

TIME SCHEDULE FOR THE 2022/23 IDP/ BUDGET PROCESS AND GUIDANCE ON THE NEW 5-YEAR IDP COMPILATION



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

SEPTEMBER 2021 – AUGUST 2022

**RESOLUTION 180/2021
26 August 2021**

REPORT FROM THE OFFICE OF THE MUNICIPAL MANAGER

STRATEGIC PLANNING AND ADMINISTRATIVE DIVISION

TIME SCHEDULE FOR THE 2022/23 IDP/ BUDGET PROCESS AND GUIDANCE ON THE NEW 5-YEAR IDP COMPILATION

1 PURPOSE

The purpose of this report is to present a Time Schedule to the Municipal Council in terms of section 21(1)(b) of the MFMA. A Time Schedule which outlines the key deadlines for the preparation, tabling and approval of the annual budget as well as any amendments to the IDP, must be adopted by **31 August 2021**.

Secondly, because the term of the 2017-2022 IDP comes to an end on 30 June 2022, it also sets out what the new council's post- election options are to be legally compliant in respect of an IDP from 1 July 2022.

The awkward timing and uncertainty relating to the local government elections means that in essence the current Council will be approving a process on behalf of the new Council which will need to be ratified by the new Council

2 BACKGROUND AND DISCUSSION

The term of the current IDP (2017-2022) comes to an end on 30 June 2022. The election of a new Municipal Council heralds the development of a new five- year Integrated Development Plan (IDP) that reflects the vision and strategic goals of the newly elected Council.

The date for the 2021 elections has been promulgated for 27 October 2021, but the IEC has applied to the Constitutional Court for a postponement. This means that despite promulgation there remains uncertainty.

Ideally if municipal elections had taken place in August there would have been adequate time to adopt a Process Plan and draft a credible IDP based on vibrant public participation input. It is theoretically possible to submit a new draft 5th Generation IDP to the newly elected council by March 2022 following an October election, however It is questionable as to what the quality of public input will be given that the bulk of the process cannot commence until the new Council has adopted its own Process Plan which is unlikely to be before December / January as it needs to align to a District Framework which must in turn be adopted by the new District Council which can only be constituted following the constitution of the local councils.

In view of the uncertainties on the date of the election, and the challenges associated with developing a new 5th generation IDP following an October 2021 or February 2022 election date this time schedule proposes the adoption of the 2017-2022 IDP by the new council for another year up the end of June 2023. The new Council can then commence with the compilation of its own IDP process in July 2022 to be tabled end of March 2023 and adopted end of May 2023. This will then be a four- year IDP. Should the election take place in February this is the only option available.

This approach is promoted by National and Provincial Government and was alluded to in MFMA circular 108 of 2021 which addressed transitional processes for the development and adoption of IDPs during the 2021 election year

"The 2020/21 municipal financial year represents the last year of the current municipal councils' electoral term. Therefore, the next municipal election to usher in new councils is expected to take place between August and November 2021 in terms of the Section 24 (2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).

It is acknowledged that the period within which the coming election's date is expected takes place after the start of a new financial year. This particular scenario poses a latent challenge in so far as adherence to legislated timeframes with regard to the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with.

In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming councils be unhappy with the priorities set out by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001)"

This time Schedule differs from the previous time schedules in that it includes the steps that the new council has to follow after elections to be legally compliant in respect of an IDP from 1 July 2022. Hence the added introductory section that explains the options available in terms of Section 25 of the Municipal Systems Act, Act 32 of 2000.

2 LEGISLATION

2.1 MFMA

Section 21 of the Municipal Finance Management Act, (MFMA) regulates the adoption of a Time Schedule and provides that "the mayor of a 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 mutually 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:*

- (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and*
- (bb) the 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 subparagraphs (i), (ii) and (iii)*

2.2 MUNICIPAL SYSTEMS ACT

The Municipal Systems Act (MSA) prescribes as follows in respect of the IDP Process.

Section 25 of the MSA

In terms of Section 25(1) of the Municipal Systems Act 32 of 2000 (MSA) each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality (Integrated Development Plan).

In terms of Section 25(2) an integrated development plan (IDP) adopted by a municipal council in terms of subsection (1) remains in force until an IDP is adopted by the next elected council.

In terms of Section 25 (3) (a) a newly elected municipal council may adopt the integrated development plan (IDP) of its predecessor, but the required process outlined in section 29 must be followed.

Section 28 of the MSA

- (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.*
- (2) *The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, 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 29 of the MSA

The process 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 timeframes 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 IDP; 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 matters that may be prescribed by regulation.*

Key to note is that the Process Plan adopted once by a new Council for the duration of the IDP whereas the Time Schedule must be approved by Council no later than 31 August of each year.

4 FINANCIAL IMPLICATIONS

The Budget is based on the IDP and the credibility of the IDP informs the budget

5 PERSONNEL IMPLICATIONS

None

6 COMMENTS BY THE DIRECTOR FINANCE AND IT

The Director Finance and IT and BTO Office were consulted during the compilation of this Time Schedule and are satisfied with it.

