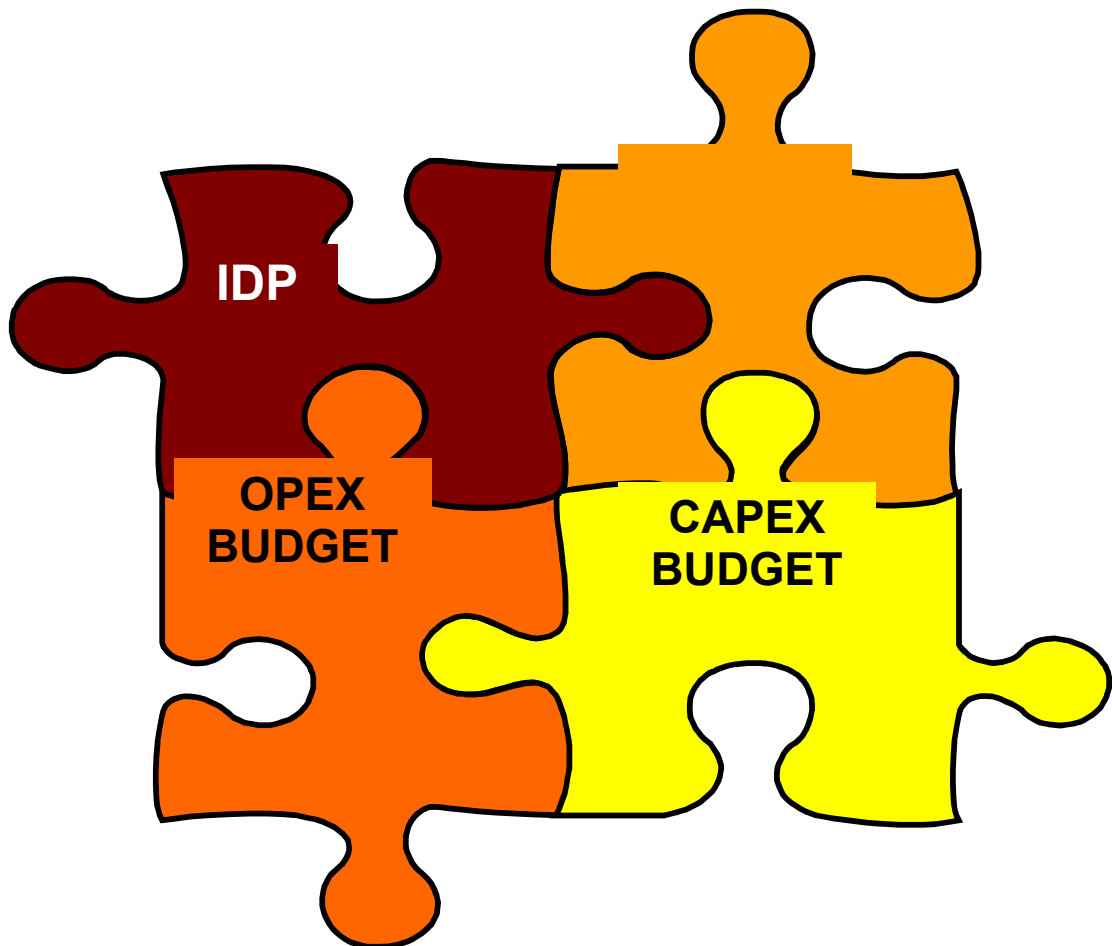




# Mogale City

*Local Municipality*

## 2010/2011 IDP/BUDGET PROCESS PLAN



AUGUST 2009

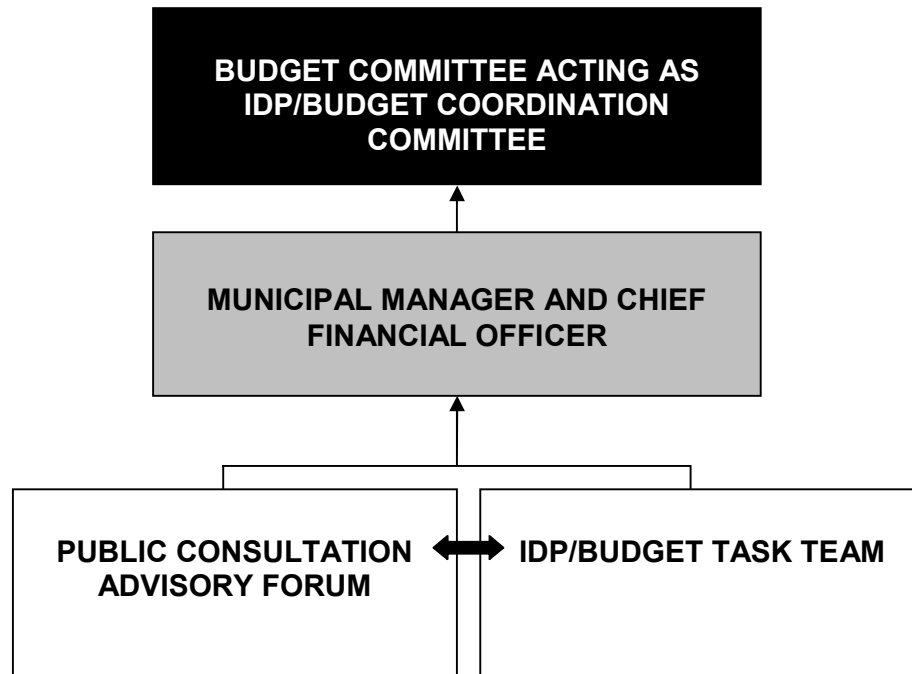
# INTRODUCTION

This guidance note sets out the process and timetable for the 2010/11 IDP/Budget/SDBIP process.

It covers the following:

- the corporate project management arrangements for the 2010/11 IDP/Budget process,
- time schedule of key deadlines,
- an explanation of the IDP and budget process for 2010/11,
- instructions for the strategic IDP/Budget workshops that will be scheduled throughout the process, and
- Details of what Departments need to do for the various stages of the IDP/Budget process.

# PROCESS MANAGEMENT ARRANGEMENTS



Under the MFMA (section 53) the Executive Mayor is responsible for co-ordinating the annual revision of the IDP and annual budget. The Municipal Manager must assist the Executive Mayor and provide him with administrative support, resources, and information.

The Executive Mayor has delegated his responsibilities for coordination of the process of the MFMA Project to the MMC for Finance who is the Chairperson of the Budget Committee. The roles of the Budget Committee (in its capacity as IDP/Budget/SDBIP Co-ordination Committee) are to:

- To recommend to Council the approval of the process and timescales to be followed.
- To monitor progress and take remedial action if things are not going according to the process plan.
- Agree to the formats of the IDP, Budget Report, and SDBIP (taking into account the requirements of the MFMA).
- Agree to the public consultation process to be followed for the IDP and budget proposals.
- Provide political and senior management oversight on the IDP/Budget process plan implementation and proposals emerging from the process.

