



**NKONKOB E  
MUNICIPALITY**

***IDP, BUDGET AND PMS PROCESS PLAN  
REVIEW***

***2015-2016***

***THE PROCESS PLAN 2015/ 16***  
***FOR THE***  
***NKONKOBÉ INTEGRATED DEVELOPMENT PLAN, BUDGET AND***  
***PERFORMANCE MANAGEMENT SYSTEM***

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**SECTION ONE: INTRODUCTION AND BACKGROUND**

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**1. INTRODUCTION**

In May 2012, Nkonkobe Municipality adopted its third Integrated Development Plan (IDP 2012/13-2016/17) for the municipality. The IDP was developed in accordance with requirements set out in the Municipal Systems Act (32 of 2000) and Local Government Municipal Planning and Performance Management Regulations (2001). The municipality is currently reviewing its IDP for 2015/ 16 financial year.

In order to ensure certain minimum quality standards of the Integrated Development Plan (IDP), and a proper coordination between and within spheres of government, the preparation of the process plan has been regulated in the Municipal Systems Act (32 of 2000). The preparation of the process plan, which is in essence the IDP process set out in writing, requires the adoption by Council. This plan has to include the following:

- A programme specifying the timeframes for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organ of state, traditional authorities, and other role players in the IDP drafting process;
- An indication of the organizational arrangements for the IDP process;
- Binding plans and planning requirements, *i.e.* policy and legislation; and
- Mechanisms and procedures for vertical and horizontal alignment.

**2. LEGAL CONTEXT**

**The Integrated Development Plan**

Section 25 (1) of the Municipal Systems Act (32 of 2000) indicates that:

*“Each Municipal Council must, within prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality which -*

- *Links, integrates and coordinates plans and takes into account proposals for the development of the community;*
- *Aligns the resources and capacity of the municipality with the implementation of the plan;*
- *Complies with the provisions of this Chapter (Chapter 5 MSA); and*
- *Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation”.*

In terms of the core components of the integrated development plans, Section 25 of the Municipal Systems Act (32 of 2000) indicates that:

*“An integrated development plan must reflect:*

- *The municipal council’s vision for long term development of the municipality with special emphasis on the municipality’s most critical development and internal transformation needs;*
- *An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;*
- *The councils development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;*
- *The councils development strategies which must be aligned with any national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;*
- *A spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;*
- *The councils operational strategies;*
- *Applicable disaster management plans;*
- *A financial plan, which must include a budget projection for at least the next three years; and*
- *The key performance indicators and performance targets determined in terms of section 41”.*

Moreover and [also] in view of the foregoing, Section 28 (1) of the Municipal Systems Act (32 of 2000) stipulates that:

- *“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;*
- *The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Municipal Systems Act (32 of 2000), consult the community before the adopting the process; and*
- *A municipality must [also] give notice to the local community of particulars of the process it intends to follow”.*

The way in which the IDP process will be undertaken is outlined in this process plan in which [all] municipalities must prepare. The Local Government: Municipal Planning and Performance Management Regulation 2001, provides elaborately on the contents of the IDP and the processes the Municipality must subject the IDP process into when doing its development or review.

### **The Annual Budget**

The Annual Budget and the IDP are inseparably linked to one another; something has been formalized through the promulgation of the Municipal Finance Management Act (56 of 2003). 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.*
- *The tabling and adoption of any amendment to the integrated development plan and the budget related policies; and*
- *The consultative processes forming part of the processes referred to subparagraph (i), (ii) and (iii)” – herein first three sub bullets (denoted as -).*

### **3. ELEMENTS OF IDP DEVELOPMENT**

Notwithstanding the statutory imperative, it is necessary for Nkonkobe Municipality to review its IDP in order to:

- Ensure the IDP’s relevance as the municipality’s strategic plan.
- Inform other components of the municipal business processes, including institutional and financial planning and budgeting.
- Inform the cyclical inter-governmental planning and budget processes.

In the IDP review cycle, changes to the IDP may be required from these main sources:

- Comments from the MEC for Local Government and Traditional Affairs (DLGTA), if any;
- Incorporate comments from the Auditor-General in respect of the previous audit report, if any;
- Incorporate comments from the Internal Audit Committee, if there are any;
- Alignment of the IDP with both the provincial and national policies and programmes (*i.e.* PGDS, NPC, NSDP, N-KPA);
- Incorporation of the most recent descriptive data;
- Review and refinement of the objectives and strategies;
- Review and refinement of the projects;
- Amendments in response to changing circumstances; and
- Improving the IDP process and content.

The significant development, which in all probabilities will have a huge impact on the IDP, is the Community Based Planning. The Community Based Planning is a planning instrument, which is geared towards the enhancement of the community participation component of the IDP. Of particular concern has been the inability of the IDP to translate community participation into an organic process.

### **4. HORIZONTAL AND VERTICAL ALIGNMENT**

#### **4.1 District Framework Plan**

Section 27 of the Municipal Systems Act (32 of 2000), indicates that, Districts are required to prepare and adopt a Framework Plan, which indicates how the District and Local Municipalities will align their IDP’s. The framework plan provides the linkage and binding relationships to be established between the district and local municipalities in the region and in doing so, proper consultation, coordination and alignment of the review process of the district municipality and various municipalities can be maintained.