7 MANAGEMENT RECOMMENDATION

- i. That the Time Schedule of Key Deadlines for the 2022/23, 2023/24 and 2024/2025 Budget and 2022/23 Integrated Development Plan (IDP) review be approved in terms of Sections 21(1)(b) and 53(1)(b) of the Municipal Finance Management Act (Act 56 of 2003) read together with Sections 28 and 34 of the Local Government Municipal Systems Act (Act 32 of 2000) which proposes the adoption of the existing IDP by the new council (after elections) in terms of section 25(3) of the MSA.
- ii. That the proposed adoption of the existing IDP by the new council (after elections) in terms of section 25(3) of the MSA be presented to the incoming Council for approval
- iii. That the Time Schedule of Key Deadlines be made public in terms of Section 21 of the Local Government Municipal Systems Act (Act 32 of 2000).
- iv. That the current Process Plan be amended to accommodate the extension of the plan for 2022/2023 Financial Year.

RESOLUTION 180/2021

- (i) That the Time Schedule of Key Deadlines for the 2022/23, 2023/24 and 2024/2025 Budget and 2022/23 Integrated Development Plan (IDP) review be approved in terms of Sections 21(1)(b) and 53(1)(b) of the Municipal Finance Management Act (Act 56 of 2003) read together with Sections 28 and 34 of the Local Government Municipal Systems Act (Act 32 of 2000) which proposes the adoption of the existing IDP by the new council (after elections) in terms of section 25(3) of the MSA.
- (ii) That the proposed adoption of the existing IDP by the new council (after elections) in terms of section 25(3) of the MSA be presented to the incoming Council for approval

- (iii) That the Time Schedule of Key Deadlines be made public in terms of Section 21 of the Local Government Municipal Systems Act (Act 32 of 2000).
- (iv) That the current Process Plan be amended to accommodate the extension of the plan for 2022/2023 Financial Year.

TIME SCHEDULE FOR THE 2022/23 IDP/ BUDGET PROCESS AND GUIDANCE ON THE NEW 5-YEAR IDP COMPILATION

1. GENERAL LEGAL REQUIREMENTS RELEVANT TO THE IDP/BUDGET PROCESS

1.1 Municipal Systems Act, Section 25(1)

Each municipal council, within a prescribed period after the start of its elected term must adopt a single, inclusive and strategic plan for the development of the municipality.

1.2 Section 25(2)

Provides that an integrated development plan adopted by a municipal council may be reviewed / amended and remains in force until an integrated development plan is adopted by the newly elected Council.

1.3 Section 25(3)

Makes provision for a Council to adopt the IDP of the preceding Council, however it will still need to comply with Section 29, that is to say the local community must be consulted and to participate in the development of the plan.

1.4 Section 28 (1)

Requires each municipal council, to within a prescribed period after the start of its elected term, adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan. Adoption of said process must be preceded by community consultation. Furthermore, the process plan must align to a Framework approved by the District Municipality.

1.5 Section 29. (1)

Requires that the process followed by a municipality to draft its integrated development must provide opportunity for the local community to be consulted on its development needs and priorities and to participate in the development of the plan. It must furthermore allow for organs of state to be consulted and enable the identification of all plans and planning requirements in terms of national and provincial legislation.

1.6 Section 21 of the Municipal Finance Management Act, (MFMA)

Regulates the adoption of a Time Schedule and provides that "the *mayor of a 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 mutually 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:
 - (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and
 - (bb) the 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 subparagraphs (i), (ii) and (iii)

1.7 Section 34 of Municipal Systems Act

A municipal council –

- (a) Must review its Integrated Development Plan –
 - (i) Annually in accordance with an assessment of its performance measurements in terms of section 41; and
 - (ii) To the extent that changing circumstances so demand; and
- (b) May amend its integrated development plan in accordance with a prescribed process.

1.8 Municipal Planning and Performance Management Regulations, 2001, Regulation 3 - Process for amending IDP's

- (1) Only a member or committee of a municipal council may introduce a proposal for amending the municipality's integrated development plan in the council.
- (2) Any proposal for amending a municipality's IDP must be
 - (a) accompanied by a memorandum setting out the reasons for the proposal; and
 - (b) aligned with the framework adopted in terms of section 27 of the Act.
- (3) An amendment to a municipality's IDP is adopted by a decision taken by a municipal council in accordance with the rules and orders of the council.
- (4) No amendment to a municipality's IDP may be adopted by the municipal council unless
 - (a) all the members of the council have been given reasonable notice;
 - (b) the proposed amendment has been published for public comment for a period of at least 21 days in a manner that allows the public an opportunity to make representations with regard to the proposed amendment;
 - (c) *[district municipality]*; and
 - (d) the municipality, if it is a local municipality, has complied with sub regulation (6).
- (5) *[district municipality]*
- (6) A local municipality that considers an amendment to its IDP must
 - (a) consult the district municipality in whose area it falls on the proposed amendment; and
 - (b) take all comments submitted to it by the district municipality into account before it takes a final decision on the proposed amendment.

2. PROCESS TO BE FOLLOWED BY NEW COUNCIL TO ADOPT THEIR NEW IDP

2.1 Introduction

In terms of Section 25(1) of the Municipal Systems Act 32 of 2000 (MSA) each municipal council must, within a prescribed period after the start of its elected term, adopt an IDP (Integrated Development Plan).

