

IDP/BUDGET PROCESS PLAN 2019/2020

MAGARENG



MUNICIPAL

2019/2020

MAGRIETA PRINSLO STREET WARRENTON 8530

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1. Introduction

In terms of Section 25 of the Municipal Systems Act (MSA) 2000, all municipalities have to undertake an Integrated Development Planning Process. The Integrated Development Plan is a legislative requirement. It has a legal status which supersedes all other plans that guide development at local government level.

The Municipal Systems Act, No 32 of 2000 and the Municipal Finance Management Act No. 56 of 2003 confer the responsibility on the Mayor to provide political guidance over the budget process; and the priorities that must guide the preparation of the annual budgets. In terms of section 53 of the Municipal Finance Management Act the Mayor must also coordinate the annual revision of the Integrated Development Plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget and determine how the integrated development plan is to be taken into account or revised for the purpose of the budget.

Magareng Local Municipality is in the process of developing the 2nd IDP Review, for the financial year 2019/2020. This plan will be adopted by the Council on the first Council meeting starting in July 2019/2020 financial year, as guided by Section 28 of the Municipal Systems Act 32 of 2000. Integrated Development Plans are not developed to inform the municipalities only, but are supposed also to guide the activities of any agency, all spheres of government, NGOs and CBOs, private sector, SOEs and any other interested entity within and outside the municipal area.

2. IDP Review

The annual IDP review process relate to assessing the municipality's performance against organisation objectives as well as the progress on the implementation of the IDP; as guided by section 34 of the Municipal Systems Act. An IDP is reviewed in the light of changing internal and external circumstances that impact on the priority issues, objectives, strategies, projects and programmes of the IDP. The annual revision of the IDP must inform the municipality's financial and institutional planning and most importantly, the drafting of the annual budget.

An IDP is therefore be reviewed in order:

- To ensure its relevance to the Municipal strategic plans
- To inform other components of the municipal business process, including institutional and financial planning and budgeting.
- To inform the cyclical intergovernmental planning and budgeting cycles
- To reflect the impact of successes as well as corrective measures to address challenges.

2.1. The Annual budget

The annual budget and the IDP processes are linked to one another, something that has been formalized through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and 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.
 - c) The tabling and adoption of any amendments to the integrated development plan and the budget related policies; and
 - d) The consultative processes forming part of the process referred to in subparagraphs (i),(ii)and(iii).

This document constitutes the process plan for the 2019/2020 IDP review 2017 and 2019/2020-2021/2022 budget formulation for the Magareng Local Municipality and essentially fulfils the function the planning, drafting and adoption of the IDP Review and Budget; outlining the process to be followed in a simple and transparent manner; what should happen, when, by whom?

2.2 The process plan Development Approach

In order to ensure certain minimum quality standards of the IDP Development process, and a proper coordination between and within spheres of government, the preparation of the Process Plan has been regulated in the Municipal Systems Act. The preparation of a Process Plan, which is in essence the IDP Development Process set in writing, requires adoption by Council. This plan has to include the following:

- A programme specifying the time frames for the different planning steps; and
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process.

3. Institutional arrangements

This section outlines the internal processes and arrangements by Magareng Local Municipality. Before the development process commences, it is important that certain institutional arrangements be put in place to ensure that the process is managed well.

3.1 Steering Committee

The IDP Steering committee of Magareng Local Municipality comprises of the Municipal Manager and Section 56, IDP Manager and Middle Managers, administrative assistants in the IDP Unit, Alfred District Municipality and Provincial Sector Departments. It is essentially made up of the stakeholders who are “providers “of services to the communities. The IDP STEERING committee thus forms a critical structure in the IDP Process. For the 2019/2020 process; the steering committee Meetings will be held in conjunction with the Inter-Governmental Relations (IGR) forum meetings. Both structure require the more or less, the same stakeholders. This arrangement has been put in place to encourage full participation of sector departments in the IDP process. The Steering Committee will perform amongst the following activities which guide as terms of reference for the functioning of the committee: meeting is scheduled to sit Quarterly.