The Amathole District Municipality has established a District IDP/PMS Coordination Forum, District Representative Forum which are [also] attended by the Department of Local Government and Traditional Affairs to provide the strategic direction of the IDP's. This IDP preparation process will also use this forum for vertical and horizontal alignment with other family of municipalities.

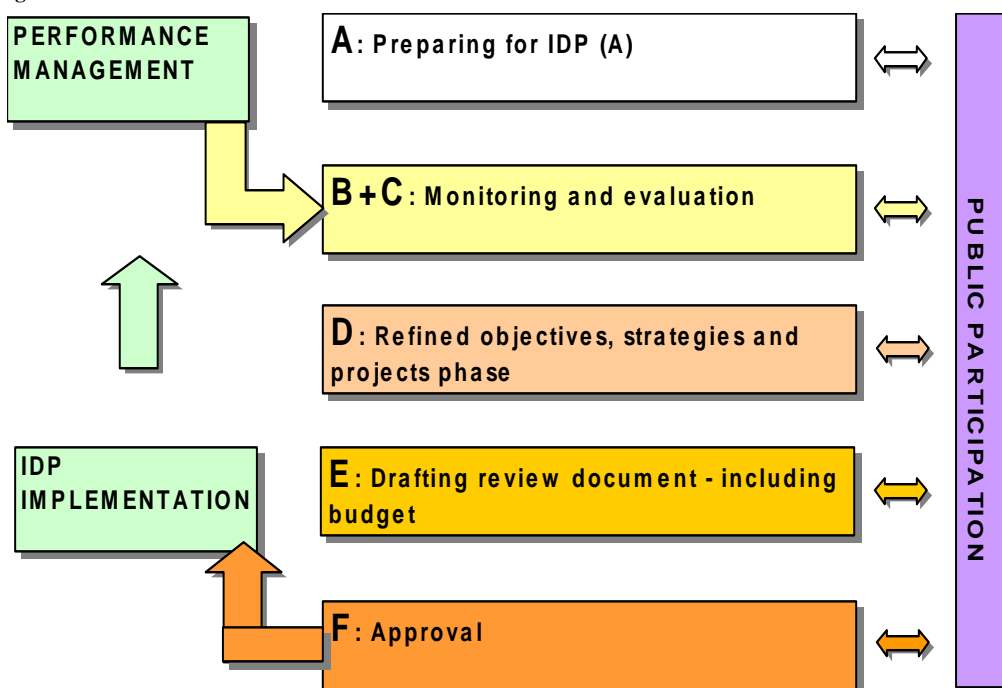
#### **4.2 Alignment with Sector Departments**

Alignment with Sector Departments is essential in order that the Nkonkobe Municipality priorities can be reflected in their project prioritization process, as well as, so that their projects can be reflected in the IDP document.

### **5. IDP PROCESS**

This process describes a continuous cycle of planning, implementation and review as can be seen in the figure below. During the year new information becomes available and unexpected events may occur. Some of the information can make immediate changes to the planning and the implementation of the IDP. After the reviewed IDP has been adopted, implementation as well as situational changes will continue to occur, which is again monitored throughout the year and evaluated for consideration in the next IDP review (DPLG, IDP Guide Pack, Guide IV).

**Diagram 2: IDP Process**

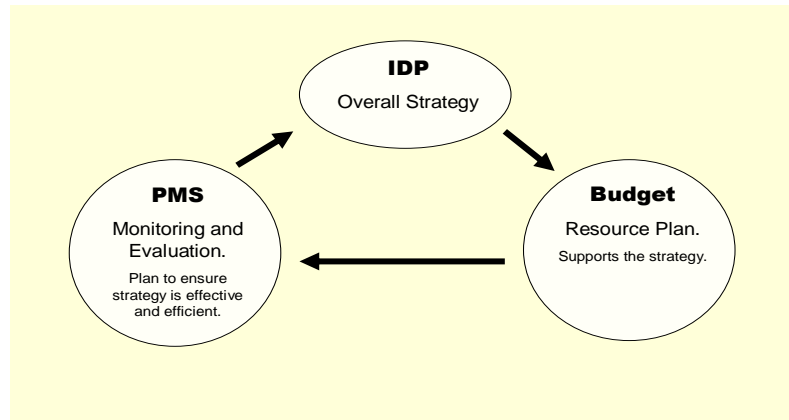


Each of these steps is reflected in the Action Plan which outlines the time frames and activities within which these steps should take. Because the roll out of the PMS is part of the review process, it is also included in the Action Plan.

### **6. ALIGNMENT OF THE IDP, BUDGET AND PERFORMANCE MANAGEMENT PROCESS**

The IDP review process is mainly geared towards picking up on early-warning sign for corrective action whenever it is required. The Performance Indicators are flowing from the IDP and constitute the heart of the Performance

Management System. Every attempt has been made in this Process Plan to align the IDP and Budget preparation process, and the Performance Management System (PMS) review. The linkages of the three processes are summarized in the following diagram:



**Diagram 3: Nkonkobe IDP Process Plan: IDP, Budget and PMS Linkages**

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## **SECTION TWO: ORGANISATIONAL ARRANGEMENTS**

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### **7. ORGANISATIONAL ARRANGEMENTS**

Five Structures will guide the IDP Review Process within the Nkonkobe Municipal Area.