In terms of Section 25(2) an integrated development plan (IDP) adopted by a municipal council in terms of subsection (1) remains in force until an IDP is adopted by the next elected council.

The IDP adopted by the newly elected council is a five-year social compact between council and stakeholders in the municipal area. It is therefore important to note that Section 29(b) of the MSA requires the newly elected council, in the process followed, to -

- consult the local community on its development needs and priorities;
- allow the local community to participate in the drafting of the IDP; and
- consult organs of state and other role players on the drafting of the IDP;

If the local government elections will take place in October 2021, there will not be sufficient time for the newly elected council to follow the complete IDP process as envisaged in Sections 25(1), 28 and 29 of the MSA.

2.2 Legal options available to the newly elected council

Prior to considering options an overview is given of the process under normal circumstances to explain the requisite timeframes.

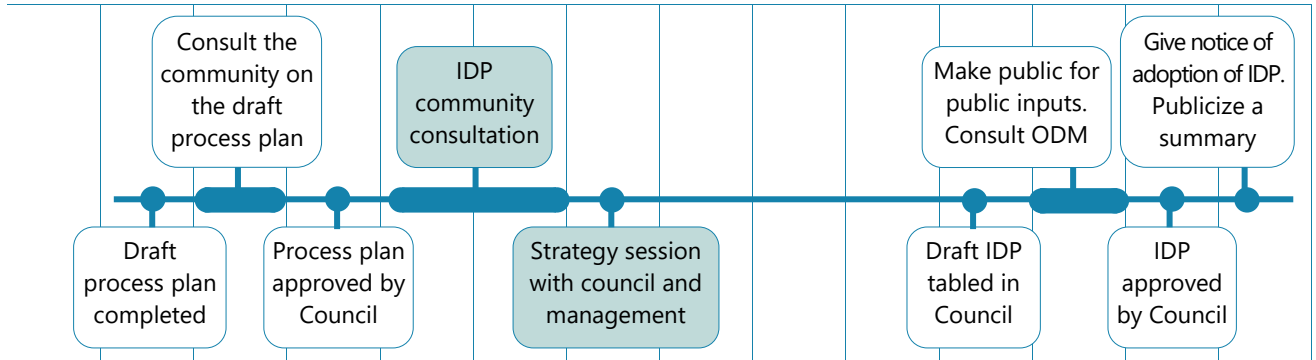
Process under normal circumstances (August election)

The newly elected council would have -

- adopted a process plan at the end of August 2021 to guide the planning, drafting, adoption and review of its IDP (Section 28 of the MSA);
- started with the full IDP compilation process in September 2021, including public participation (Section 29 of the MSA);
- tabled the draft IDP at a council meeting in March 2022; and
- adopted the IDP in May 2022.

Schematically this process would have been as follows:

2021								2022					
May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun



If the election is held on 27 October 2021, there are theoretically two possibilities;

OPTION 1: NEW FIVE YEAR 5TH GENERATION IDP (2022/23 - 2026/27)

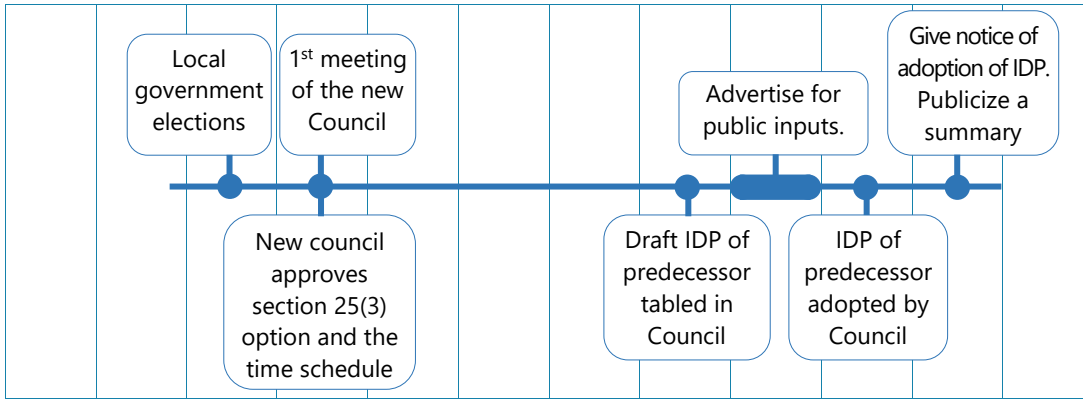
It is theoretically possible to submit a new draft 5th Generation IDP to the newly elected council by March 2022, however the time available for public participation will be very limited. New ward committees need to be elected within 90 days, meaning by the end of January 2022, although we are planning for November 2021. Commencement of the new IDP process is also dependent on the adoption of a process plan by the new Council (section 28 (1) of the MSA) that must align with a District Framework which must be adopted by the new District Council after consultation with the local B municipalities which will probably only take place in January. Lastly there is also the impact of Covid to consider and how different levels of lockdown and associated regulations may impact on both the ward committee establishment and public participation processes, especially given the possibility of a 4th wave.

