

PORTFOLIO COMMITTEE :

MANAGEMENT SERVICES

Chairperson :

Cllr A Komani

Committee Members :

**Ald M Sapepa, Ald N Botha-Guthrie,
Cllrs M Opperman & N Nqinata**

PORTEFEULJEKOMITEE :

BESTUURSDIENSTE

Voorsitter :

Rdl A Komani

Komiteelede :

**Rdh M Sapepa, Rdh N Botha-Guthrie,
Rdle M Opperman & N Nqinata**

**AGENDA of the
Portfolio Committee: Management Services
21 August 2018
(Also the agenda for the Mayoral Committee Meeting: 29 August 2018)**

**1.
TIME SCHEDULE FOR THE 2019/20 INTEGRATED DEVELOPMENT PLAN (IDP)
REVIEW/ BUDGET PROCESS**

5/1

RG Louw

(028) 313 8071

Corporate Head Office

19 July 2018

1. Executive Summary

To inform Council of the time schedule for the IDP review process as well as the compilation of the Budget for the 2019/20 financial year. This time schedule will be for the 2nd review of the current 5 year IDP (2017/2022) approved on 31 May 2017.

2. Service Delivery and Budget Implementation Plan - IGNITE

Management Services
Strategic Services

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services
Creation and maintenance of a safe and healthy environment
The encouragement of structured community participation in the matters of the municipality
Promotion of tourism, economic and social development

4. Delegated Authority

None

5. Legal Requirements

Sections 28 and 29 (1) of the Local Government: Municipal Systems Act, No.32 of 2000 (MSA)
Section 21(1) of the Local Government: Municipal Finance Management Act, No.56 of 2003 (MFMA)

6. Background

Under Section 21(1) of the MFMA the Mayor must at least 10 months before the start of the new budget year, table in the Municipal Council a time schedule outlining key deadlines for:

**AGENDA of the
Portfolio Committee: Management Services
21 August 2018
(Also the agenda for the Mayoral Committee Meeting: 29 August 2018)**

- *The preparation, tabling and approval of the annual budget;*
- *The annual review of the IDP in terms of the Systems Act and the budget related policies;*
- *The tabling and adoption of any amendments to the IDP and the budget related policies, and*
- *Any consultative processes forming part of the processes referred to above.*

The tabling of the time schedule is thus a legislative competency reserved for the Executive Mayor.

Discussion

The drafting of the municipality's IDP review and Budget compilation process is to run concurrently and the time schedules are therefore consolidated into the IDP review/Budget schedule. The key budget deadlines in the time schedule were discussed with the Senior Manager: Financial Services and the Budget Office for endorsement.

Conclusion

In terms of the IDP, this time schedule details the process for the 2nd review of the current 5 year IDP of 2017/2022.

This report seeks to ensure compliance with the relevant provision of the MFMA. The time schedule for the 2019/20 IDP review/Budget process is attached as Annexure A to this report.

7. Financial Implications

Provision has been made for the costs of the above process on the 2018/19 operational budget.

8. Staff Implications

The above processes will be undertaken by internal staff.

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: Time schedule for the 2019/20 IDP review/Budget process

**AGENDA of the
Portfolio Committee: Management Services
21 August 2018
(Also the agenda for the Mayoral Committee Meeting: 29 August 2018)**

RECOMMENDATION TO THE COUNCIL:

that the schedule of key dates for the 2019/20 compilation of an IDP review/
Budget process **be noted**.

RESPONSIBLE OFFICIAL :

RG LOUW

TARGET DATE FOR IMPLEMENTATION :

3 SEPTEMBER 2018

**AGENDA of the
Portfolio Committee : Management Services
22 August 2018
(Also the agenda for the Mayoral Committee Meeting : 29 August 2018)**

**1.
TIME SCHEDULE FOR THE 2019/20 INTEGRATED DEVELOPMENT PLAN (IDP)
REVIEW/ BUDGET PROCESS**

**5/1
RG Louw
19 July 2018**

(028) 313 8071

Corporate Head Office

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
22 AUGUST 2018, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

RECOMMENDATION TO THE COUNCIL:

that the schedule of key dates for the 2019/20 compilation of an IDP review / Budget process **be noted**.