- IDP Steering Committee
- IDP Representative Forum
- IDP Cluster Teams
- Budget Steering Committee
- Inter-Governmental Relations

#### **7.1 IDP Steering Committee**

An IDP Steering Committee that would function, as a technical working team shall be composed of the following members:

- Municipal Manager (Chairperson)
- All Senior Managers; and
- All Managers
- Secretariat IDP & PMS Unit

The steering committee would provide a technical support to the IDP Driver to ensure a smooth planning process. It is supposed to guide the process. This means that amongst other things it will be responsible for:

- Establishment of the Representative Forum.
- Define criteria to choose members of the Forum.
- Inform public about the establishment of the forum, request submissions of applications from stakeholders and communities (indicate objectives, activities and number of members).

- Identify additional stakeholders from unorganized groups, e.g. potential academics, advocates, doctors and resource persons.
- Submit proposed groups/members to the Council for consideration.

## **7.2 IDP Representative Forum**

The most critical structure established for this process, especially for purposes of ensuring maximized participation of different interest groups and sectors, is the IDP Representative Forum. The rationale behind the establishment of this committee is to ensure that communication channels are kept smooth and efficiently.

The function of the IDP Representative Forum includes the following:

- The Representative Forum will have to ensure that every activity and decisions taken in the IDP development process are communicated to the communities.
- They are also to monitor and ensure that all decisions that are taken with regards to routes that the IDP must take from time to time are followed to the latter.
- They are expected at all times to reflect and safeguard the community inputs. This means that they are the mouthpiece of the communities.
- They represent the interests of their communities.
- Provide an organizational mechanism for discussion, negotiation and decision making between stakeholders including the municipal government.
- Participate in the process of setting and monitoring key performance indicators.

Ward/PR Councillors and Committees: The brief for Ward/PR Councillors and Committees who constitutes the IDP Representative Forum is to ensure that at all times their mandates in the Integrated Development Forum comes from communities which they represent particularly on issues affecting them. The Ward/PR Councillors and Committees are further expected to communicate deliberations of the IDP Representative Forum and always ensure that feedback is given to the communities on progress registered.

District Municipality and Service Providers: The main role of the Amathole District Municipality and Service Providers is to provide technical inputs and assistance on the process. The support unit established at the level of the Amathole District Municipality referred to as IDP/PMS Support Unit serves a critical role in the process specifically on the management of service providers and deviations thereof. The overall monitoring to detect early warning signs was done by the Amathole District Mayors' Forum, which was constituted by all the Municipalities in the Amatole District Area. Furthermore the District Framework Committee was supposed to ensure integration and co-ordination of the IDP activities.

## **7.3 Cluster Teams**

Cluster Teams, usually formed as a combination of IDP Steering Committees, Councilors and government departments, and will be established in accordance with clusters identified in the projects and strategies phase, and will be functional and reporting directly to the IDP Representative Forum on progress registered. The main brief of the Cluster Teams is to refine projects agreed upon and lift out the details to be captured in project templates that were supposed to be included in the IDP. The Cluster Teams must undertake a pre-scooping work on projects that are due for implementation in the forthcoming planning cycle. The Representative Forum will also form the cluster teams, they

will give the key issues arising from the technical analysis in order to finalize a list as priorities and give technical input on the clusters.

<b>CLUSTER</b>	<b>KEY PERFORMANCE AREA</b>
<b>Basic Services and Infrastructure Development</b>	<ul style="list-style-type: none"> <li>• Waste Management (Refuse removal, Cleansing, Refuse dump and solid waste disposal)</li> <li>• Disaster Management</li> <li>• Electricity</li> <li>• Roads</li> <li>• Community Amenities</li> <li>• Fire Fighting</li> </ul>
<b>Local Economic Development</b>	<ul style="list-style-type: none"> <li>• Strategic Planning</li> <li>• Special Programmes Unit</li> <li>• Agriculture</li> <li>• Tourism</li> <li>• SMME Development</li> <li>• Environment</li> <li>• Community Based Planning</li> <li>• Sport, Arts and Culture</li> <li>• Parks and Recreation</li> <li>• Social and community services</li> </ul>
<b>Financial Viability</b>	<ul style="list-style-type: none"> <li>• Revenue Collection and Debt management</li> <li>• Financial controls and financial statements</li> <li>• Supply Chain Management</li> <li>• Risk management</li> <li>• Operation Clean audit</li> <li>• Control environment</li> <li>• Free Basic electricity</li> </ul>
<b>Municipal Transformation, Organizational development and Good governance</b>	<ul style="list-style-type: none"> <li>• Capacity Building</li> <li>• Policies and By-Laws</li> <li>• Institutional Reparation</li> <li>• Financial Controls</li> <li>• Human Recourses and Admin</li> <li>• IT Function</li> <li>• Information Technology</li> <li>• Fleet Management</li> <li>• Communication</li> <li>• Record Management System</li> <li>• Safety and Security</li> <li>• Traffic and parking</li> </ul>

#### **7.4 Budget Steering Committee**

The Mayor of the municipality shall establish a Budget Steering Committee as required by Regulation 4 of the Regulations. The function of the Budget steering Committee is to provide technical assistance to the Mayor in discharging the responsibilities set out in Section 53 and elsewhere in the Municipal Finance Management Act 2003 (Act 56 of 2003).