From the above it is clear that an October election will leave the newly elected council with insufficient time to do a full new IDP in terms of Section 25(1) of the MSA.

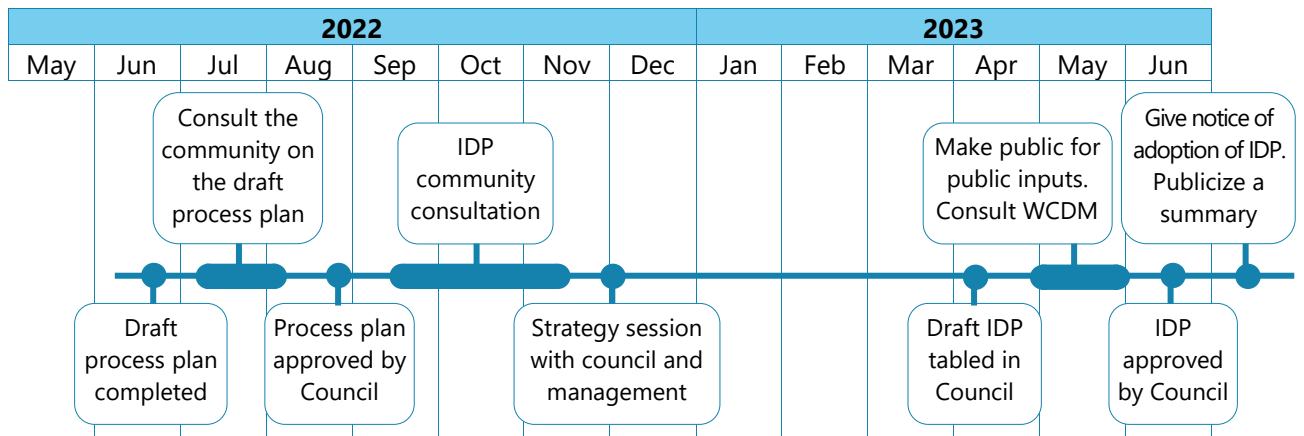
OPTION 2: ADOPTION OF 4th GENERATION IDP FOR (2022/23) AND DRAFT A NEW 5TH GENERATION IDP FOR 2023/24 - 2026/2027 DURING THE 2023/24 FINANCIAL YEAR

The MSA makes provision in terms of Section 25(3)(a) that a newly elected municipal council may adopt the IDP of its predecessor which, in terms of subsection (b), may be adopted with amendments. This much shorter process (shown in the diagram below) makes it possible for the IDP of the previous council to be tabled in March 2022 and adopted in May 2022.

2021					2022						
Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul



The newly elected council will then commence with the compilation of its new IDP in terms of Section 25(1) of the MSA in June 2022 for adoption in May 2023. The process is shown in the diagram below.



This adopted new IDP will take effect on 1 July 2023 and will be for a four-year term until the end of June 2027, which is the year following the next municipal elections in 2026.

The proposed Time Schedule

ACTIVITY	Date	Legal Reference
AUGUST 2021		
Approval of Time schedule - Current Council to approve Time Schedule for 2022/23 IDP and MTREF Budget	26 Aug	MFMA Section 21 <i>The mayor of a municipality must—</i> (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 mutually 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— (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and

ACTIVITY	Date	Legal Reference
		<p><i>(bb) the budget-related policies;</i> <i>(iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and</i> <i>(iv) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).</i></p>
<ul style="list-style-type: none"> - Publicise Time Schedule and submit to relevant Organs of State - Advertisements to be placed on the website and Social Media. 	31 Aug	<p>MSA Section 29(1)(b): <i>The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for-</i></p> <ul style="list-style-type: none"> <i>i. the local community to be consulted on its development needs and priorities;</i> <i>ii. the local community to participate in the drafting of the integrated development plan; and</i> <i>iii. organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan.</i>
AUGUST 2021		
<p>AFS and Annual Performance Report</p> <ul style="list-style-type: none"> - Submit annual financial statements and annual performance report to the Auditor-General for auditing (within two months after the end of the financial year) 	31 Aug	<p>MFMA Section 126(1)(a): <i>The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing</i></p> <p>MSA Section 46 (1): <i>A municipality must prepare for each financial year a performance report reflecting the performance of the municipality and of each external service provider during that financial year; a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and measures taken to improve performance</i></p>
SEPTEMBER 2021		
<p>Provincial IDP Managers engagement</p> <ul style="list-style-type: none"> - Engagements between DLG, Districts and local municipalities 	9-10 Sept	<p><i>IDP coordinators engagement to ensure integration and continuity.</i></p>
<p>District IDP Managers engagement</p> <ul style="list-style-type: none"> - Meeting between District municipality and Local municipalities within the Overberg District 	By 30 Sept	<p><i>IDP coordinators engagement to ensure integration and continuity.</i></p>
<p>Public participation</p> <ul style="list-style-type: none"> - Review of municipal needs as well as needs falling within functional mandate of other organs of state for submission to them: - <i>Virtual public feedback meeting explaining the new IDP process because of the uncertainty of local election date.</i> 	01-30 Sept	<p>MSA Section 34 <i>A municipal council—</i> <i>(a) must review its integrated development plan—</i> <i>(i) annually in accordance with an assessment of its performance measurements in terms of section 4 and</i> <i>(ii) to the extent that changing circumstances so demand</i></p>

