



# XHARIEP DISTRICT MUNICIPALITY

*IDP AND BUDGET PROCESS PLAN FOR 2012/13*

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# **XHARIEP DISTRICT MUNICIPALITY**

## **IDP AND BUDGET**

### **PROCESS PLAN**

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## **SECTION ONE: INTRODUCTION & BACKGROUND**

### **1.0 INTRODUCTION**

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 (2000). The preparation of a 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 time frames for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process;
- 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.

### **2.0 LEGAL CONTEXT**

#### **2.1 THE INTEGRATED DEVELOPMENT PLAN**

- 2.1.1 Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000) indicates that:

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

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

2.1.2 In terms of the core components of integrated development plans, Chapter 5 and Section 26 ) of the Municipal Systems Act (2000) indicates that:

*An integrated development plan must reflect-*

- a) *The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;*
- b) *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;*
- c) *The council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;*

- d) *The council's development strategies which must be aligned with any national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;*
- e) *A spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;*
- f) *The council's operational strategies;*
- g) *Applicable disaster management plans;*
- h) *A financial plan, which must include a budget projection for at least the next three years; and*
- i) *The key performance indicators and performance targets determined in terms of section 41.*

## STRATEGIC OBJECTIVES SETTING

The 2012- 16 marks the new five year circle of the Xhariep District Municipality`s IDP and other strategic development tools. It is therefore important that, everyone on council, and senior administration members, are on the same page about the planning process and equally committed to working through it.

Strategic planning helps municipal councils to define a **clear purpose**; set defined and **realistic goals**; provide guidance to administration on day-to-day activities; and be proactive rather than reactive.

### Developing Mission and Vision Statements

It is important that the new council reviews the Mission and Vision of the Municipality to check if, a mission statement describes the what, how and why of the new councils objectives; or who the municipality is, what it wants to do, for whom, where and when.

The process of Strategic objectives setting will also help the municipality to better analyse its strengths, weaknesses, opportunities and Threats (**SWOT Analysis**)

## 2.2 THE ANNUAL BUDGET

- 2.2.1 The Annual Budget and the IDP are inextricably linked to one another, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act (MFMA) indicates that:

*The Mayor of a municipality must-*

- (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. The consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).*

## 3.0 ALIGNMENT OF THE IDP, BUDGET AND PERFORMANCE MANAGEMENT PROCESSES

- 3.1 Every attempt has been made in this Process Plan to align the IDP and Budget preparation process, and the Performance Management System (PMS) review

## 4.0 KEY ELEMENTS TO BE ADDRESSED IN THIS PROCESS

The following is a summary of the main activities to be undertaken during this IDP Process:

#### **4.1 ASSESSMENT ISSUES**

- Comments received from the various role-players in the assessment of the IDP Review documentation for 2011/12
- Shortcomings and weaknesses identified through self-assessment.

#### **4.2 REVIEW OF THE STRATEGIC ELEMENTS OF THE IDP IN TERMS OF COUNCIL'S NEW PRIORITIES**

- Review of the Vision, Mission and Objectives;
- Review of the Strategic elements of the IDP;
- Review of the Spatial Development Framework;

#### **4.3 INCLUSION OF NEW INFORMATION WHERE NECESSARY**

- Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process (i.e. MFMA);
- Alignment of the IDP with newly completed Sector Plans;
- Review of the Strategic elements of the IDP;
- The ongoing alignment of the Performance Management System (PMS), in terms of Chapter 6 of the MSA, with the IDP;
- The update of the Financial Plan, the list of projects (both internal and external funded), and the capital investment framework.

### **5.0 HORIZONTAL AND VERTICAL ALIGNMENT**

#### **5.1 FRAMEWORK PLAN**

In terms of Chapter 5 and Section 26 of the Municipal Systems Act (2000), 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, in doing so, a proper consultation, coordination and alignment of the review process of the district municipality and various local municipalities can be maintained.

## SECTION TWO: ORGANISATIONAL ARRANGEMENTS

### 6.0 IDP STEERING COMMITTEE

#### 6.1 INSTITUTIONAL ARRANGEMENTS

An IDP Steering Committee (IDP SC) has been operational since the inception of the IDP preparation process. The IDP SC acts as a support to the IDP Representative Forum, making technical decisions and inputs, to the Municipal Manager and the IDP Manager. This IDP SC, as well as the Representative Forum will be reconstituted for the IDP preparation process.