The Budget Committee comprises: the MMC Finance (chair), MMC Governance, MMC Infrastructure, MMC Public Safety, MMC LED, MMC Social Services, MMC Housing, MMC Health, MMC Sports, Arts, Culture & Recreation and MMC Environmental Management, Executive Manager: Political Office, Public Participation Co-ordinator, Municipal Manager, Chief Financial Officer, Chief Operating Officer, Executive Manager: Infrastructure, Executive Manager: Environmental service ,Executive Manager: Corporate Support Services, Executive Manager: Economic Services, Manager: IDP, Manager : Budget & Treasury and Budget Specialist . The Executive Mayor receives the agendas and papers and has an open invitation to the meeting.

A Public Consultation Advisory Forum was established to drive forward the consultation exercises required on the IDP and budget proposals. This Forum is chaired by the Speaker and comprise of officials from the IDP and Budget offices as well as from Marketing & Communication.

In addition to the above process management arrangements, an IDP / Budget Task Team was established to manage all the operational and administrative aspects of the IDP / Budget Process Plan, including scrutinising the capital project proposals from Departments in order to assess whether:

- The proposal is actually capital expenditure rather than operational expenditure.
- The capital estimate is robust /accurate.
- There are operational budget implications of including the project in the capital budget.
- There are implications for other Departments/services of including the project in the capital budget.
- The capital project proposal is in line with IDP priorities.
- The proposed project plan to be included in the SDBIP is deliverable.
- The cash flow forecast is robust.

The IDP / Budget Task Team will be comprised by: CFO (Chair), COO, Executive Manager: Political Support Services, Manager: IDP, Manager: Budget & Treasury, Manager: Marketing & Communication, Treasury Specialist, IDP Specialist, Marketing/Communication Specialist, representative from the Speaker's Office, representative from the Asset Management Unit, representative from each of the six Departments. The Task Team will co-opt any other relevant official as the need arise.

