



Fezile Dabi

District Municipality

Aiming above the horizon

IDP/ BUDGET/ PMS PROCESS PLAN 2022/23

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ACRONYMS

B2B	Back 2 Basics
CBO	Community Based Organisations
CIP	Capital Investment Plan
CDW	Community Development Workers
DoRA	Division of Revenue Act
FDDM	Fezile Dabi District Municipality
IDP	Integrated Development Act
KPAs	Key Performance Areas
KPIs	Key Performance Indicators
LED	Local Economic Development
MayCo	Mayoral Committee
MFMA	Municipal Finance Management Act
MM	Municipal Manager
MSA	Municipal System Act 32 of 2000
NGO	Non-Governmental Organisations
PMS	Public Management Systems
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

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1. Introduction

As stipulated in Section 28 of the Municipal Systems Act of 2000 (MSA), a municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan (IDP). This process plan will include the time frames for the different planning steps, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities and other role players in the IDP process. The process plan will further illustrate the alignment of the IDP with the municipality's budget. In addition to this, all the other relevant legislation, regulations and guidelines have been taken into account.

2. Requirements for the preparation of the Process Plan

The preparation of the process plan requires consultation with key role players in the planning process:

- Between local municipalities and the district municipalities;
- With community and stakeholder groupings; and
- Municipal officials for the alignment of available resources.

Diagram 1: Contents to be included in the process plan.



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3. Institutional arrangements

Below is an outline of suggested responsibilities of the key role players in the planning, development, preparation, compilation and drafting of the Fezile Dabi District Municipality's (FDDM) IDP and Service Delivery and Budget Implementation Plan (SDBIP). It is imperative for the maintenance of accountability in the Integrated Development Planning process that the roles are adhered to, as well as the setting up and confirmation of institutional arrangements in ensuring the effective execution of the five IDP phases.

STAKEHOLDER	ROLE AND RESPONSIBILITIES
Municipal Council	<p>As the ultimate political decision-making body of the municipality, the Municipal Council has to:</p> <ul style="list-style-type: none"> • Consider and adopt the IDP Process Plan and time schedule for the preparation, tabling and approval of the annual budget; • Consider and adopt the IDP and annual budget; • Ensure alignment between the municipal annual budget and the IDP; • Adopt a Performance Management System (PMS) • Monitor progress, re. IDP implementation and Back To Basics (B2B)
Executive Mayor	<p>The Executive Mayor of the FDDM has the responsibility to prepare and implement the IDP, Budget and PMS. In this regard, the Executive Mayor has to:</p> <ul style="list-style-type: none"> • Delegates duties to the Municipal Manager/ accounting officer (the Municipal Manager can further delegate duties to officials) <p>Responsibilities to the Municipal Manager:</p> <ul style="list-style-type: none"> • Ensure that the budget, IDP and budget related policies are mutually consistent and credible; • Submit the revised IDP and Budget to the Municipal Council for adoption; • Submit the proposed Performance Management System to the Municipal Council for adoption.

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Mayoral Committee	The role of the Mayoral Committee is to provide political and strategic guidance and direction to the IDP, Budget and PMS processes as well as the implementation of the IDP. This Committee assisted by the Finance and IDP Portfolio Committee in the carrying out its responsibilities.
Councillors	The councillors are responsible for the adoption and approval of strategic documents and help monitor the performance of the municipality.
IDP Representative Forum	<p>The IDP Rep. Forum serves as the interface for community participation in the IDP process and therefore participates in the annual review of the municipality's IDP. This Forum is chaired by the Executive Mayor (or his delegates) and is comprised of the following role players:</p> <ul style="list-style-type: none"> • Members of the MayCo. • Ward Councillors and CDW • NGOs and CBOs • Community Development Workers • Sector Departments (Provincial and National) • Religious organisations • Municipal officials
Municipal Manager	The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget, and works towards its implementation.

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<p>IDP Steering Committee</p>	<p>Chaired by the Municipal Manager, the IDP Steering Committee comprises the Directors and Managers who are also technical experts in their various clusters/units. The tasks of this committee are to:</p> <ul style="list-style-type: none"> • Provide a technical oversight and support to the IDP and Budget review and its implementation; • Consider and advise on the IDP/Budget content and process; • Ensure inter-directorate cooperation, coordination, communication and strategic thinking to address priority issues. • Ensure sector and spatial coordination and alignment; • Ensure IDP and budget linkage; • Ensure PMS is linked with the IDP; • Ensure timeframes set for IDP review are met.
<p>Directorates & Departments</p>	<p>Directorates and departments are responsible for sector planning and for the implementation of the IDP. Inter-departmental participation is thus crucial as the departments serve to:</p> <ul style="list-style-type: none"> • Provide technical/sector expertise and information throughout the IDP/Budget process. • Ensure that the review process is participatory, integrated, strategic and implementation-oriented, budget linked and aligned with and satisfies sector planning requirements.