IDP Steering Committee	Current Role	Envisaged Role
	<p>Responsible for the establishment of the IDP Representative Forum by:</p> <ul style="list-style-type: none"> • Defining TOR and criteria for members of the IDP Representative Forum • Informing the public (issue an advertisement) about the establishment of the IDP Representative Forum and request submission of applications from stakeholders/ community groups (organized and unorganized) indicating goals, objectives, activities, numbers, and constitution. • Processes, summarizes and documents outputs of the IDP • Makes content recommendations. • Prepares, facilitates and documents IDP steering committee meetings in the form of minutes for compliance with legislation. • Develop the programme for Consultation process of Communities and any other stakeholders. 	<ul style="list-style-type: none"> • Facilitate the development of the IDP • Facilitate the filling of identified gaps • Approve nominated persons to be in charge of different roles, activities of the process of preparing draft and the final document (IDP)

3.2 IDP Representative Forum

The IDP Representative Forum (RF) for Magareng Local Municipality will be established through a process where all interested and affected stakeholders will be invited to participate in the IDP development process. The approach will ensure that all stakeholders within Magareng local municipality and within the district municipalities are fully represented in the IDP Representative Forum.

The Rep Forum must also have full representatives from all Spheres of Government with emphasis on Provincial Government Departments and those sector departments located within the district and also government SOE such as Eskom, Telkom and Government Agencies such as ECDC, ECATU, SALGA, ANDA etc. The Rep Forum is reviewed on an annual basis to ensure that it is continuously effective to ensure sustainable planning and service delivery within the Municipality.

The Invitation will be publicized on the local newspapers, on the notice boards, or in the local community radio to inform community members of the IDP Preparation and further invitation of interested parties to form part of the Representative Forum to ensure wider representation and the need for continued participation in the IDP process through the Representative Forum to ensure that the final IDP is reflective and inclusive of all needs and programmes of all parties.

The IDP Representative forum will therefore work in terms of the Terms of Reference; in terms of section 15 of the Local Government: Municipal planning and performance regulations (NO.796, 24 August 2001). The terms of reference will be adopted by council in July.

The forum shall include the following representatives (but not limited to these):

- Members of the executive committee of the council
- Ward Councillors including district councillors
- Traditional leaders
- Ward committee representatives from the IDP and LED sector
- Ward support assistants
- Community development workers
- Heads of departments and senior officials from municipal and government department
- representatives from organised stakeholder groups
- People who fight for the rights of unorganised groups – e.g. A gender activist
- Resource people or advisors
- Community representatives (e.g. youth forums)

The purpose of this forum is to:

- ☐ Provide an opportunity for stakeholders to represent the interests of their constituencies.
- ☐ Provide a structure for discussion, negotiations and joint decision making
- ☐ Ensure proper communication between all stakeholders and the municipality
- ☐ Monitor the planning and implementation process

The IDP Representative forum will therefore work in terms of the Terms of Reference; in terms of section 15 of the Local Government: Municipal planning and performance regulations (NO.796, 24 August 2001). The terms of reference will be adopted by council in July. These ToR's will provides details on:

- ☐ Meetings – frequency and attendance
- ☐ Agenda, facilitation and recording of proceedings
- ☐ Understanding the role of various stakeholders as representatives of their constituencies
- ☐ How feedback to constituencies will take place
- ☐ Required majority for decisions to be taken
- ☐ How disputes will be resolved

☐

For the 2019/2020 IDP review process; the IDP representative forum is scheduled to sit four (4) times.

3.3 IDP /Budget Community Outreach

In accordance with chapter four (4) and section 29 of the Municipal Systems Act 32 of 2000, the municipality is required to follow the appropriate mechanisms of involving the community in its processes of developing an IDP.

For the 2019/2020 IDP and Budget Processes; MLM will conducts two (2) community outreaches

- The first being the IDP community outreach; which is held during the situational analysis phase of the IDP. This outreaches focuses on the needs analysis.
- The second outreach is the Budget outreach, which is held upon the tabling of the draft Budget. This outreach focuses on giving the communities the opportunity to comment of the draft budget before adoption.

1. Roles and Responsibilities of structures

The roles and responsibilities during the IDP and Budget development process are outlined below as follows:

ROLE PLAYER	ROLE RESPONSIBILITIES
Municipal Council	<ul style="list-style-type: none"> ➤ Consider and approve the IDP ➤ Consider and approve the Budget
Mayor	<ul style="list-style-type: none"> ➤ Responsible for the overall management, co-ordination and monitoring of the process and drafting of the IDP ➤ Assign and delegate responsibilities in this regard to the municipal manager ➤ Submit the IDP to council for adoption
Ward Councillors	<ul style="list-style-type: none"> ➤ Form a link between the municipal government and the residents. ➤ Link the IDP process to their constituencies and/or wards. ➤ Assist in organising public consultation and participation (with particular reference to the functioning of ward committees). ➤ Monitor the implementation of the IDP with respect to their particular wards
Municipal Manager	<ul style="list-style-type: none"> ➤ Prepare the IDP Process Plan. ➤ Undertake the day to day management and co-ordination of the IDP process ➤ Ensure that all relevant actors are appropriately

