	Municipal Manager		28/02/2017	
47	IDP Task Team Meeting (Internal)	IDP/PMS	28/02/2017		
MARCH 2017					
48	Provincial IDP Managers Forum	IDP/PMS	02/03/2017 – 03/03/2017		
49	Advertise the approved 2016/2017 Adjustments Budget and submit budget and B Schedules to National Treasury and Provincial Treasury as required per legislation (within 10 working days)	Manager Budget		14/03/2017	

50	Submit monthly report on the budget for period ending 29 February 2017 within 10 working days to the Executive Mayor	Manager Budget		14/03/2017	
51	Budget Steering Committee Meeting	CFO		16/03/2017	
52	IDP Representative Forum	IDP/PMS	16/03/2017		
53	Table Draft IDP / BUDGET/ SDBIP to Council	Municipal Manager	28/03/2017	28/03/2016	28/03/2017
54	Table Oversight Report to Council	Municipal Manager			28/03/2017
APRIL 2017					
55	Submit the draft IDP, SDBIP and budget to Department of Local Government, National and Provincial Treasury	IDP/PMS CFO	05/04/2017	05/04/2017	05/04/2017
56	Advertise the Draft IDP, SDBIP, budget and other required documents and provide at least 21 days for public comments and submissions	IDP/PMS CFO	05/04/2017	05/04/2017	05/04/2017
57	Make public the Oversight Report within 7 days of its adoption (MFMA-Sec129)	IDP/PMS			05/04/2017
58	Submit the Annual Report and Oversight Report to the provincial legislature as per circular (MFMA-Sec 132)	IDP/PMS			05/04/2017
59	Submit monthly report on the budget for period ending 31 March 2017 within 10	Manager Budget		14/04/2017	

	working days to the Executive Mayor				
60	IDP/BUDGET Community Road Shows to consult the Draft IDP, SDBIP and Budget	IDP/PMS CFO	10/04/2017 – 28/04/2017	10/04/2017 – 28/04/2017	10/04/2017 – 28/04/2017
61	Submit 3 rd Quarter Performance Report to Treasury	IDP/PMS			28/04/2017
62	LG MTEC 3 IDP and Budget Assessments by Provincial Treasury and Department of LG	Municipal Manager	29/04/2017	29/04/2017	
MAY 2017					
63	Submit monthly report on the budget for period ending 30 April 2017 within 10 working days to the Executive Mayor	Manager Budget		12/05/2017	
64	Budget Steering Committee Meeting	CFO		17/05/2017	
65	IDP Representative Forum	IDP/PMS	17/05/2017		
66	Submit 3 rd Quarter Performance Report to Council	IDP/PMS			25/05/2017
67	Council to adopt Revised IDP and the budget (at least 30 days before the start of the budget year)	Municipal Manager	25/05/2017	25/05/2017	

JUNE 2017

68	Place the IDP, multi-year budget, all budget-related documents and all budget-related policies on the website	IDP/PMS CFO	01/06/2017	01/06/2017	
69	Submit a copy of the revised IDP to the MEC for LG (within 10 days of the adoption of the plan)	IDP/PMS	01/06/2017		
70	Submit approved budget to National and Provincial Treasuries (both printed and electronic formats)	CFO		01/06/2017	
71	Give notice to the public of the adoption of the IDP (within 14 days of the adoption of the plan) and budget (within 10 working days)	IDP/PMS CFO	03/06/2017	02/06/2017	
72	Submit to the Executive Mayor the SDBIP for the budget year (no later than 14 days after the approval of an annual budget)	Municipal Manager			08/06/2017
73	Submit monthly report on the budget for period ending 31 May 2016 within 10 working days to the Executive Mayor	Manager Budget		07/06/2017	
74	Executive Mayor takes all reasonable steps to ensure that the SDBIP is approved (within 28 days after approval of the budget)	Municipal Manager			22/06/2017