## TIME SCHEDULE OF KEY DEADLINES FOR THE 2010/11 IDP/BUDGET PROCESS

<b>28<sup>th</sup> August</b>	<ul style="list-style-type: none"> <li>• The Executive Mayor tables at Council for approval the IDP and Budget Process Plan in terms of Section 21 of the Municipal Systems Act and Section 34 of the Municipal Finance Management Act.</li> <li>• Distribution of the Council approved IDP and Budget Process Plan to all relevant stakeholders.</li> </ul>
<b>September</b>	<p>Strategic Planning Session to review the current strategic plan of the Municipality, review of past service delivery performance and determine future multiyear political priorities, KPAs, KPIs and Programmes.</p> <p>The Budget Office prepares an initial Medium Term Financial Forecast (MTFF) and indicates the likely level of resources to be available.</p>
<b>October</b>	<p>Public Consultation Process with the community, and other key stakeholders on service delivery performance for the prior year and current year-to-date. Share information on the political priorities and programmes planned for the year/s ahead. Confirmation of ward based priority needs for the year/s ahead.</p>
<b>November</b>	<p>Compile report on the needs for the year/s ahead obtained from the community and other key stakeholders.</p> <p>Prioritisation process of community needs and projects.</p> <p>Executive Managers complete the stage 1 IDP/Budget/SDBIP process input forms (IDP changes, capital project proposals, and operational budget growth requests).</p>
<b>December</b>	<p>Second Strategic IDP/Budget Workshop for Mayoral Committee members and Senior Management Team: outcomes</p> <ul style="list-style-type: none"> <li>• IDP proposals and Budget alignment</li> <li>• Agreement of any changes the Executive Mayor should propose to the IDP for 2010/11.</li> <li>• Agreement on the Executive Mayor's initial capital and operational budget proposals for 2010/11.</li> <li>• Agreement on the Executive Mayor's initial proposals on tariffs and taxes for 2010/11.</li> <li>• Review of the draft mid-year performance and budget monitoring reports.</li> </ul>

	<ul style="list-style-type: none"> <li>• Agreement of the draft 2010/11 Adjustments Budget Report to be tabled at Council (if required).</li> </ul> <p>Finalise the review of the Municipal Situational Analysis Chapter (Chapter 2) of the IDP.</p> <p>Finalise the Municipal Strategies Chapter (Chapter 3) of the IDP.</p> <p>Finalise the Projects Chapter (Chapter 4) of the IDP.</p>
<b>January</b>	<p>The Executive Mayor tables at Council:</p> <ul style="list-style-type: none"> <li>• the 2009/10 mid-year performance and budget assessment reports</li> <li>• The 2009/10 Adjustments Budget Report, if one is required.</li> <li>• The 2008/09 Annual Report</li> </ul>
<b>February</b>	<p>Executive Managers complete their stage 2 IDP/budget /SDBIP process input forms.</p> <p>Executive Management Team meets to:</p> <ul style="list-style-type: none"> <li>• prepare for the 3<sup>rd</sup> Strategic IDP/Budget/SDBIP Workshop</li> <li>• discuss the draft 2010/2011 IDP inputs</li> <li>• discuss the 2010/2011 budget proposals</li> </ul> <p>Finalise the Financial Framework Chapter (Chapter 5) of the IDP</p> <p>Finalise the Sector Plans Chapter (Chapter 6) of the IDP</p>
<b>March</b>	<p>Third Strategic IDP/Budget Workshop for Mayoral Committee members and Senior Management Team: outcomes</p> <ul style="list-style-type: none"> <li>• Agreement of the proposed changes to be made to the IDP to be included in the March Council Report.</li> <li>• Agreement of the 2010/11 budget proposals to be included in the March Council Budget Report.</li> </ul> <p>The IDP, Budget Report, and draft SDBIP tabled at all relevant Portfolio Committees and Mayoral Committee prior to tabling at Council.</p> <p>The Executive Mayor tables the Municipality's Draft 2010/11 Budget Report and IDP at Council.</p>

<p><b>April</b></p>	<p>Statutory public participation process undertaken on the tabled Draft IDP and Budget for 2010/2011. Council obtains the views of the local community, National Treasury, Provincial Treasury, other district, provincial and national organs of state and municipalities.</p> <p>Compilation of the Draft 2010/2011 SDBIP.</p>
<p><b>May</b></p>	<p>A report on the representations arising from the statutory consultation exercise is written.</p> <p>Fourth Strategic IDP/Budget Workshop for Mayoral Committee members and Senior Management Team: outcome</p> <ul style="list-style-type: none"> <li>• To decide whether Council needs to be asked to make changes to the IDP/Budget Report tabled in March to incorporate representations from the community and other stakeholders, and for other reasons unforeseen in March.</li> </ul> <p>The IDP, Budget Report, and draft SDBIP tabled at all relevant Portfolio Committees and Mayoral Committee prior to tabling at Council.</p> <p>The Executive Mayor tables the Municipality's 2010/11 Budget Report, IDP, and draft SDBIP at Council for final approval.</p>
<p><b>June</b></p>	<p>The IDP and Budget Reports are placed on the municipality's website and sent to National and Provincial Treasuries.</p> <p>The Executive Mayor must agree and approve the 2010/2011 SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with section 57(2) of the Municipal Systems Act. The Executive Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The Executive Mayor submits the approved 2010/2011 SDBIP and performance agreements to Council, MEC for local government, and makes it public within 14 days after approval.</p>