	<p>involved and timeously informed</p> <ul style="list-style-type: none"> ➤ Nominate persons in charge of different roles ➤ Ensure that the IDP process is participatory, strategic and implementation orientated and is aligned with and satisfies sector is aligned with and satisfies sector planning requirements ➤ Respond to comments on the draft IDP ➤ Ensure proper IDP documentation ➤ Adjust the IDP in accordance with the proposals of the Provincial Minister of Local Government
IDP Manager	<ul style="list-style-type: none"> ➤ Offers strategic guidance and management to the IDP development process ➤ Ensures alignment and compliance with the legislative framework, IDP guidelines and Sector Departments ➤ Ensures that all relevant stakeholders are appropriately involved. ➤ Ensures that the planning process is participatory, strategic and implementation oriented and is aligned with and satisfies sector-planning requirements.

3. Mechanism for Community and Stakeholder Participation

Chapter 4 Section 16(1) of the Municipal Systems Act 32 of 2000 as stipulates that municipalities must develop a culture of municipal governance that compliments formal representative government with a system of participatory governance that encourages and create conditions for the local community to participate in the affairs of the municipality. This includes involvement of communities in the following:

- (a) The preparation, implementation and review of the Municipal Integrated Development Plan in terms of Chapter 5 of Municipal Systems Act as amended;
- (b) The establishment, implementation and review of the Municipal Performance Management System in Terms of Chapter 6 of the Municipal Systems Act as amended;
- (c) The monitoring and review of the municipal performance including the outcomes and impact of such performance;
- (d) The preparation of the municipal budget; and
- (e) Strategic decisions relating to the provision of municipal services in terms of Chapter 8 of the Municipal Systems Act 32 of 2000
- (f) Identification of Key Performance indicators.

Municipalities and other government departments have a constitutional mandate to encourage the involvement and participation of community organizations in the matters of local government.

For the 2019/2020 processes, MLM will adopt the following mechanisms for participation:

a) IDP Representative Forum

This forum will represent all stakeholders and will be as inclusive as possible. Efforts will be made to bring additional organisations into the RF and ensure their continued participation throughout the process.

b) Media

Local newspapers and Information brochures will be used to inform the community about of the progress of the planning phase.

The following methods will be used for advertising IDP processes.

- (a) Newspaper: local newspapers.
- (b) Municipal news letter
- (c) Lifts and Pamphlets
- (d) Notices at public institutions (libraries, schools, churches, municipal offices etc.)
- (e) Community radio

5. PROCEDURES/ PROCESSES FOR PARTICIPATION

5.1 Representative Forum (RF)

The representative forum will sit four times. The first RF meeting will involve a presentation of the Process Plan. It will also capture the progress made in terms of projects since the approval of the IDPs.

5.2 Council Approval

It is proposed that in a Council Meeting open to public, the Council adopts the Draft IDP documentation by end of the month of March each year. Council will also approve the various Sector Plans of the IDP on their completion. The Council in a meeting open to public will approve final IDP and Budget by end of May each year.

5.3 Newspapers

The adopted first Draft and Final IDP will be published in the local newspapers, notice boards, public facilities or community radio. All notice for outreaches and IDP representative forums will be published in local papers. The newspapers to be used are Fever newspaper and Pond news. These are available weekly and reach a wider demographic.

5.4 Information Sheets

At the completion of each of the Sector Plans, as well as the sections of the IDP, an information sheet will be prepared for update of all stakeholders. The members of the Representative Forum shall assist with distribution of these information sheets. The information sheets will cover an executive summary of the completed sector plan or phase of the IDP. This will ensure that communities are kept updated on the progress of IDP preparation.

6. Mechanism for Alignment

Both **horizontal and vertical alignments** will be ensured in the IDP process. The horizontal alignment will be between the district and Magareng Local municipality to ensure that planning activities and processes are coordinated and addressed jointly. Vertical alignment on the other hand will be between local government, the province and national governments as well as SOEs or service providers to ensure that the IDPs are in line with the national and provincial policies and strategies, so that it is considered for the allocation of departmental budgets and conditional grants.