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Planning and PMS Units	<p>The Planning Unit reports to the Municipal Manager and is required to facilitate, manage and coordinate the IDP process, ensure budget integration, which includes:</p> <ul style="list-style-type: none">• Preparation of the Process Plan for the development of the IDP;• Undertaking the overall management of and coordination of the planning and review process under time, financial and human resource considerations;• Ensuring that the review process is participatory, strategic, implementation-oriented, is horizontally and vertically aligned and satisfies the planning requirements;• Linking the IDP and the SDBIP. <p>The planning unit provides methodological and technical guidance of the IDP and the PMS and further ensures that the IDP, PMS, and Budget are aligned with provincial and national sector department strategies and budgets.</p>
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4. IDP and Budget process

Integrated developmental planning is an integral approach to local government planning which focuses on local issues. The review of the IDP and budgetary preparation process will be undertaken in accordance with relevant statutory provisions and national guidelines and the following phases:

PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
1 Preparation	This phase entails the review of the previous IDP process, preparation, and the approval of the process plan and the setting up or confirmation of the required institutional arrangements.	Preparation of Process Plan 2022/23	Planning Unit, Budget Office & PMS Office	MSA & MFMA	July 2021
		Completion and submission of Budget Evaluation Checklist to National Treasury	Accounting Officer, Heads of Departments (Section 56 Directors) & Budget Office	MFMA	July 2021
		Tabling of the IDP, Budget & PMS Process Plan 2022/23 to Council	Planning Unit, Budget Office & PMS Office	MSA & MFMA	August 2021
		Engagement with local Municipalities on the IDP Framework and IDP Process Plan during 1 st quarter IDP Managers' forum	Planning Unit	MSA	August 2021
		Planning of the next three year budget in accordance with co-ordination role of the budget process	Budget Office	MFMA	August 2021

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
2 Analysis	Serves as a point of departure in addressing and incorporating a developmental dimension in the IDP process. In this phase existing information is gathered and stakeholder information is received. This phase will inform the	Advertise the IDP/ Budget Process Plan 2022/23	Compliance Office	MSA	August 2021
		<ul style="list-style-type: none"> Publication of process plan on the FDDM website 			
		Begin with the Annual Report Preparation Process	PMS	MSA	August 2021
		Review and adoption of Budget related policies	Finance	MFMA	August 2021 – April 2022
		Desktop analysis of existing level of development through reports from local Municipalities (Situational Analysis)	Planning Unit	MSA	September 2021
		Confirmation and consolidation of status quo of projects and community needs (Needs Assessment report)	Planning Unit & Budget Office	MSA	September 2021
		Determine the funding/ revenue projections for the next three years	Budget Office	MFMA	September 2021
		Engagement with National & Provincial departments on the outcomes of the assessments	Planning Unit	MSA	September 2021

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
3 Strategies	This phase includes the involvement of specialists that can make valuable contributions in the formulation of alternative strategies to address priority issues. This phase includes the updating of national and provincial policy	with sector departments and other relevant stakeholders			
		Alignment workshop to evaluate information from PMS and Monitoring & Evaluation	Monitoring & Evaluation Unit	MSA	September 2021
		Conduct Public Participation	Planning & Budget Units	MSA	September 2021
		SDBIP 2021/2022 1st quarter reporting	Monitoring & Evaluation Unit		July – September 2021
		Preparation of the draft budget commences	Budget Office	MFMA	October 2021
		First quarter budget report submitted to Council			
		Strategic Planning Session	Office of the Municipal Manager & Planning Unit	MSA	December 2021
<ul style="list-style-type: none"> • Review of strategic objectives for service delivery and Development • Broad capital budget allocations • Development of the Vision & Mission of the District Municipality 					
Alignment of objectives with National & Provincial Imperatives (NDP, FSGDS & other relevant policies)				December 2021	

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
	priorities and a review of Key Performance Areas (KPA's). Objectives, Key Performance Indicators (KPIs) and targets as per 5 year IDP.	Preparation of the Draft Budget continues	Budget Office	MFMA	December 2021
		<ul style="list-style-type: none"> • Projects Identification (IDP Projects list) • Projects Costing • Confirmation of project lists from local Municipalities and alignment of projects with sector strategic plans, NDP, FSGDS, etc. 	Planning Unit, PM&PW Department & Budget Office		January 2022
		Finalise Annual Report			
		Tabling of the Mid-Year Performance Assessment Report to Council	Monitoring & Evaluation Unit	MSA	January 2022
		Submit second quarter budget report to Council Conduct Steering	Budget Office	MFMA	January 2022

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
		Submission of the Budget Return Forms to National and Provincial Treasuries	Compliance Office	MFMA	February 2022
		Conduct Steering Committee to present progress on the draft IDP	Planning Unit	MSA	February 2022
		Tabling of Adjustment Budget to Council	Budget Office	MFMA	February 2022
		As a result of Adjustment Budget, consider review of the SDBIP	Monitoring & Evaluation Unit	MSA/ MFMA	February 2022
		Publication of the Annual Report	Monitoring & Evaluation Unit	MSA	February 2022
4 Projects	This phase focuses on the identification of priority projects in line with community needs and agreed strategic priorities. Projects will be aligned and synchronised to the Division of Revenue Act 4 of 2020 (DoRA) allocations	<ul style="list-style-type: none"> Align and synchronise projects to the Division of Revenue Act 4 of 2020 (DoRA) allocations Review and update Capital Investment Plan (CIP) 	Planning Unit	MSA	April 2022

