

## ITEM OPSKRIF/ITEM HEADING

**C94/2015     DIRECTORATE DEVELOPMENT SERVICES : IDP/PMS: IDP & BUDGET TIME SCHEDULE FOR THE 2016/2017 FINANCIAL YEAR**

**R94/2015     DIREKTORAAT ONTWIKKELINGSDIENSTE : GOP/PBS: GOP & BEGROTING TYDSRAAMWERK VIR DIE 2016/2017 FINANSIËLE JAAR**

*[English version of the report is the original / Engelse weergawe van die verslag is die oorspronklike]*

## LÊERNOMMER/FILE NUMBER

4/1/3

## PURPOSE / AIM OF REPORT

The purpose of this report is to table before Council the Draft IDP & Budget Time Schedule which outlines the IDP & Budget preparation process for the 2016 / 2017 Financial Year.

## DOEL VAN VERSLAG

Die doel van die verslag is om die Konsep GOP & Begroting Tydsraamwerk waarin die GOP & Begrotingopstelproses vir die 2016/ 2017 Finansiële Jaar uiteengesit word, aan Raad voor te lê.

## BACKGROUND

Section 21(1) (b) of the Local government: Municipal Financial Management Act. 2003 reads as follows:

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-

- (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)

Section 21(1) (b) of the Local government: Municipal Financial Management Act. 2003 reads as follows:/

Artikel 21(1) (b) van die Plaaslike Regering: Wet op Munisipale Finansiële Bestuur, 2003 lui as volg:

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-

- (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)

## **DISCUSSION**

When preparing the annual budget, the Municipality must –

1. Take into account the municipality's integrated development plan;
2. Revise the integrated development plan in terms of Section 35 of the Municipal Systems Act, taking into account realistic revenue and expenditure projections for future years;
3. Take into account the national Budget, the relevant Provincial Budget, the National Government's fiscal and macro-economic policy, the annual Division for Revenue Act and any agreements reached in the Budget forum, in terms of the Intergovernmental Fiscal Relations Act, No 97 of 1997.

**The aim of the IDP & Budget Process Plan is thus to ensure that:**

1. The municipality approves the annual budget before the start of the budget year.
2. Legislative provisions in the Local Government Municipal Systems Act, No 44 of 2003 as amended and Local Government Municipal Finance Management Act. No 56 of 2003 for the publication of annual budgets and consultations on tabled budgets are adhered to.
3. The municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget.

4. 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 –
  - (a) comply with the Local Government: Municipal Finance Management Act in order to promote sound financial management;
  - (b) are linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan, and
  - (c) are concluded in accordance with section 57(2) of the Municipal Systems Act.

The IDP & Budget process plan for the 2016 / 2017 financial year is hereto attached.

### **BESPREKING**

Tydens die opstel van die jaarlikse begroting, moet die Munisipaliteit –

1. die munisipaliteit se geïntegreerde ontwikkelingsplan in aanmerking neem;
2. die geïntegreerde ontwikkelingsplan ingevolge Artikel 3 van die Wet op Munisipale Stelsels hersien, met inagneming van realistiese inkomste- en uitgawevooruitskattings vir toekomstige jare;
3. die nasionale Begroting, die betrokke Provinsiale Begroting, die Nasionale Regering se fiskale en makro-ekonomiese beleid, die jaarlikse Wet op die Verdeling van Inkomste en enige ooreenkomste wat in die Begrotingforum aangegaan is in aanmerking neem ingevolge die Wet op Interregerings- Fiskale Verhoudinge, Wet 97 van 1997.