This Committee is constituted as follows:

- Mayor (Chairperson);
- Portfolio Head of Finance Standing Committee;
- Municipal Manager;



- All Senior Managers; and
- IDP/PMS Unit

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and the service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

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## **SECTION THREE: KEY ACTIVITIES AND BUDGET**

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### **8. KEY ACTIVITIES**

Below are a summary of key activity dates that will take place in terms of the IDP, Budget and PMS for the 2013/14 IPD Process

## CYCLE FOR THE 2013/14 IDP INCLUDING THE PMS AND BUDGET LINKAGES

MONTH	ACTIVITIES				
	IDP	PMS	BUDGET	BUDGET	
<b>JULY 2014</b>	<ul style="list-style-type: none"> <li>▪ Preparation of the Draft IDP / Budget and PMS Process Plan.</li> <li>▪ Engagement with Budget Office and PMS for alignment purposes.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Signing of new performance contracts for Section 57 Managers and submission to EXCO on July 2014 (Section 69 of the MFMA and Section 57 of the MSA).</li> <li>▪ Roll out of the SDBIP</li> <li>▪ Prepare Departmental Business/Sectional Plans for the 2014/15 financial year.</li> <li>▪ 2013/14 Final S57 Managers' Performance Assessments.</li> <li>▪ Preparation of s46 Reports by various HOD's.</li> </ul>	<p style="text-align: center;"><b>Mayor and Council / Entity Board (NEDA)</b></p> <ul style="list-style-type: none"> <li>▪ Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process <b>MFMA s 53</b></li> <li>▪ Planning includes review of the previous years budget process and completion of the Budget Evaluation Checklist</li> </ul>	<p style="text-align: center;"><b>Administration - Municipality and Entity</b></p> <ul style="list-style-type: none"> <li>▪ Accounting officers and senior officials of municipality and entities begin planning for next three-year budget <b>MFMA s 68, 77</b></li> <li>▪ Accounting officers and senior officials of municipality and entities review options and contracts for service delivery <b>MSA s 76-81</b></li> </ul>	<p style="text-align: center;"><b>Budget Review Activities</b></p> <ul style="list-style-type: none"> <li>▪ Approve and announce new budget schedule and set up committees and forums.</li> <li>▪ Consultation on performance and changing needs.</li> </ul>
<b>AUG 2014</b>	<ul style="list-style-type: none"> <li>▪ Tabling of IDP Process Plan to EXCO for comments</li> <li>▪ IDP Process Plan tabled to Council for approval.</li> <li>▪ Advertisement of the IDP Process Plan in order to meet AG audit requirements</li> <li>▪ IDP preparation process initiated.</li> <li>▪ Review of comments received on the 2013/14 IDP Review document.</li> <li>▪ Self-assessment to identify gaps in the IDP process.</li> <li>▪ Integration of information from adopted Sector Plans into the IDP Review document.</li> <li>▪ Initiation of new sector plans into the IDP, if any.</li> <li>▪ Updating and review of the strategic elements of the IDP in light of the new focus of Council.</li> <li>▪ Convene IDP Representative Forum</li> <li>▪ IDP Steering Committee Meeting</li> </ul>	<ul style="list-style-type: none"> <li>▪ Submission of Q4 SDBIP Reports (for last quarter of 13/14) MPPR Reg. 14</li> <li>▪ Submission of the Annual Performance Reports prepared in terms of s46 of MSA 2000 to Council</li> <li>▪ Submission of s46 Report to AG</li> <li>▪ Quarterly Audit Committee meeting on August (for the last quarter of 13/14) MFMA Sect 166 &amp; MPPR Reg. 14(3)(a)</li> <li>▪ Evaluation Panel Audit Committee meeting (for evaluation of Sect 57 Managers final assessments) MPPR Reg. 14(3)(b)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. <b>MFMA s 21,22, 23; MSA s 34, Chapter 4 as amended</b></li> <li>▪ Mayor establishes committees and consultation forums for the budget process</li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting Officer to submit AFS to Auditor-General [Due by 31 August, <b>MFMA Sec 126(1)(a)</b>]</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultation on performance and changing needs.</li> <li>▪ Review performance and financial position.</li> <li>▪ Review external mechanisms.</li> <li>▪ Start Planning for next three years.</li> </ul>
<b>SEPT 2014</b>	<ul style="list-style-type: none"> <li>▪ Integration of information from adopted Sector Plans into the IDP Review document if possible</li> <li>▪ Review and updating of the IDP Vision, Mission and Objectives.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Auditor General audit of performance measures</li> <li>▪ Reminder to be sent to HOD's to submit their Q1 SDBIP Reports in terms of s41 MSA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans</li> </ul>	<ul style="list-style-type: none"> <li>▪ Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives</li> <li>▪ Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Update policies, priorities and objectives.</li> <li>▪ Determine revenue projections and policies.</li> </ul>
<b>OCT 2014</b>	<ul style="list-style-type: none"> <li>▪ Integration of information from adopted Sector Plans into the IDP Review document.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Submission of Q1 Reports by HOD's</li> <li>▪ Q1 Reports tabled to Council (for first</li> </ul>		<ul style="list-style-type: none"> <li>▪ Accounting officer does initial review of national policies and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Determine revenue projections and policies.</li> </ul>