ACTIVITY	Date	Legal Reference
OCTOBER 2021		
Commence with multi-year budget process	By 15 Oct	
Local Government Elections	27 Oct	<i>Date subject to change following the outcome of the court decision regarding postponement to Feb 2022</i>
Analysis <ul style="list-style-type: none"> - Internal Analysis <ul style="list-style-type: none"> ▪ Critical issues / challenges with respect to every service ▪ Minimum service levels ▪ Institutional ▪ Financial ▪ Performance - External analysis <ul style="list-style-type: none"> ▪ Data collation and analysis (StatsSA data etc.) 	1-31 Oct	<i>Prepare an assessment of current situation in Cape Agulhas, current community needs, master plans, etc. to present to newly elected council after elections.</i>
Prioritization of existing community needs <ul style="list-style-type: none"> - If the election is February 2022, the existing ward committee will prioritise the existing community needs for budget purposes 	By 31 Oct	<i>Date subject to change following the outcome of the court decision regarding postponement to Feb 2022</i>
NOVEMBER 2021		
Senior Management Discussion <ul style="list-style-type: none"> - Review sector plans, financial position, existing community needs and other relevant data to identify critical institutional priorities for discussion at Council Strategy Workshop. (Municipal Manager and Directors) - Review existing community needs for inclusion in the budget 	By 12 Nov	
Adjustment budget for current year <ul style="list-style-type: none"> - BTO Office to send out current year adjustment budget preparation documents to Directorates for completion 	By 12 Nov	MFMA Section 28 (1) <i>A municipality may revise an approved annual budget through an adjustments budget.</i>
Council Strategy Workshop <ul style="list-style-type: none"> - Review institutional and community priorities, past performance and changing circumstances with due cognisance of a financial assessment, strategic risks, community needs and other relevant information. (Councillors, Municipal Manager, Directors) 	15 -19 Nov	<i>Providing the Lockdown is lifted as planned, the workshop will commence as usual. If not, the workshop will commence in the form of a virtual meeting.</i>
Directorate Strategy Workshops <ul style="list-style-type: none"> - Innovate and suggest solutions that contribute to the Strategic Goal(s) applicable to each Directorate 	By 26 Nov	<i>Providing the Lockdown is lifted as planned, the workshop will commence as usual. If not, the workshop will commence in the form of a virtual meeting.</i>

ACTIVITY	Date	Legal Reference
<ul style="list-style-type: none"> - Prepare departmental operational plans and identify KPI's aligned to strategic goals with due cognisance of inputs from other stakeholders including government and bulk service providers (and NER). (Directors, Managers and other key staff designated by the Director) 		
<p>New Budget preparation</p> <ul style="list-style-type: none"> - BTO office to send out MSCOA compliant budget preparation documents to Directorates for completion (MTREF) <ul style="list-style-type: none"> o Capital o Operational o Policies o Tariffs 	<p>By 26 Nov</p>	<p>MFMA Section 21 (1): <i>The mayor of a municipality must—</i> <i>(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 mutually consistent and credible</i></p>
<p>Audit Report</p> <ul style="list-style-type: none"> - Receive audit report on annual financial statements from the Auditor-General 	<p>By 30 Nov</p>	<p>MFMA Section 126(3): <i>The Auditor-General must-</i> <i>(a) audit those financial statements; and</i> <i>(b) submit an audit report on those statements to the accounting officer of the municipality or entity within three months of receipt of the statements.</i></p>
<p>Long term financial plan</p> <ul style="list-style-type: none"> - Review the Long-term Financial Plan 	<p>By 30 Nov</p>	<p>MSA Section 26(h): <i>An integrated development plan must reflect a financial plan, which must include a budget projection for at least the next three years.</i></p>
<p>Newly elected council considers and confirms following the section 25(3) option and condoning this Time schedule approved by previous council</p>	<p>By 30 Nov</p>	<p>MSA, section 25(3)</p>
<p>Establishment of newly elected ward committee</p> <ul style="list-style-type: none"> - If the election is 27 October 2021, the new ward committee will be established by end November 2021 	<p>By 30 Nov</p>	<p><i>Date subject to change following the outcome of the court decision regarding postponement to Feb 2022</i></p>
DECEMBER 2021		
<p>Prioritization of existing community needs</p> <ul style="list-style-type: none"> - If the election is 27 October 2021, the newly elected ward committee will prioritise the existing community needs for budget purposes 	<p>Week 1</p>	<p><i>Date subject to change following the outcome of the court decision regarding postponement to Feb 2022</i></p>
<p>Provincial IDP Managers engagement</p> <ul style="list-style-type: none"> - Engagements between DLG, Districts and local municipalities 	<p>2-3 Dec</p>	<p><i>IDP coordinators engagement to ensure integration and continuity.</i></p>
<p>Management budget workshop</p>	<p>Week 2</p>	