To manage alignment, the Municipal Manager will play a major role in coordinating information from all clusters. The Municipal Manager will ensure that the alignment mechanisms are properly followed and that all clusters are fully functional. Existing intergovernmental structures including clusters should be utilized to ensure integrated planning and alignment.

Sector departments should also be involved in the IDP process from the first phase to ensure that their programmes and projects are included in the IDP document. Cluster meetings and IDP Rep Forum will be used as platforms for information sharing and progress reporting on all programmes planned and implemented in the local municipality. Sector Plans should also be prepared and reviewed in line with IDP development and review process and such plans should form the basis for initiating and guiding development within the municipality and further assist the municipalities in having credible IDPs. IDP review programmes or actions from the Provincial Departments, e.g. COGTA Should be aligned with the activities as reflected in the municipal process plans.

2019/2020 IDP & BUDGET PROCESS PLAN SCHEDULE OF MEETINGS

MONTH	ACTIVITY/TASK	RESPONSIBLE DEPARTMENT	TARGET DATE
July 2019	Section 71(MFMA) Reports	Budget and Treasury	12 July 2019
July 2019	MFMA Quarterly SCM Reporting	CFO/SCM	16 July 2019
July 2019	MTREF and Evaluation checklist	Mayor (S 53)	28 July 2019
August 2019	Annual Financial Statements 2018/2019	Finance Department	30 August 2019
August 2019	Annual Performance Report 2018/2019	IDP/PMS	30 August 2019
August 2019	IDP/Budget Process Plan 2019/2020	IDP/Budget and Treasury	30 August 2019
August 2019	Section 71(MFMA) Reports	Budget and Treasury	13 September 2019
September 2019	IDP Steering committee	IDP/BUDGET	13 September 2019
September 2019	Section 71 (MFMA) Reports	Budget and Treasury	13 October 2019
September 2019	Section 52(MFMA) Reports	Budget and Treasury	22 October 2019
October 2019	First Quarter Performance Report	IDP/PMS	15 October 2019
October 2019	Section 71(MFMA) Reports	Budget and Treasury	11 November 2019

November 2019	IDP/Budget Review Public Consultation Meeting(Ward 5)	IDP/MM/Mayor's office	12 November 2019
November 2019	IDP/Budget Public Consultation Meeting(Ward 1)	IDP/MM/Mayor's office	13 November 2019
November 2019	IDP/Budget Public Consultation Meeting(Ward 2)	IDP/MM/Mayor's office	14 November 2019
November 2019	IDP/Budget Public Consultation Meeting(Ward 3)	IDP/MM/Mayor's office	15 November 2019
November 2019	IDP/Budget Public Consultation Meeting(Ward 4)	IDP/MM/Mayor's office	15 November 2019
November 2019	Second quarter IDP Steering committee	IDP/Budget and Treasury	22 November 2019
November 2019	Strategic Planning 2018/2019	IDP/PMS	27, 28, 29 November 2019
November 2019	Section 71(MFMA) Reports	Budget and Treasury	13 December 2019
December 2019	Section 52 MFMA Report	Budget and Treasury	10 January 2019
December 2019	Section 71(MFMA) Reports	Budget and Treasury	10 January 2020
January 2020	Second Quarter Performance Report	IDP/PMS	15 January 2020
January 2020	Section 72 (MFMA) Report, Mid-Term Performance Review 2018/2019	IDP/Budget and Treasury	24 January 2020
January 2020	Annual Report 2017/2018	IDP/PMS	28 January 2020
January 2020	Section 71(MFMA) Report	Budget and Treasury	13 February 2020
February 2020	Section 52(MFMA) Report	Budget and Treasury	13 March 2020
March 2020	Third Quarter IDP Steering Committee	IDP/PMS	13 March 2020
March 2020	Section 52 (MFMA) Report	Budget and Treasury	15 March 2020
March 2020	Section 71(MFMA) Report	Budget and Treasury	12 March 2020
March 2020	Draft IDP and Budget 2019/2020	IDP/Budget and Treasury	31 March 2020
March 2020	Oversight Report	IDP/PMS	31 March 2020
April 2020	Advertisement of Draft IDP/Budget 2019/2020	IDP/Budget and Treasury	05 April 2020
April 2020	Submission of Draft IDP/Budget to sector departments	IDP/Budget and Treasury	06 April 2020
April 2020	Draft Budget/IDP Public Consultation Meeting (Ward 5)	Budget and Treasury/Mayor's Office	06 April 2020
April 2020	Draft Budget/IDP Public Consultation Meeting (Ward 1)	Budget and Treasury/Mayor's Office	07 April 2020
April 2020	Draft Budget/IDP Public	Budget and	08 April 2020