**THE PROCESS PLAN FOR THE NKONKOBE MUNICIPALITY – IDP, BUDGET AND PMS 2015/ 16**

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
	<ul style="list-style-type: none"> <li>▪ Integration of Spatial Development Framework</li> <li>▪ Updating and review of the strategic elements of the IDP in light of the new focus of Council.</li> <li>▪ IDP Cluster Teams</li> <li>▪ IDP Steering Committee Meeting</li> </ul>	<ul style="list-style-type: none"> <li>▪ quarter of 2014/15) <b>MPPR Reg. 14</b> Sect 57 Managers' quarterly <b>informal</b> assessments (for first quarter of 14/15)</li> </ul>		<ul style="list-style-type: none"> <li>▪ budget plans and potential price increases of bulk resources with function and department officials <b>MFMA s 35, 36, 42; MTBPS</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Engagement with sector departments, share and evaluate plans, national policies, MTBPS.</li> <li>▪ Draft initial allocations to functions.</li> <li>▪ Draft initial changes to IDP.</li> </ul>
<b>NOV 2014</b>	<ul style="list-style-type: none"> <li>▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets.</li> <li>▪ Identification of priority IDP projects.</li> <li>▪ Project alignment between the DM and LM's</li> <li>▪ Convene IDP Representative Forum.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quarterly Audit Committee meeting (for the first quarter of 2014/15) MFMA Sect 166 &amp; MPPR Reg. 14(3)(a)</li> </ul>		<ul style="list-style-type: none"> <li>▪ Accounting officer reviews and drafts initial changes to IDP <b>MSA s 34</b></li> <li>▪ Auditor-General to return audit report [Due by 30 November, <b>MFMA 126(4)</b>]</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft initial changes to IDP.</li> <li>▪ Consolidation of budgets and plans.</li> <li>▪ Exco. determines strategic choices for next three years.</li> </ul>
<b>DEC 2014</b>	<ul style="list-style-type: none"> <li>▪ Departments to comment on the reviewed Municipal Strategies, Objectives, KPA's, KPI's and targets.</li> <li>▪ Project alignment between the DM and LM's.</li> <li>▪ Identification of priority IDP projects.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Compile annual report for 13/14 (MFMA Sect 121)</li> <li>▪ Reminder to be sent to HOD's to submit their Q2 SDBIP Reports in terms of s41 MSA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council finalises tariff (rates and service charges) policies for next financial year <b>MSA s 74, 75</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements</li> </ul>	<ul style="list-style-type: none"> <li>▪ Executive determines strategic choices for next three years.</li> <li>▪ Finalise tariff policies.</li> </ul>
<b>JAN 2015</b>	<ul style="list-style-type: none"> <li>▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets.</li> <li>▪ Identification of priority IDP projects.</li> <li>▪ IDP Steering Committee Meeting</li> <li>▪ IDP Cluster Teams</li> </ul>	<ul style="list-style-type: none"> <li>▪ Submission of Q2 Reports by HOD's</li> <li>▪ Q2 Reports tabled to Council (for second quarter of 14/15) <b>MPPR Reg. 14</b></li> <li>▪ Mayor tables draft annual report for 2014/15 MFMA Sect 127(2)</li> <li>▪ Make public annual report and invite community inputs into report (MFMA Sect 127 &amp; MSA Sect 21a)</li> <li>▪ Municipal Manager submits Midterm/Midyear Report to the Mayor (in terms s72 MFMA)</li> <li>▪ Midterm/Midyear Report is published in the Local Newspaper</li> </ul>	<ul style="list-style-type: none"> <li>▪ Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality at least 150 days before the start of the budget year <b>MFMA s 87(1)</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) <b>MFMA s 36</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Prepare detailed budgets and plans for the next three years.</li> </ul>
<b>FEB 2015</b>	<ul style="list-style-type: none"> <li>▪ Continuous Review of Municipal Strategies, Objectives, KPA's, KPI's and targets.</li> <li>▪ Identification of priority IDP projects.</li> <li>▪ IDP Cluster Teams</li> <li>▪ IDP Steering Committee Meeting</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quarterly Project Implementation Report (for second quarter of 2014/15) MPPR Reg. 14</li> <li>▪ Quarterly Audit Committee meeting (for the second quarter of 14/15) MFMA Sect 166 &amp; MPPR Reg. 14(3)(a)</li> <li>▪ Submit draft annual report to AG, Provincial &amp; DLGTA (MFMA Sect 127)</li> <li>▪ Sect 57 Managers' <b>formal</b> quarterly assessments (for second quarter of 14/15)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council considers municipal entity proposed budget and service delivery plan and accepts or makes recommendations to the entity <b>MFMA s 87(2)</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report</li> </ul>	<ul style="list-style-type: none"> <li>▪ Prepare detailed budgets and plans for the next three years.</li> <li>▪ Exco adopts budget and plans and changes to IDP.</li> </ul>
<b>MARC 2015</b>	<ul style="list-style-type: none"> <li>▪ Finalization of Municipal Strategies, Objectives, KPA's, and KPI's and targets.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council to consider and adopt an oversight report [Due by 31 March</li> </ul>	<ul style="list-style-type: none"> <li>▪ Entity board of directors considers recommendations of parent</li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting officer publishes tabled budget, plans, and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mayor tables budget, resolutions, plans and changes to</li> </ul>