### **Die doel van die GOP & Begroting Prosesplan is dus om toe te sien dat:**

1. Die munisipaliteit die jaarlikse begroting voor die begin van die begrotingsjaar goedkeur.
2. Wetgewende bepalings in die Plaaslike Regering: Wet op Munisipale Stelsels, Wet 44 van 2003 soos gewysig en Plaaslike Regering: Wet op Munisipale Finansiële Bestuur, Wet 56 van 2003 vir die publisering van jaarlikse begrotings en raadpleging oor tertafellegging van begrotings, nagekom word.
3. Die munisipaliteit se dienslewering- en begrotingsimplementeringsplan binne 28 dae na goedkeuring van die begroting deur die burgemeester goedgekeur word.
4. Die jaarlikse prestasie-ooreenkomste vir die Munisipale Bestuurder en alle senior bestuurders soos vereis ingevolge Artikel 57 (1) (b) van die Wet op Munisipale Stelsels –
  - (a) aan die Plaaslike Regering: Wet op Munisipale Finansiële Bestuur voldoen ten einde gesonde finansiële bestuur te bevorder;
  - (b) gekoppel is aan die meetbare prestasiedoelwitte wat saam met die begroting goedgekeur is en aan die dienslewering- en begrotingsimplementeringsplan, en
  - (c) gesluit word ooreenkomstig artikel 57(2) van die Wet op Munisipale Stelsels.

Die GOP & Begrotingsprosesplan vir die 2016 / 2017 finansiële jaar word hierby aangeheg.

### **LEGAL RESPONSIBILITIES/ WETLIKE VERANTWOORDELIKHEDE**

In order to ensure certain minimum quality standards of the IDP process and a proper coordination between and within the spheres of Government, the preparation of the planning process is regulated by the Municipal Systems Act, No 32 of 2000. The Act specifies the following regarding the process: /

Ten einde sekere minimum gehaltestandaarde van die GOP proses en behoorlike koördinerings tussende en binne die Regeringsfere te verseker, word die opstel van die beplanningsproses deur die Wet op Munisipale Stelsels, Wet 32 van 200 gereël. Die Wet bepaal as volg ten opsigte van die proses:

#### ***Section 28/ Artikel 28:***

1. Each Municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of the IDP.
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(1)/ Artikel 29(1):***

The process must:

- (a) be in accordance with a predetermined programme specifying timeframes for the different steps;
- (b) through appropriate mechanisms, processes and procedures 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.

### **FINANCIAL RESPONSIBILITIES/ FINANSIËLE VERANTWOORDELIKHEDE**

Not applicable / Nie van toepassing nie

## **CLIENT CARE IMPLICATION**

Will be advertised for public comments, and will also serve before the ward committees and portfolio committees for the comments and notification.

## **KLIËNTESORGIMPLIKASIE**

Sal vir openbare kommentaar geadverteer word en sal ook voor die wykskomitees en portefeuljekomitees dien vir kommentaar en kennisname.

## **RECOMMENDATION TO COUNCIL :**

**It is recommended that Council approves the draft IDP & Budget Process Plan for the 2016/ 2017 Financial Year.**

## **AANBEVELING AAN RAAD :**

**Daar word aanbeveel dat die Raad die konsep GOP & Begrotingsprosesplan vir die 2016/ 2017 Finansiële Jaar goedkeur.**

## **RESOLVED BY COUNCIL : 30 JULY 2015**

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor KIJ Papier, and seconded by Councillor M Hector, it was resolved as follows:

**Council approves the draft IDP & Budget Process Plan for the 2016/ 2017 Financial Year.**

*For finalization by the Deputy Director : Development Services, Mrs. B Swartland.*

## **BESLUIT DEUR RAAD : 30 JULIE 2015**

Nadat die Voorsitter geleentheid aan die Raadslede gegee het, en die item behoorlik bespreek is, word op aanbeveling van Raadslid KIJ Papier, gesekondeer deur Raadslid M Hector, as volg besluit :

**Die Raad keur die konsep GOP & Begrotingsprosesplan vir die 2016/ 2017 Finansiële Jaar goed.**

*Vir afhandeling deur die Adjunk-Direkteur : Ontwikkelingsdienste, Me. B Swartland.*