ACTIVITY	Date	Legal Reference
<ul style="list-style-type: none"> - Directorates to submit proposed current year SDBIP amendments to Strategic Services 		
Adjustment budget <ul style="list-style-type: none"> - Submit adjustment budget to Council 	31 Jan	MFMA Section 28. <i>(1) A municipality may revise an approved annual budget through an adjustments budget.</i>
SDBIP amendments <ul style="list-style-type: none"> - Submit SDBIP amendments to Council 	31 Jan	MFMA Section 54. <i>(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must—</i> <i>(c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;</i>
FEBRUARY 2022		
Budget Steering Committee 1: <ul style="list-style-type: none"> - Consider budgetary guidelines, circulars and internal parameters 	By 8 Feb	
New Budget Departmental work sessions <ul style="list-style-type: none"> - BTO to convene work sessions with individual Departments 	1-11 Feb	
Oversight report <ul style="list-style-type: none"> - Submit the Oversight Report to Council (within 2 months of tabling of the draft Annual Report) 	By 13 Feb	MFMA Section 129. <i>(1) The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council—</i> <i>(a) has approved the annual report with or without reservations;</i> <i>(b) has rejected the annual report; or</i> <i>(c) has referred the annual report back for revision of those components that can be revised.</i>
New Budget <ul style="list-style-type: none"> - BTO to Finalise first draft of the capital and operating budget and budget related policies 	By 28 Feb	
Transfers <ul style="list-style-type: none"> - Receive notification of any transfers that will be made to the municipality from other municipalities in each of the next three financial years (by no later than 120 days before the start of its budget year) 	By 28 Feb	MFMA Section 37(2): <i>In order to enable municipalities to include allocations from other municipalities in their budgets and to plan effectively for the spending of such allocations, the accounting officer of a municipality responsible for the transfer of any allocation to another municipality must, by no later than 120 days before the start of its budget year, notify the receiving municipality of the projected amount of any allocation proposed to be transferred to that municipality during each of the next 3 financial years.</i>

ACTIVITY	Date	Legal Reference
MARCH 2022		
Provincial IDP Managers engagement Engagements between DLG, Districts and local municipalities	3-4 Mar	<i>IDP coordinators engagement to ensure integration and continuity.</i>
Council Budget workshop - Directorates to present their operational plans and associated budgets to Council for input	Week1	
Budget Steering Committee 2: - Submit draft Budget and IDP Review to Budget Steering Committee	Week 2/3	
Table Draft IDP review and Budget (Including Top Layer SDBIP) - Table draft IDP of predecessor and budget (including SDBIP) to Council	31 Mar	MFMA Section 16: <i>(1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.</i> <i>(2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.</i>
District IDP Managers engagement - Meeting between District municipality and Local municipalities within the Overberg District	By 31 Mar	<i>IDP coordinators engagement – District provide feedback to local municipalities</i>
APRIL 2022		
Publicize draft Budget including SDBIP - Make public the draft budget (including Top Layer SDBIP) and invite the community to submit representations (Advertisements to be placed on the website and social media as well as local newspapers).	7 Apr	MFMA Section 22: <i>Immediately after an annual budget is tabled in a municipal council, the accounting officer of the municipality must</i> <i>(a) in accordance with Chapter 4 of the Municipal Systems Act -</i> <i>(i) Make public the annual budget and the documents referred to in Section 17(3); and</i> <i>(ii) invite the local community to submit representations in connection with the budget;</i> <i>(b) submit the annual budget -</i> <i>(i) in both printed and electronic formats to the National Treasury and the relevant provincial treasury; and</i> <i>(ii) in either formats to any prescribed national or provincial organs of state and to other municipalities affected by the budget.</i>
Publicize Draft IDP of predecessor - Make public the draft IDP review and invite the community to submit representations. (Advertisements to be placed on the website and social media as well as local newspapers.) - Invite CAMAF members, other stakeholders and ward committee members to comment on the draft IDP of predecessor	7 Apr	MPPM Regulation 3(4)(b): <i>No amendment to a municipality's integrated development plan may be adopted by the municipal council unless the proposed amendment has been published for public comment for a period of at least 21 days in a manner that allows the public an opportunity to make representations with regard to the proposed amendment.</i> MFMA Section 23(1): <i>When the annual budget has been tabled, the municipal council must consider any views of –</i> <i>(a) The local community</i>