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MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
	<ul style="list-style-type: none"> <li>▪ IDP Steering Committee Meeting</li> <li>▪ Convene IDP Representative Forum</li> <li>▪ Adoption of draft IDP and Budget 2015/16</li> <li>▪ Publicise Draft IDP and Budget (Invite Local Community to make written comments in respect of the IDP and Budget)</li> <li>▪ Conclusion of Sector Plans (if any) initiated for the 2015/16 financial year and integration into the IDP Review report.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>MFMA Sec 129(1)</b></li> <li>▪ Council Adopts draft Annual Report for the year ending June 2014</li> <li>▪ Publicise Annual Report and MPAC Report</li> <li>▪ Draft SDBIP's for 2015/16 developed and for incorporation into draft IDP 2014/15 FY</li> <li>▪ Reminder to be sent to HOD's to submit their Q3 SDBIP Reports in terms of s41 MSA</li> <li>▪ Set performance objectives for revenue for each budget vote (<b>MFMA Sect 17</b>)</li> </ul>	<ul style="list-style-type: none"> <li>▪ municipality and submit revised budget by 22nd of month <b>MFMA s 87(2)</b></li> <li>▪ Mayor tables municipality budget, budgets of entities, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year <b>MFMA s 16, 22, 23, 87; MSA s 34</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed <b>MFMA s 22 &amp; 37; MSA Ch 4 as amended</b></li> <li>▪ Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March <b>MFMA s 42</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ IDP at least 90 days before the start of the financial year.</li> </ul>
<b>APR 2015</b>	<ul style="list-style-type: none"> <li>▪ Review written comments in respect of the Budget and IDP</li> <li>▪ Conclusion of Sector Plans initiated for the 2015/16 financial year and integration into the IDP Review report.</li> <li>▪ IDP Steering Committee Meeting</li> <li>▪ Public participation process launched through series of public hearings on the IDP and Budget.</li> <li>▪ Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Q3 Reports tabled to Council (for third quarter of 15/16) <b>MPPR Reg. 14</b></li> <li>▪ Refinement of Municipal Strategies, Objectives, KPA's, KPI's and targets and inclusion into 2015/16 IDP Review report.</li> <li>▪ Sect 57 Managers' <b>informal</b> quarterly assessments (for third quarter of 14/15)</li> <li>▪ Publicise Annual Report [Due by April <b>MFMA Sec 129(3)</b>]</li> <li>▪ Submit Annual Report to Provincial Legislature/MEC Local Government [Due by April <b>MFMA Sec 132(2)</b>]</li> <li>▪ Review annual organisational performance targets (<b>MPPR Reg 11</b>)</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>MFMA s 21</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year</li> </ul>	<ul style="list-style-type: none"> <li>▪ Public hearings on the Budget, Council Debate on Budget and Plans.</li> </ul>
<b>MAY 2015</b>	<ul style="list-style-type: none"> <li>▪ EXCO recommends adoption of the IDP to Council.</li> <li>▪ Adoption of the IDP by Council.</li> <li>▪ Publicise IDP and Budget in the Local Newspaper.</li> <li>▪ Convene IDP Representative Forum</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community input into organisation KPIs and targets</li> <li>▪ Budget for expenses of audit committee</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council to consider approval of budget and plans at least 30 days before start of budget year. <b>MFMA s 23, 24; MSA Ch 4 as amended</b></li> <li>▪ Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendations of the council of the parent municipality</li> <li>▪ <b>MFMA s 87</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature</li> </ul>	
<b>JUNE 2015</b>	<ul style="list-style-type: none"> <li>▪ Submission of the Final IDP to DLGTA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reminder to be sent to HOD's to submit their Q3 SDBIP Reports in terms of s41 MSA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies,</li> </ul>	<ul style="list-style-type: none"> <li>▪ Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual</li> </ul>	<ul style="list-style-type: none"> <li>▪ Publish budget and plans.</li> <li>▪ Finalise performance contracts and delegation.</li> <li>▪ Council adopts budget,</li> </ul>

**THE PROCESS PLAN FOR THE NKONKOBÉ MUNICIPALITY – IDP, BUDGET AND PMS 2015/ 16**

MONTH	ACTIVITIES				
	IDP	PMS	BUDGET		
			<p>approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year</p> <p><b>MFMA s 16, 24, 26, 53</b></p> <p>Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with sect 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval.</p> <ul style="list-style-type: none"> <li>▪ <b>MFMA s 53; MSA s 38-45, 57(2)</b></li> <li>▪ Council must Finalise a system of delegations.</li> <li>▪ <b>MFMA s 59, 79, 82; MSA s 59-65</b></li> </ul>	<p>performance agreements required by s 57(1)(b) of the MSA.</p> <p><b>MFMA s 69; MSA s 57</b></p> <ul style="list-style-type: none"> <li>▪ Accounting officers of municipality and entities publishes adopted budget and plans</li> </ul> <p><b>MFMA s 75, 87</b></p>	<p>resolutions, capital implementation plans, objectives and changes in IDP.</p>

## **SECTION FOUR: MECHANISM AND PROCEDURE FOR PARTICIPATION**

### **9. FUNCTIONS AND CONTEXT OF PUBLIC PARTICIPATION**

Four major functions can be aligned with the public participation process namely:

- Needs identification and prioritization;
- Identification of appropriateness of proposed solutions;
- Community ownership and buy-in; and
- Community Empowerment.

### **10. MECHANISMS FOR PARTICIPATION**

The following public participation mechanisms are proposed for each and every milestone. The milestone that we are referring to above will be outlined later.