Institutional Arrangements:

- The IDP SC will be chaired by the Municipal Manager and in his absence, by the IDP Manager.
- Secretariat will be provided by the PMS Officer.
- Members of the IDP SC will comprise the Senior Management of the DM, the staff responsible for the preparation of the IDP, PMS and Budget and any other members as the Municipal Manager may deem fit.

#### 6.2 TERMS OF REFERENCE FOR THE IDP STEERING COMMITTEE

The terms of reference for the IDP SC are as follows:

- Provide terms of reference for the various planning activities associated with the IDP;
- Commission research studies as may be required;
- Consider and comment on:
  - Inputs from sub-committee/s, study teams and consultants;
  - Inputs from provincial sector departments and support providers;
  - and
  - IDP RF members.
- Processes, summaries and document outputs;
- Makes content and technical recommendations;

- Prepare, facilitate and document meetings.

### 6.3 THE IDP MANAGER RESPONSIBILITIES

Amongst other, the following responsibilities have been allocated to the IDP Manager for the IDP Process:

- To ensure that the Process Plan is finalised and adopted by Council;
- To adjust the IDP according to the proposals of the MEC;
- To identify additional role-players to sit on the IDP Representative Forum;
- To ensure the continuous participation of role players;
- To monitor the participation of role players;
- To ensure appropriate procedures are followed;
- To ensure documentation is prepared properly;
- To carry out the day-to-day management of the IDP process;
- To respond to comments and enquiries;
- To ensure alignment of the IDP with other IDP's within the District Municipality;
- To co-ordinate the inclusion of Sector Plans into the IDP documentation;
- To co-ordinate the inclusion of the Performance Management System (PMS) into the IDP;
- To submit the reviewed IDP to the relevant authorities.

## 7.0 IDP REPRESENTATIVE FORUM

### 7.1 COMPOSITION OF IDP REPRESENTATIVE FORUM

The IDP Representative Forum (IDP RF) will be constituted as part of the preparation phase of the IDP and will continue its functions throughout the annual IDP Review processes. The proposed composition of the IDP RF could be as follows:

- MAYCO members;
- Councillors;
- Ward Committee Chairpersons;
- Senior Municipal Officials;
- Stakeholder representatives of organised groups;
- Advocates of unorganised groups;
- Resource persons;
- Other community representatives;



- National and Provincial Departments regional representatives;
- NGO's; and
- Parastatal organisations.

## 7.2 TERMS OF REFERENCE FOR THE IDP REPRESENTATIVE FORUM

The terms of reference for the IDP RF are as follows:

- Represent the interest of the municipality's constituency in the IDP process;
- Provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders inclusive of municipal government;
- Ensure communication between all the stakeholder representatives inclusive of municipal government; and
- Monitor the performance of the planning and implementation process.

## SECTION THREE: ROLES, RESPONSIBILITIES & KEY ACTIVITIES

### 8.0 ROLE PLAYERS

- 8.1 The Municipality will confirm the identification of the following role players in the IDP Review Process by removing/adding to their list of stakeholders in the IDP Process:

#### ***Internal Role-players***

- Council and the Mayoral Committee;
- Nominated Councilors;
- Mayor;
- Municipal officials;
- Municipal Managers;
- IDP Manager;
- IDP Steering Committee; and
- Representative Forum/Civil Society.

#### ***External Role-players***

Relevant Government Departments;

- Planning professionals/facilitators;
- Municipal officials; and

- Representative Forum/Civil Society.

## 9.0 KEY ACTIVITIES

Below are a summary of the key activities to take place in terms of the IDP, Budget and PMS for the 2007/8 IDP Process:

MONTH	ACTIVITY	RESPONSIBILITY	APPLICABLE LEGISLATION
<b>August - 11</b>	Feed back to the Mayor on IDP projects	IDP Manager, feedback by Municipal Manager	MSA Section 27
	Time schedule of key deadlines submitted to Council for approval	Executive Mayor, MM & CFO	MFMA Section 21(1)(b)
	Time schedule of key deadlines to be approved and sent to National treasury	Executive Mayor, MM & CFO	MFMA Sec 21(1)(b)
	Preparation and analysis phase of IDP	MM & IDP Manager	MSA Section 27
<b>August - 11</b>	Commence with elements of the IDP Process (Phases)	MM, IDP Manager & Director: Planning & Development	
<b>31<sup>st</sup> August - 11</b>	IDP Framework to be adopted by Council		
<b>September - 11</b>	Five Year Strategic Objectives Setting	Executive Mayor, MM & CFO	
<b>November-11</b>	Tariff Policy to be completed	CFO & Manager: Financial Services	MSA Section 74(1)
<b>January-12</b>	Budget Forum to be Finalized	Executive Mayor & MM	MFMA Circular 10 of 2004
	IDP projects to be finalized and aligned with the Provincial Dept & Local Municipalities	MM, IDP Manager, Director: Planning & Development & CFO	MFMA Section 21 (2)(b)

	Revenue & Expenditure projections for the period to be ready for the Budget Forums	CFO	MFMA Section 21 (2)(b)
	Strategic Workshop on Budget Pressures	Executive Mayor & MM	MFMA Circular 10 of 2004
	All budget related policies to be completed	CFO & BTO	MFMA Section 21 (1)(a)
<b>February-12</b>	1st Sitting of Budget Forum - first phase	Executive Mayor	MFMA Circular 10 of 2004
<b>March-12</b>	2nd Sitting of Budget Forum - first phase	Executive Mayor	MFMA Circular 10 of 2004
	Draft Budget to be adopted by Council	Executive Mayor	
	Draft Reviewed IDP to be adopted by Council	Executive Mayor	
<b>April-12</b>	Budget to be submitted to all Stakeholders for comments	CFO	MFMA Section 21 (2) (d, e)
	Stakeholders comments on the submitted Budget	Executive Mayor's Office	MFMA Section 23
<b>May-12</b>	Final comments to be submitted by Stakeholders	Executive Mayor's Office	MFMA Section 23
	Final/Last Budget Forum sittings	MM,CFO& Executive Mayor's Office	MFMA Section 23
	Budget to be approved by Council	Council	MFMA Section 24
	IDP to be approved by Council	Council	MFMA Section 24

<b>June-12</b>	Mayor must begin with Service Delivery and Implementation Plan (SDBIP) and Performance Agreements process.	Executive Mayor's Office	MSA Section 57(2) MFMA Section 69
	Mayor to submit the Service Delivery and Budget Implementation Plan (SDBIP) and Performance Agreements to Council	Executive Mayor's Office	MFMA Section 69 (2)
	Mayor to submit the Service Delivery and Budget Implementation Plan (SDBIP) and Performance Agreements to the MEC and other Stakeholders	Executive Mayor	MFMA Section 53(3)a

## SECTION FOUR: MECHANISMS AND PROCEDURES FOR PARTICIPATION

### 10.0 FUNCTIONS AND CONTEXT OF PUBLIC PARTICIPATION

Four major functions aligned with the public participation process namely:

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

### 11.0 MECHANISMS FOR PARTICIPATION

The following mechanisms for participation will be utilised:

#### **a) IDP Representative Forum (IDP RF)**

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

#### **b) Media**

Local newspapers will be used to inform the community of the progress of the IDP.

#### **c) Information sheets**

This will be prepared in English, Sesotho and be distributed via the Representative Forum where a need for this has been identified.

#### d) The DM's Website

The DM's website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for people and service providers to download.

#### e) Community Road Shows

The Xhariep DM will be hosting its community road shows to publicise the draft IDP and Budget. The venues for these meetings will be publicised at the IDP RF as well as through the media.

## 12.0 PROCEDURES/PROCESS FOR PARTICIPATION

### 12.1 *Representative Forum*

The representative forum will meet as follows and deal with the following issues:

DATES OF IDP REPRESENTATIVE FORUM MEETINGS	
November 2011	<ul style="list-style-type: none"> <li>▪ The provision of feedback on the <i>status quo</i> and strategic framework components of the IDP;</li> <li>▪ Presentation of the PMS quarterly report</li> </ul>
March 2012	<ul style="list-style-type: none"> <li>▪ Presentation of the draft IDP and Budget ahead of the public participation process.</li> <li>▪ Presentation of the PMS quarterly report</li> </ul>
April 2012	<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>▪ Recommendation by the IDP RF for adoption of the IDP by Council.</li> </ul>