ACTIVITY	Date	Legal Reference
<p>Submissions</p> <ul style="list-style-type: none"> - Submit the draft budget (including SDBIP), IDP Review to the Local Government, Provincial Treasury, National Treasury and other affected organs of state 	<p>By 7 April</p>	<p>MFMA Section 22: <i>Immediately after an annual budget is tabled in a municipal council, the accounting officer of the municipality must</i></p> <p>(a) <i>in accordance with Chapter 4 of the Municipal Systems Act -</i></p> <p>(i) <i>Make public the annual budget and the documents referred to in Section 17(3); and</i></p> <p>(ii) <i>invite the local community to submit representations in connection with the budget;</i></p> <p>(b) <i>submit the annual budget -</i></p> <p>(i) <i>in both printed and electronic formats to the National Treasury and the relevant provincial treasury; and</i></p> <p>(ii) <i>in either formats to any prescribed national or provincial organs of state and to other municipalities affected by the budget.</i></p>
<p>Submissions</p> <ul style="list-style-type: none"> - Submit the draft IDP of predecessor to the District Municipality 	<p>By 7 April</p>	<p>MSA Section 29(3)(b): <i>A local municipality must draft its integrated development plan, taking into account the integrated development processes of, and proposals submitted to it by the district municipality.</i></p> <p>MPPM Regulation 3(6): <i>A local municipality that considers an amendment to its integrated development plan must-</i></p> <p>(a) <i>consult the district municipality in whose area it falls on the proposed amendment; and</i></p> <p>(b) <i>take all comments submitted to it by the district municipality into account before it takes a final decision on the proposed amendment.</i></p>
<p>Public participation</p> <ul style="list-style-type: none"> - Ward based budget meetings (6). The budget to be communicated on the website, email, social media, radio, advertisement in newspapers and the public invited to give their input. - Ward Committee meetings - Public participation mechanism to be determined in cooperation with Speaker and Ward Councillors, pending Covid 19 regulations in place at the time. 	<p>11 April – 29 April</p>	<p>MFMA Section 23(1): <i>When the annual budget has been tabled, the municipal council must consider any views of –</i></p> <p>(a) <i>the local community; and</i></p> <p>(b) <i>the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the budget.</i></p>
MAY 2022		
<p>Closing date for submissions</p> <ul style="list-style-type: none"> - Public input on draft budget (including SDBIP), IDP Review closes 	<p>6 May</p>	
<p>Budget Steering Committee 3</p> <ul style="list-style-type: none"> - Consideration of public inputs on draft budget (including SDBIP), IDP [Review] 	<p>By 13 May</p>	<p>MFMA Section 23(2): <i>After considering all budget submissions, the council must give the mayor an opportunity-</i></p> <p>(a) <i>to respond to the submissions; and</i></p> <p>(b) <i>if necessary, to revise the budget and table amendments for consideration by the council.</i></p>

ACTIVITY	Date	Legal Reference
Finalization of new budget - Completion of Annual Budget amendments / refinements	By 25 May	
Final approval of new budget/IDP of predecessor - Table final budget (including SDBIP), IDP of predecessor to Council (at least 30 days before the start of the budget year)	31 May	MFMA Section 24(1): <i>The Council must at least 30 days before the start of the budget year consider the approval of the annual budget.</i> MPPM Regulation 3(3): <i>An amendment to a municipality's integrated development plan is adopted by a decision taken by a municipal council in accordance with the rules and orders of the council.</i>
JUNE 2022		
- Place the IDP of predecessor, annual budget, SDBIP all budget-related documents and all budget-related policies on the website (within 5 days)	By 6 Jun	MFMA Section 75(1): <i>The accounting officer of a municipality must place on the website the following documents of the municipality:</i> <i>(a) the annual and adjustments budgets and all budget-related documents and</i> <i>(b) all budget-related policies</i> MSA Section 21A(1)(b): <i>All documents that must be made public by a municipality in terms of a requirement of this Act, the Municipal Finance Management Act or other applicable legislation, must be conveyed to the local community by displaying the documents on the municipality's official website, if the municipality has a website as envisaged by section 21B.</i> MFMA Section 75(2): <i>A document referred to above must be placed on the website not later than five days after its tabling in the council or on the date on which it must be made public, whichever occurs first.</i>
Give notice to the public of the adoption of the IDP of the predecessor	By 7 Jun	MSA Section 25(4)(a): <i>A municipality must, within 14 days of the adoption of its integrated development plan in terms of subsection (1) or (3) give notice to the public-</i> <i>(i) of the adoption of the plan; and</i> <i>(ii) that copies of or extracts from the plan are available for public inspection at specified places;</i> MSA Section 21A(1)(a) and (c): <i>All documents that must be made public by a municipality in terms of a requirement of this Act, the Municipal Finance Management Act or other applicable legislation, must be conveyed to the local community -</i> <i>(a) by displaying the documents at the municipality's head and satellite offices and libraries;</i> <i>(c) by notifying the local community, in accordance with section 21, of the place, including the website address, where detailed particulars concerning the documents can be obtained.</i>
Make public the approved annual budget and supporting documentation (including tariffs) (within 10 working days after approval of the budget)	By 7 Jun	Budget & Reporting Regulations 2009, Reg 18: <i>(1) Within ten working days after the municipal council has approved the annual budget of a municipality, the municipal manager must in accordance with section 21A of the Municipal Systems Act make public the approved annual budget and supporting documentation</i>