RESPONSIBLE OFFICIAL :

RG LOUW

TARGET DATE FOR IMPLEMENTATION :

3 SEPTEMBER 2018

Annexure A

TIME SCHEDULE FOR THE 2019/20 IDP REVIEW AND BUDGET PROCESS OF OVERSTRAND MUNICIPALITY
(2nd REVIEW OF THE 5 YEAR IDP – 2017/2022)

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
JUNE-OCTOBER 2018 PREPARATION PHASE				
District IDP Managers & DLG pre-planning engagement to ensure alignment and integration of IDP/Budget Time Schedules	Strategic Office			25-June-18
Table in Council a budget and IDP time schedule of key deadlines (Every year- at least 10 months before the start of the budget year)	Strategic Office			29-Aug-18
Place public notice on the IDP review/Budget time schedule approval	Strategic Office			6-Sept-18
Submission of the time schedule to ODM, the Provincial Government and National Government	Strategic Office/ Budget Office			7-Sept-18
Provincial IDP Managers Forum	Local/ Provincial alignment- 2 nd Quarter Provincial engagement – Strategic Office			6 & 7 Sept-18
ANALYSIS, STRATEGY AND PROJECT PHASES				
Budget Office to submit Current 3 year capital budget and 2 years future planning to Strategic Office	Budget Office			27-July-18
Snr Managers for the respective administrations receive prioritised Wish list from Strategic Office of previous project requests for Ward Committees to review (including the Current 3 year capital budget from Budget Office)	Strategic Office/ Budget Office			1-Aug-18
EMT buy-in Methodology for review of community needs for the 2019/20 IDP	Top Management/ Mayco			7-Aug-18

Annexure A
1/9

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
review Ward committees meet to review current needs on the wish list	Snr Managers for the respective administrations			13-17-Aug-18
Public ward feedback meetings- Ward committees obtain public input for draft Ward requests (ward specific projects) and draft reviewed prioritised ward wish list for the 2019/20 financial year	Ward Committees/ Snr Managers for the respective administrations			10-14-Sept-18
Snr Managers for the respective administrations submit draft Ward requests to the Budget Office and draft reviewed prioritised wish list to the Strategic Office	Snr Managers for the respective administrations			19-Sept-18
Review status of Bytes Budget Portal functionality and MITREF budget information	Bytes/Budget Office			21 Sept-18
Mayoral Strategic session with Management and Councillors (Determine strategic direction for the 2019/20 IDP review)	Strategic Office			20-Sept/ 1-Oct-18
Top Management Meeting with MM (Directors & Budget Office) to discuss budget proposals and budget affordability	TMT/Budget Office			1-3-Oct-18
Budget Steering Committee (BSC) Meeting - Direction on proposed Tariff increases & increases in Revenue , Expenditure and Capital & Ward Specific Allocations	Budget Steering Committee			3-5-Oct-18
Senior Managers for the respective administrations receives directive from Budget Steering Committee (BSC) on draft ward requests (After BSC meeting)	TMT/Budget Office			8-Oct-18
Based on BSC directive, Ward Committees meet for finalisation of their ward projects and reviewed prioritised wish list	Snr Managers of the respective administrations			15-19-Oct-18
Budget Office distributes current approved three year capital budget and 2 years future planning to directors and project managers to review existing projects on the two outer years and prioritise projects for the third outer year (2021/2022) as well as the 2 years future planning projects for a 5 year horizon.	Budget Office			
Snr Manager Revenue sends Tariff Lists to Directors for review	Snr Manager Revenue			09-Oct-18
Snr Managers of the respective administrations submit final ward projects to Budget Office and final reviewed prioritised wish list to Strategic Office	Snr Managers of the respective administrations			09-Oct-18
				26-Oct-18

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
Strategic office distribute final reviewed prioritised ward wish list to Directorates for their response by 5 th November 2018	Strategic Office			29-Oct-18
Final review Bytes Budget Portal for readiness	Bytes/Budget Office			19-Oct-18
Mayoral directional IDP/Budget Speech	Executive Mayor			31-Oct-18
Directors submit draft 3 year MIREF capital proposals of existing projects on the two outer years and prioritised projects for the third outer year (2021/2022) as well as the 2 years future planning projects for 5 year horizon.	Directors			31-Oct-18
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Strategic Office			Oct-2018 (TBC)
INTEGRATION PHASE				
Budget office to issue directives to budget holders regarding the completion of 2019/20 – 2021/22) OPEX Budget	Budget Office			1-Nov-18
Directors to submit Tariff proposals to Snr Manager Revenue	Directors			1-Nov-18
Budget Steering Committee Meeting - To discuss & review capital budget requests (ROUND1)	Budget Steering Committee			5-9-Nov-18
Workshop on Tariffs and Tariff Related Policies	Budget Office			5-9-Nov-18
Bytes Budget Portal update where necessary with new IDP Strategic objectives/Focus Areas/Programmes/Projects and Sub-projects	Bytes/Strategic Office/Budget Office			9-Nov-18
Additional Training if required for all Budget Holders on the new Bytes Budget Portal for OPEX and CAPEX Budgets (Project Based Approach)	All Budget Holders/Budget Office			12-16-Nov-18
Capturing of Opex & Capex budgets on the Budget Portal	All budget Holders			12-Nov-18 to 30-Nov-18
Directors to submit New Post requests to HR & Salary Office	Directors			23-Nov-18
Managers to submit Final List of Overtime, Essential etc. to Salary Department	Managers			23-Nov-18
HR/Salary Office to submit requests for new staff/posts to the Budget Office	HR			30-Nov-18
District Sector-focused engagements to ensure project alignment	Coordinated by ODM IDP Office			27-30-Nov-18
Strategic Integrated Municipal Engagement (SIME)	Western Cape Department of Local Government coordinate			Nov-18 (TBC)
Budget Office to distribute Year-to-Date Opex & Capex performance for	Budget Office			