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
5 Integration	<p>and the Capital Investment Plan (CIP) will be reviewed and updated.</p> <p>This is a crucial stage in the process to ensure that the dimensions have been adequately taken into consideration. This includes the consolidation and integration of applicable sector plans, alignment of municipal and sector department programmes as well as deepening the alignment between the IDP and the Budget. In this phase project proposals are</p>	<p>Integration of programmes and projects of National & Provincial Departments</p>	<p>Planning Unit</p>	<p>MSA</p>	<p>April 2022</p>

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
	screened for compliance with localised principles and guidelines pertaining to the dimensions. This phase includes the following programmes/plans: Integrated Spatial Development Framework (SDF); Integrated Local Economic Development (LED) programme; etc.				
6 Approval	This phase entails the tabling of the draft IDP and Budget emanating from community consultations and public participations,	<p>Present Draft IDP & Draft Budget to Council for approval</p> <p>Advertise draft IDP and draft Budget for public Comment</p> <ul style="list-style-type: none"> Place draft IDP and draft Budget on FDDM website 	<p>Planning Unit and Budget Unit</p> <p>Compliance Office</p>	MSA & MFMA	<p>March 2022</p> <p>April 2022</p>

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
	followed by the approval by council of the final IDP and Budget.	Tabling of the Revised Service Delivery & Budget Implementation Plan to Council	Monitoring & Evaluation Unit	MSA & MFMA	March 2022
		Submission of an Oversight Report to Council for adoption	Monitoring & Evaluation Unit	MSA & MFMA	March 2022
		Submit to MEC for Co-operative Governance and Traditional Affairs, Provincial Treasury, National Treasury copies of approved Draft IDP, Draft Budget & Revised SDBIP	Compliance Office	MSA & MFMA	April 2022
		IDP & Budget Road Shows: <ul style="list-style-type: none"> Present summarised draft IDP & draft Budget IDP response to key issues raised by wards Highlight planned projects and programmes 	Planning Unit & Budget Office	MSA & MFMA	April 2022
	Third quarter Budget Report to Council	Updating and Amendment of IDP (engagements and inputs	Budget Office	MFMA	March 2022
			Planning Unit	MSA	

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
		from sector departments, National & Provincial departments)			April – May 2022
		Submission of Budget Return form to National & Provincial Treasury	Compliance Office	MFMA	April 2022
		Submission of Oversight Report to Provincial Legislature & Provincial Treasury	Monitoring & Evaluation Unit	MSA	April 2022
		Tabling or Submission of final IDP & Budget to Council for Adoption	Planning Unit & Budget Unit	MSA & MFMA	May 2022
		Advertisement of final IDP and final Budget and publication on FDDM website	Budget Office	MSA & MFMA	June 2022
		Tabling of the Draft 2022/23 SDBIP	Monitoring & Evaluation Unit		May 2022
		Approval of 2022/23 SDBIP by the Executive Mayor	Monitoring & Evaluation Unit	MSA & MFMA	June 2022
		Submit to MEC for Co-operative Governance and Traditional Affairs, Provincial Treasury, National Treasury	Compliance Office	MSA & MFMA	June 2022

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PHASE	DESCRIPTION	ACTIVITY	COORDINATING UNIT/DEPARTMENT	LEGISLATIVE REQUIREMENT	TIMEFRAME
		and place on FDDM web site the final IDP, final Budget and Approved SDBIP, within the prescribed timeframe			

5. Policy and legal requirements

In order to ensure certain minimum quality standards of the IDP process and proper co-ordination between and within the spheres of government, the preparation of the planning process is provided for in section 28 of the Municipal Systems Act 32 of 2000. It requires for the adoption of a "process set out in writing" by a municipality, which is purposed to guide the planning, drafting, adoption and review of the IDP.

Section 26 of the Municipal Systems Act 32 of 2000 highlights the following as the core components of the Integrated Development Plans.

An Integrated Development Plan must reflect the following:

- 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 or 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 a land use management system for the municipality; (f) the council's operational strategies;
- f) applicable disaster management plans;
- g) a financial plan, which must include a budget projection for at least the next three years; and
- h) the key performance indicators and performance targets

Section 28 of the MSA the following:

1. 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.

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2. The municipality must through appropriate mechanisms; processes consult the local community before adopting the process.
3. A municipality must give notice to the local community of particulars of the process it intends to follow.

Section 21 of Municipal Finance Management Act (MFMA) 56 of 2003 states the following with regard to the budget preparation process:

- (1) The mayor of the municipality must
 - (a) 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 manually 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. The annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act; and budget-related policies;
 - iii. The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and
 - iv. Any consultative processes forming part of the processes referred to in subsections (i), (ii), and (iii).