	Consultation Meeting(Ward 2)	Treasury/Mayor's Office	
April 2020	Draft Budget/IDP Public Consultation Meeting(Ward 3)	Budget and Treasury/Mayor's Office	09 April 2020
April 2020	Draft Budget/IDP Public Consultation Meeting(Ward 4)	Budget and Treasury/Mayor's Office	10 April 2020
April 2020	Section 52 (MFMA) Report	Budget and Treasury	16 April 2020
March 2020	Section 71(MFMA) Report	Budget and Treasury	17 April 2020
April 2020	Third Quarter Performance Report	IDP/PMS	17 April 2020
April 2020	Section 71(MFMA) Report	Budget and Treasury	12 May 2020
May 2020	IDP Representative Forum	IDP/Budget and Treasury/MM's Office	02 May 2019
May 2020	Final IDP/Budget 2019/2020 Adoption	IDP/Budget and Treasury	29 May 2020
June 2020	Advertisement of Final IDP/Budget 2019/2020	Budget and Treasury	03 June 2020
June 2019	Submissions of Final IDP/Budget to Sector departments	IDP/Budget and Treasury	05 June 2020
June 2019	Section 71(MFMA) Report	Budget and Treasury	12 June 2020
June 2019	Draft SDBIP	IDP/PMS/MAYOR/MM	15 June 2020
June 2019	Final SDBIP	IDP/PMS/MAYOR/MM	26 June 2020
June 2019	Section 71(MFMA) Report	Budget and Treasury	10 July 2020
June 2019	Section 52 (MFMA) Report	Budget and Treasury	15 July 2020

7. Monitoring

Monitoring in the context of IDP development refers to the gathering of data and the subsequent organizing of data into sets of information about certain actions/situations throughout the year.

The following three main bodies of information are important as input to the review process:

- ✓ Information about the achievement of objectives set in the IDP
- ✓ Information on the implementation of programmes and projects by all spheres of government through a series of indicators such as completion time frames, use of resources, etc.
- ✓ New or changed information such as:
 - Baseline data on demographics
 - New policy and legislation
 - Budget information from external sources and municipal budget reviews
 - New development and trends
 - Changes in the existing situation due to unexpected events such as natural disasters
 - New investment opportunities
 - Inputs from stakeholders

This information needs monitoring and recording throughout the year for consideration in the overall process. MLM has a responsibility to monitor the own Process Plan and to ensure that the District Framework is properly followed.

If deviation from the Framework process plan is experienced, the following procedure should be adhered to:

- ✓ Magareng Local Municipality will inform the District on deviations from the Action Plan that affect district-wide activities.
- ✓ The District Municipality have to be consulted and agree on the framework before it can be amended.
- ✓ The process plan will be tabled to council again for the amendments.

8. Binding legislation, policies, and planning requirements at National and Provincial Levels

The legislations and imperative, including provincial and national programmes should be taken into consideration in the process of developing/reviewing the IDPs.

9. Projects Identification

- Projects especially infrastructure related, should be informed by the available sector plans, namely Spatial Development Frameworks, Integrated Waste Management Plan, Disaster Management Plan, Water Service Development Plan, Sanitation Master Plan and Comprehensive Infrastructure Plan, Integrated Transport Plan etc.
- Projects must be informed by the ward based plans and inputs form community feedback sessions
- The Magareng Local Municipality's IDP unit will assist and guide line departments in project identification.
- The identified projects should also cater for vulnerable people, e.g. the youth, elderly, disabled and women. The projects must also address the issue of Expanded Public Works Programme in all sectors.
- Projects identification or allocation of resources should be in line with identified levels of service backlogs per municipality.
- Projects from sector department should also be informed by community issues and services backlogs as informed by Magareng Local Municipality.

10. Adoption of the IDP/Budget by the Council

The revised IDPs and Budget documents will be finally adopted by the municipal councils by the 31st of May each year.

11. Conclusion

The outlined Programme with timeframes, monitoring, alignment, binding legislations, policies and planning requirements as well as projects identification and amendment of framework will have to be followed by Magareng Local Municipality in the planning, drafting and adoption of the 2019/20 IDP Review and the 2019/20 -2021/22 Budget.