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
2018-2019 for Mid-Year review proposals	Local/ Provincial alignment- Quarter 3 Provincial engagement – Strategic Office		30-Nov-18	
Provincial IDP Managers Forum	All budget Holders			6 & 7 Dec-2018
Closing date for the capturing of Opex & Capex budgets on the Budget Portal				30-Nov-18
Snr Manager Revenue to submit Draft Tariff list and proposed Revenue to Budget Office	Snr Manager Revenue			30-Nov-18
Salary Office to submit draft three year salary budget & WCA estimates to Budget Office (Current staff establishment)	Salary Section			30-Nov-18
Asset Management to submit draft three year depreciation budget (Asset register 2018) to Budget Office	Asset Management			30-Nov-18
Costing Section must provide Draft Recharges/ Departmental charges to Budget Office	Costing Section			30-Nov-18
Cash management to submit draft three year Interest & Redemption (Loan register 2018) To Budget Office	Cash Management			30-Nov-18
Fleet Management to submit Draft Vehicle Budget: Fuel & Maintenance to Budget Office	Fleet Management			30-Nov-18
Accounting Services to submit provisions and operating leases estimates to budget office	Accounting Services			30-Nov-18
Directors return Mid-Year review requests to Budget Office	Directors		9-Dec-18	
Directors confirm budget position of information captured on the Budget Portal for their respective directorates	Directors			9-Dec-18
Budget Steering Committee Meeting - Mid Year Review (2018/2019 Budget): Consider proposals for adjustments budget (Capex & Opex) and Review Draft Capex & Opex budget for 2019-2020 to 2021-2022 & finalisation of new posts	Budget Steering Committee		10-12-Dec-18	10-12-Dec-18
Budget Office distributes the Mid-Year Review (Capex & Opex) Changes for final verification	Budget Office			
Budget Office distributes the status on the Draft Capex & Opex budget for 2019-2020 to 2021-2022	Budget Office		14-Dec-18	14-Dec-18

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18	2018/19	BUDGET
		FINANCIAL	FINANCIAL	TIME FRAME
		YEAR	YEAR	
Compilation of Mid-Year Review Report (2018/19)	Budget Office/ Strategic Office		14-18 Jan-19	13-16 Jan-20
Statistical Information reports for New Budget Formats distributed to applicable Directors & Managers for completion	Budget Office			18-Jan-19
Submit Mid-Year Review (MYR) Report to Mayor	Budget Office/ Strategic Office		25-Jan-19	25-Jan-19
Table Mid-year Review (MYR) in Council	Budget Office/ Strategic Office		30-Jan-19	30-Jan-19
Budget Steering Committee Meeting - Final discussion of Tariffs & Final Adjustment Budget Review (2018/2019 Budget)	Budget Steering Committee		30/31 Jan-19	30/31 Jan-19
Responsible officials confirm final salary, depreciation, departmental charges, interest & redemption, vehicle costs, provisions & op. leases budget information to the Budget Office	Salary Section Asset Management Costing Section Cash Management Fleet Management Accounting Services			4-Feb-19
Budget Office distributes Draft Capex & Opex budget for 2019-2020 to 2021-2022 for BSC meeting	Budget Office			8-Feb-19
Snr Manager: Revenue submits Final revenue projections & Tariffs to Budget Office	Snr Manager Revenue			8-Feb-19
Review Budget Related Policies	Budget Committee/Councillors/ Directors/Managers			4-8-Feb-19
Compile Adjustment Budget (2018/2019 Budget): NT Reports and working papers	Budget Office		4-15-Feb-19	
Final Review of 2018/2019 Adjustment Budget documents	Budget Office		18-19-Feb-19	
Budget Steering Committee Meeting - To discuss final draft Opex, Capex and revenue projections	Budget Steering Committee			11-15 Feb-19
Provincial IDP Indaba 2 / MGRO 2 (Coordinated Dept. LG- IDP Directorate)	Strategic Office/ MM/ Directors			Feb-19- Dept. LG to confirm
District IDP Managers engagement to discuss alignment of Draft 2 nd Reviews	Strategic Office			Feb-19