ACTIVITY	Date	Legal Reference
		<p>and the resolutions referred to in section 24(2)(c) of the Act.</p> <p>(2) The municipal manager must also make public any other information that the municipal council considers appropriate to facilitate public awareness of the annual budget, including-</p> <p>(a) summaries of the annual budget and supporting documentation in alternate languages predominant in the community; and</p> <p>(b) information relevant to each ward in the municipality.</p> <p>(3) All information contemplated in sub regulation (2) must cover:</p> <p>(a) the relevant financial and service delivery implications of the annual budget; and</p> <p>(b) at least the previous year's actual outcome, the current year's forecast outcome, the budget year and the following two years.</p>
Submit approved budget to the Provincial Treasury and National Treasury (within 10 working days after approval of the budget)	By 7 Jun	<p>MFMA Section 24(3): The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.</p> <p>Budget & Reporting Regulations 2009, Reg 20: The municipal manager must comply with section 24(3) of the Act within ten working days after the municipal council has approved the annual budget.</p>
- Submit a copy of the IDP of the predecessor to the MEC for local government (if amended) as well as Provincial Treasury (within 10 days of the adoption of the plan)	By 10 Jun	<p>MSA Section 32(1)(a): The municipal manager of a municipality must submit a copy of the integrated development plan as adopted by the council of the municipality, and any subsequent amendment to the plan, to the MEC for local government in the province within 10 days of the adoption or amendment of the plan.</p>
Submit the draft Top Layer SDBIP to the Executive Mayor with the draft annual performance agreements for the next year (within 14 days after approval of the budget)	14 Jun	<p>MFMA Section 69(3):</p> <p>(a) The accounting officer must no later than 14 days after the approval of an annual budget submit to the mayor a draft service delivery and budget implementation plan for the budget year.</p> <p>(b) The accounting officer must no later than 14 days after the approval of an annual budget submit to the mayor drafts of the annual performance agreements as required in terms of section 57(1)(b) of the Municipal Systems Act for the municipal manager and all senior managers.</p>
Executive Mayor takes all reasonable steps to ensure that the SDBIP is approved (within 28 days after approval of the budget)	28 Jun	<p>MFMA Section 53(1)(c)(ii): The mayor of a municipality must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after approval of the budget.</p>
Place the performance agreements and all service delivery agreements on the website	28 Jun	<p>MFMA Section 75(1): The accounting officer of a municipality must place on the website the following documents of the municipality:</p> <p>(d) performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act; and</p>

ACTIVITY	Date	Legal Reference
		<p><i>(e) all service delivery agreements</i></p> <p>Budget & Reporting Regulations 2009, Reg 19: <i>The accounting officer must place on the website all performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act.</i></p>
July / August 2022		
Submit the SDBIP to National and Provincial Treasury (within 10 working days approval of the plan)	8 Jul	<p>Budget & Reporting Regulations 2009, Reg 20(2)(B): <i>The municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form the approved service delivery and budget implementation plan within ten working days after the mayor has approved the plan.</i></p>
Make public the projections, targets and indicators as set out in the SDBIP (within 10 working days after the approval of the SDBIP)	8 Jul	<p>MFMA Section 53(3)(a): <i>The mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the service delivery and budget implementation plan, are made public no later than 14 days after the approval of the service delivery and budget implementation plan.</i></p> <p>Budget & Reporting Regulations 2009, Reg 19: <i>The municipal manager must in accordance with section 21A of the Municipal Systems Act make public the approved service delivery and budget implementation plan within ten working days after the mayor has approved the plan in terms of section 53(1)(c)(ii) of the Act.</i></p>
Make public the performance agreements of Municipal Manager and senior managers (no later than 14 days after the approval of the SDBIP)	8 Jul	<p>MFMA Section 53(3)(b): <i>The mayor must ensure that the performance agreements of municipal manager, senior managers and any other categories of officials as may be prescribed, are made public no later than 14 days after the approval of the municipality's service delivery and budget implementation plan.</i></p>
Submit copies of the performance agreements to Council and the MEC for local government as well as the national minister responsible for local government (within 14 days after conclusion thereof).	30 Jul	<p>MFMA Section 53(3)(b): <i>Copies of such performance agreements must be submitted to the council and the MEC for local government in the province.</i></p> <p>PERF Regs 2006 Reg(5): <i>The employment contract and performance agreement must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government within fourteen (14) days after concluding the employment contract and performance agreement</i></p>
<p>Process Plan and Time Schedule of key deadlines for new 5-year IDP</p> <ul style="list-style-type: none"> - Compile the new process plan - Table the new process plan to council - Consult the local community 	<p>By</p> <p>26 Jul</p> <p>26 Jul</p> <p>29 Jul – 19 August</p>	<p>MSA Section 28:</p> <p>(1) <i>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.</i></p> <p>(2) <i>The municipality must through appropriate mechanisms, processes and procedures establish in terms of Chapter 4, consult the local community before adopting the process.</i></p>

ACTIVITY	Date	Legal Reference
<p>Process Plan and Time schedule of key deadlines</p> <ul style="list-style-type: none"> - Submit to Council for adoption - Submit to Overberg District municipality, Department of Local Government and Provincial Treasury 	<p>By 30 Aug</p>	<p>MFMA Section 21(1)(b): <i>The mayor of a municipality must at least 10 months before the start of the budget year, table in council a time schedule outlining key deadlines for -</i></p> <ul style="list-style-type: none"> <i>(i) the preparation, tabling and approval of the annual budget;</i> <i>(ii) the annual review of-</i> <ul style="list-style-type: none"> <i>(aa) the IDP in terms of section 34 of the Municipal Systems Act; and</i> <i>(bb) the budget-related policies;</i> <i>(iii) the tabling and adoption of any amendments to the IDP and the budget-related policies; and</i> <i>(iv) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).</i>