<b>Preparation Phase</b>	Adverts on Newspaper Announcements on Local Radio Station
<b>Monitoring and Evaluation Phase</b>	Representative Forum Meetings
<b>Objectives, strategies and Projects Phase</b>	Representative Forum Meetings
<b>Reviewed IDP Phase</b>	Public Hearings Representative Forum Meetings
<b>Approval Phase</b>	Adverts on Newspaper Announcements on Local Radio Stations Representative Forum Meetings Public Hearings

#### **10.1 Public Participation Strategy**

Chapter 4 of the Municipal Systems Act will guide in the development and implementation of the public participation strategy for the IDP process. In order to ensure that all stakeholders have the opportunity to be represented on the IDP Representative Forum, the following forms of media will be used:

- Umhlobo Wenene
- Tru FM
- Daily Dispatch
- Umhlali News
- Community Newspapers
- Radio Forte

To ensure that the needs of unorganized groups are represented as well, advocacy groups and or Non-Governmental Organizations (NGOs) will be used as well for communication. Meetings of the Representative Forum will be held in any appropriate Municipal buildings and the languages to be used are:

- English

- Xhosa
- Afrikaans

Members of the Representative Forum will be expected to consult with their constituencies and report back to the Forum within a month's time.

## 11. INTER-GOVERNMENTAL RELATIONS

Chapter 3 of the Constitution of the Republic of South Africa 1996 provides for the principles that underlie the relations between the spheres of government. IGR meetings will sit on a quarterly basis and are an information-sharing vehicle where government departments and the municipality give light of their experiences and challenges with regards to service delivery. IGR forum is regarded as a strategic planning body with emphasis and updates on current financial year programmes and projects. It therefore serves as a feeder to both the IDP & District Communicator's Forum (DCF). Only heads of government departments sit on these meetings, failing which representatives sent by these heads, the Municipal Manager, Manager Communication & PRO, Senior Manager Strategic Planning and Local Economic Development, Senior Manager Corporate Services, ADM Communication/Public Participation representative and Parastatals, *i.e.* ESKOM, TELKOM and Community Business Development Centre (CBDC) – University of Fort Hare.

## 12. PROCEDURES/PROCESS FOR PARTICIPATION

### 12.1 Schedule of meetings

In addition to various meetings, the following meetings are required for the IDP Review Process:

Structure	Date	Time
<b>IDP/PMS/Budget Steering Committee Meeting</b>	04 August 2014	09H00 – 10H00
	09 October 2014	09H00 – 10H00
	15 January 2015	09H00 – 10H00
	21 February 2015	09H00 – 10H00
	12 March 2015	09H00 – 10H00
	25 April 2015	09H00 – 10H00
<b>Cluster Team Meetings</b>	15-16 October 2014	10H00 – 12H30
	20-22 January 2015	10H00 - 12H30
	19-20 February 2015	10H00 - 12H30
<b>IDP Representative Forum Meeting</b>	08 August 2014	10H00 – 14H00
	07 November 2014	10H00 – 14H00
	27 February 2015	10H00 – 14H00
	08 May 2015	10H00 – 14H00
<b>Mayoral Imbizos IDP/Budget Public Hearings</b>	03 November-05 November 2014	10h00 – 19H00
	14 April – 23 April 2015	10H00 – 19H00

### 12.2 IDP Process Plan – Activities and Timeframes

EVENTS	DATES	RESPONSIBLE DEPT
IDP Steering Committee to deliberate on draft IDP Process Plan <ul style="list-style-type: none"> <li>• Review Implementation</li> <li>• Prepare full IDP process</li> <li>• Review Performance Management System</li> </ul>	04 August 2014	Strategic Planning
First IDP Representative Forum <ul style="list-style-type: none"> <li>▪ Presentation of the Process Plan</li> <li>▪ The provision of feedback on the <i>status quo</i> and strategic framework components of the IDP; <i>i.e.</i> Key issues, Strategies and Objectives and other programs</li> </ul>	08 August 2014	Strategic Planning