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
(Coordinated by ODM- IDP Manager) Technical Integrated Municipal Engagement (TIME) (Coordinated Dept. LG- IDP Directorate) Start with the compilation of Draft Service Delivery and Budget Implementation Plan (SDBIP) (2019/20) Budget Office send Final list of new posts to Salary Department after discussion with BSC	Strategic Office/ MM/ Directors Strategic Office/ Directorates Budget Office			ODM to confirm Feb-19 (TBC) 18-Feb-19 19-Feb-19
Directors and Managers return final Statistical Information with final sign off by Directors to verify information submitted Directors and Managers confirm final operational and capital budget proposals to Budget Office Managers confirm final depreciation, salary budget and interest & redemption, Recharges/ Departmental charges to Budget Office Snr Manager Revenue Dept. confirm Draft tariffs & Revenue Projections to Budget Office	Directors/Managers Directors/Managers Relevant Managers Snr Manager: Revenue			19-Feb-19 20-Feb-19 20-Feb-19 20-Feb-19
Update & Balance Financial System with 3yr Budget Info Review Draft I/E and Capital Budget status Compile Draft Cash Flow Managers to submit Final Policies to CFO Submit Electricity Tariffs to NERSA	Budget Office Budget Office Budget Office Managers Snr. Manager: Revenue			18-22 Feb-19 21-22 Feb-19 27-28 Feb-19 28-Feb-19 28 Feb -19
Managers to submit Activity/ Business Plans for Grants to Budget Office Budget Steering Committee Meeting – Review of final draft Opex. Capex & revenue budgets	Budget Holders Budget Steering Committee OMAF – Ward Com/Mayor/Councillors/ Directors /Managers			28 Feb - 19 28 Feb - 19 19-27-Feb-19
Overstrand Municipal Advisory Forum (OMAF) Meeting - 2019/20 IDP review focus areas & preliminary budget proposals for 2019/20				
Provincial IDP Managers Forum Finalise the draft IDP review for 2019/20 Finalisation of Draft Opex & Capex Budgets working papers	Local/ Provincial alignment- 4th Quarter Provincial engagement – Strategic Office Strategic Office Budget Office			28-Feb- 1 Mar-19 1-22 Mar-19 01-08 Mar-19

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
Update & Balance A. Schedule and compile draft agenda item	Budget Office			08-15 Mar-19
Budget Office send financial information to Strategic Office for Draft IDP review & draft SDBIP	Budget Office			15-Mar-19
Budget Office compile Draft Budget Report & Schedules	Budget Office			15-19 Mar-19
Budget Office does Final Review of Draft Budget Report & Schedules	Budget Office			20&22 Mar-19
Printing & Binding of Draft Budget Report & Electronic Files	Budget Office			25-26 Mar-18
Budget Office distributes Draft Budget Report	Budget Office			26 Mar-19
Prepare advertisements for Draft IDP review & Budgets for comments	Budget Office / Strategic Office			27 Mar-19
Budget Office distributes Draft Budget Report	Budget Office			28 Mar-19
Draft IDP review, draft Budget and draft SDBIP tabled in Council	Budget Office / Strategic Office			27-Mar-19
Submit Draft IDP review/Budget files to Provincial Treasury after Council Meeting	Budget Office / Strategic Office			27-Mar-19
Place Draft Budget and IDP review on website	Budget Office / Strategic Office			28-Mar-19
Submission of Annual Draft Budget, data strings and IDP for representation to National Treasury and any other prescribed organs of state.	Budget Office / Strategic Office			29-Mar-19
Advertise Draft IDP review & Budget for public comment	Budget Office / Strategic Office			28-Mar-19
APRIL – MAY 2019				
CONSULTATION & APPROVAL PHASE				
Public comment period	Community Community/ Councillors/ Top Management/ Area Managers			28-Mar-30 Apr-19
Public Participation on draft IDP review & Draft Budget	Provincial Treasury/ Municipal Delegation			April 2019 end April/ Mid-May-19
LG MTEC3 Engagement	Grant Champions			30-Apr-19 Apr-19
Grant champions to submit Final Activity/ Business Plans for Grants to Budget Office	Strategic Office			(ODM to confirm)
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Budget Holders			30-Apr-19
Managers to submit Demand Management Plans to SCM				

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
Summarise all community feedback and distribute to the relevant stakeholders for consideration to be included in the Final Budget report	Budget Office			2 May-19
Budget Steering Committee Meeting - Consideration of Budget Comments (Review Budget comments to make decision on comments)	Budget Steering Committee			3 May-19
Budget Office updates final changes on financial system	Budget Office			6-8 May -19
Budget Office compile Final Budget Report and Schedules	Budget Office			8-15 May-19
Budget Office does Final Review of Budget Report & Schedules	Budget Office			16 -17 May-19
Printing , Binding and Electronic Media of Final Budget Report	Budget Office			20-21 May -19
Distribution of Final Budget Report and submit report to Council Support Services	Budget Office			22-May -19
Approval of Final IDP review and Final Budget by Council	Budget Office / Strategic Office			29- May-19
IMPLEMENTATION PHASE				
Provincial IDP Managers Forum	Local/ Provincial alignment- 1 st Quarter Provincial engagement – Strategic Office			6-7 June-19
Place Final IDP review and Final Budget documents on the website	Strategic Office/ Budget Office			3- June-19
Advertise Final Budget and Tariffs in the media	Budget Office			6- June-19
Submission of Final Budget and data strings and Final IDP review to National and Provincial Treasury	Budget Office / Strategic Office			7 June-19
Municipal Manager submits SDBIP and draft performance agreements to Mayor	Municipal Manager			12-June-19
Submit Budget Related Appendix B reports to National and Provincial Treasury	Budget Office			12 June-19
Confirm/Capture Capital Budget on Financial System	Budget Office			10-14 June-19
Compile Electronic Internal Budget Book	Budget Office			17-28 June-19
Publish a summary of Budget in Bulletin	Manager:			15-June-18 TBC
Approval of SDBIP by Executive Mayor	Mayor			26-June-19
Finalise and approval of the performance agreements of the S54A and S56	Strategic Office/EM/MM			28-June-19

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2019/20
		2017/18 FINANCIAL YEAR	2018/19 FINANCIAL YEAR	BUDGET TIME FRAME
appointees				
Advertise Property Rates Tariffs in Provincial Gazette	Senior Manager: Revenue			21 June-19
Place Internal Budget Book on Intranet and inform budget holders	Budget Office			28-June-19
Submit Budget Locking Certificate to National Treasury	Budget Office			30-June-19
REPORTING & REVIEW				
Monthly Budget Statement to Municipal Manager and Mayor	Budget Office	Aug 18- Jul 19	Aug 19- Jul 20	Aug 19- Jul 20
Quarterly reporting by Mayor to Council	Mayor	Oct 18, Jan 19, Apr 19, Jul 19	Oct 19, Jan 20, Apr 20, Jul 20	Oct 19, Jan 20, Apr 20, Jul 20
Table adjustments Budget	Budget Office	27-Feb-19	26-Feb-20	26-Feb-20
Finalise Roll over Projects (Final Amounts)	Budget Office	5-Jul-19	4-Jul-20	4-Jul-20
Table Adjustments Budget for approval of Roll over projects	Budget Office	31-Jul-19	29-Jul-20	29-Jul-20
Table in Council Draft unaudited Annual Report /AFS	Budget Office / Strategic Office	31-Aug-18	30-Aug-19	29- Aug-20
Submission of annual financial statements to AG	Accounting Services	31-Aug-18	31-Aug-19	31-Aug-20
Finalise the draft unaudited annual report for submission to AG	Strategic Office	31-Aug-18	31-Aug-19	31 Aug-20
Submit Adjustments Budget (Overspending), if necessary	Budget Office	23-Jan-19	24-Jan-20	25-Jan-21
Submit Draft audited Annual Report to Council	Strategic Office	23-Jan-19	24-Jan-20	25-Jan-21
Finalise Annual Report Comments for Approval	Strategic Office	Feb-March	Feb-March	Feb-March
Approval of Annual Report	Strategic Office	27-Mar-19	28-Mar-20	27-Mar-21

Notes:

- Capex- Capital budget
- Opex- Operating budget

** The due dates are subject to change depending on the official date of the National Elections

** A review of the Spatial Development Framework (SDF) is planned in 2018/19, but the timeframes were not available at the time of finalising this item