**THE PROCESS PLAN FOR THE NKONKOBE MUNICIPALITY – IDP, BUDGET AND PMS 2015/ 16**

Joint Standing Committee Finance & LED (Special)	12 August 2014	Speaker's Office
Presentation to the Executive Committee (Special)	15 August 2014	Mayor's Office
Presentation to Council for Adoption(Special)	29 August 2014	Mayor's Office
Submission to Amathole District Municipality	30 August 2014	Strategic Planning
Advertisement of the IDP Process Plan to members of the public	05 September 2014	Strategic Planning
IDP Cluster Team Meetings	15-17 October 2014	Strategic Planning/Cluster Teams
Second IDP Representative Forum <ul style="list-style-type: none"> <li>▪ Presentation of Situational Analysis</li> <li>▪ IDP Vision and Mission</li> </ul>	07 November 2014	Strategic Planning
IDP and Budget Steering Committee	13 January 2015	Strategic Planning & BTO
IDP Cluster Team Meetings	20-22 January 2015	Strategic Planning/Cluster Teams
Steering Committee Meeting <ul style="list-style-type: none"> <li>• Cluster Team Reports</li> <li>• Agenda for the Rep Forum</li> </ul>	10 February 2015	Strategic Planning
Institutional Strategic Planning Session	04-06 February 2015	Strategic Planning
IDP Rep Forum <ul style="list-style-type: none"> <li>• Presentation of the draft IDP and Budget ahead of public participation process</li> <li>• Prioritised Projects and Programs</li> <li>• Draft Revised Analysis</li> <li>• Draft Revised Objectives and Strategies</li> <li>• Draft Projects and Programmes linked to budget</li> </ul>	27 February 2015	Strategic Planning
Steering Committee Meeting <ul style="list-style-type: none"> <li>• Confirm contents of the IDP and Budget, and consider inputs from the Rep Forum</li> <li>• Review Performance Management System</li> </ul>	12 March 2015	Strategic Planning/ BTO
Table Draft IDP/Budget to LED and Finance Standing committee	16 March 2015	Speaker's Office
Table Draft IDP/Budget to Exco	20 March 2015	Mayor's Office
Table Draft IDP/Budget Council	26 March 2015	Mayor's Office
21 Days Advertisement Period for public comments	03 April 2015	Strategic Planning
Submission of draft IDP to DLGTA	March/April 2015	Strategic Planning
Provincial IDP Assessment Week	April 2015	Strategic Planning
IDP/ Budget Road-shows	14-23 April 2015	Strategic Planning
Review progress – Steering Committee <ul style="list-style-type: none"> <li>• Public participation programme &amp; comments received</li> <li>• Present final draft to be adopted by council</li> </ul>	24 April 2015	Strategic Planning
IDP Rep Forum <ul style="list-style-type: none"> <li>• Feedback on comments received during the 21 day advert period on the Budget and IDP as well as the public participation process and suggested ways of addressing these issues.</li> <li>• Presentation of the Prioritised Projects and Programmes</li> <li>• Recommendations by the IDP for adoption of the IDP by Council</li> </ul>	08 May 2015	Strategic Planning
Present IDP Review to LED and Finance Standing Committee	11 May 2015	Speaker's Office
Present Final IDP/Budget to EXCO	19 May 2015	Mayor's Office
Council adopts IDP Review 14/15 <ul style="list-style-type: none"> <li>• Submit copy of IDP to ADM and to MEC (DHLG&amp;TA)</li> </ul>	28 May 2015	Mayor's Office
Drafting of Service Delivery and Budget Implementation Plan(SDBIP)	02 April 2015	All HODs
Submit draft SDBIP within 14 days after approval of the Budget	June 2015	Strategic Planning
Approval of SDBIP within 28 days After adoption of the Budget	June 2015	Mayor's Office
Signing of MM and Section 57 Managers Performance agreements	June 2015	Municipal Manger
Publicise SDBIP and Performance Agreements within 14 days after the approval	30 June 2015	Strategic planning



### 13. KEY BUDGET DATES

#### 13.1 Budget Process Plan for 2014/15 Multi-Term Budget

DATE	ACTIVITY	RESPONSIBILITY
October 2014	Meeting with Mayor, Exco. and HOD to discuss the strategic direction and objectives for the 2014/2015 financial year	MM/BTO
October 2014	<b>Budget Framework</b> Meeting the HOD's to discuss budget process Preparation of budget framework to provide parameters and request budget inputs for 2014/2015	BTO
November 2014	Completion of Salary Budget	BTO/HR
November 2014	Budget strategic workshop	CFO and Mayor
December 2014	Submit all Budget related policies for review.	BTO
December 2014	Prepare draft budget three years operational and capital budget.	BTO
January 2015	Report back on progress with Budget inputs.	BTO/HOD's
January 2015	Review of proposed of National and Provincial allocations for incorporation into the draft budget.	
January 2015	Review of current budget and inputs for new budget	HOD's
February 2015	<ul style="list-style-type: none"> <li>• <b>Submission of Budget Inputs</b> Final date for HOD's to submit departmental budget inputs. Proposed Capital projects from IDP</li> <li>• Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part the oversight report for the previous years audited financial statements and annual report.</li> </ul>	BTO/HOD's
February 2015	<b>Budget discussion document</b> Compile discussion document from inputs and submit to EXCO and HOD's	BTO
March 2015	<b>Budget Workshop</b> Discussion of budget inputs, link capital and operational plans to IDP and determine proposed tariffs.	EXCO/HOD's
March 2015	<b>Draft Budget</b> Submit draft multi-term operational and capital budget to Council, National and Provincial Treasury, DLGTA	CFO/BTO
April 2015	<b>Public Consultation Process</b> Public Consultation on draft budget throughout municipality	MAYOR/EXCO/MM
May 2015	<b>Respond to Public Comments</b> Response to public comments and sector comments. Incorporate recommendations into draft budget if possible and feasible	MAYOR/BTO/MM
31 May 2015	<b>Approval of Final Draft Budget</b> Approve the draft multi-term operational and capital budget	COUNCIL
June 2015	<b>Advertising</b> Publication of approved budget.	MM/BTO
June 2015	<b>Submission of Budget</b> Submit approved budget to National and Provincial Treasury and DLGTA	BTO/MM
June 2015	<b>Compile SDBIP</b> Compilation of service delivery and budget implementation plan(SDBIP) and submit to Council for approval	STRATEGIC MANAGER/MAYO R/MM

### 14. SOURCES OF FUNDING

FUND	SOURCE	AMOUNT
IDP REVIEW PROCESS	Department of Local Government and Traditional Affairs	
PMS and IDP	Municipal Budget	R 380,000.00
<b>TOTAL</b>		<b>R 380,000.00</b>

## **15 COUNCIL APPROVAL OF THE IDP**

Once the IDP Representative forum has recommended to Council for the adoption of the IDP and Budget on the beginning of May, the IDP will then be tabled before EXCO for consideration towards the end of the same month. The Council will then adopt the final IDP and Budget by the end May 2015.