

**AGENDA of the
Portfolio Committee : Management Services
22 August 2017
(Also the agenda for the Mayoral Committee Meeting : 30 August 2017)**

**2.
TIME SCHEDULE FOR THE 2018/19 INTEGRATED DEVELOPMENT PLAN (IDP)
REVIEW/ BUDGET PROCESS**

5/1

R Louw

(028) 313 8071

Corporate Head Office

24 July 2017

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 2018/19 financial year. This time schedule will be for the 1st 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 Priority

Provision of democratic, accountable and ethical governance

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/Discussion/Evaluation/Conclusion

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:

- *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;*

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- *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.

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.

In terms of the IDP, this time schedule details the process for the 1st 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 2018/19 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 2018/19 IDP review/ Budget process

RECOMMENDATION TO THE COUNCIL:

that the schedule of key dates for the 2018/19 compilation of an IDP review/ Budget process **be noted**.

RESPONSIBLE OFFICIAL:

R LOUW

TARGET DATE FOR IMPLEMENTATION:

1 SEPTEMBER 2017

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**2.
TIME SCHEDULE FOR THE 2018/19 INTEGRATED DEVELOPMENT PLAN (IDP)
REVIEW / BUDGET PROCESS**

**5/1
R Louw (028) 313 8071 Corporate Head Office
24 July 2017**

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
22 AUGUST 2017, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

RECOMMENDATION TO THE COUNCIL:

that the schedule of key dates for the 2018/19 compilation of an IDP review/ Budget process **be noted.**

RESPONSIBLE OFFICIAL:

R LOUW

TARGET DATE FOR IMPLEMENTATION:

1 SEPTEMBER 2017

TIME SCHEDULE FOR THE 2018/19 IDP REVIEW AND BUDGET PROCESS OF OVERSTRAND MUNICIPALITY

(1ST REVIEW OF THE 5 YEAR IDP – 2017/2022)

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2018/19
		2016/17	2017/18	BUDGET
		FINANCIAL	FINANCIAL	TIME FRAME
		YEAR	YEAR	
JUNE-OCTOBER 2017				
PREPARATION PHASE				
District IDP Managers Forum (time schedule activity alignment) (Coordinated by ODM- IDP Manager)	Strategic Office			8-Aug-17
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 Local/ Provincial alignment- 2 nd Quarter Provincial engagement – Strategic Office			30-Aug-17
Provincial IDP Managers Forum Submission of the time schedule to ODM, the Provincial Government and National Government	Strategic Office/ Budget Office			31 Aug- 1 Sept 17
Place public notice on the IDP review/Budget time schedule approval	Strategic Office			7 Sept-17 7 Sept-17
ANALYSIS, STRATEGY AND PROJECT PHASES				
Discussion with Area Management and Ward Councillors- Methodology for review of community needs for the 2018/19 IDP review	Area Managers/ Directors Community Services & Management Services/ Ward Councillors/Strategic Office			27-July-17
Budget Office to submit Current 3 year capital budget to Strategic Office	Budget Office			27-July-17

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2018/19
		2016/17	2017/18	BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
<p>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)</p> <p>Ward committees meet to review current needs on the wish list</p>	<p>Strategic Office/ Budget Office</p>			28-July-17
<p>Public ward feedback meetings-</p> <p>Ward committees obtain public input for draft Ward requests (ward specific projects) and draft reviewed prioritised ward wish list for the 2018/19 financial year</p>	<p>Snr Managers for the respective administrations</p> <p>Ward Committees/ Snr Managers for the respective administrations</p>			14-18-Aug-17
<p>Snr Managers for the respective administrations submit draft Ward requests to the Budget Office and draft reviewed prioritised wish list to the Strategic Office</p> <p>Review status of Samras Budget Portal functionality and MTRF budget information</p> <p>Mayoral Strategic session with Management and Councillors (Determine strategic direction for the 2018/19 IDP review)</p> <p>Top Management Meeting with MM (Directors & Budget Office) to discuss budget proposals and budget affordability</p> <p>Budget Steering Committee Meeting - Direction on proposed Tariff increases & increases in Revenue , Expenditure and Capital & Ward Specific Allocations</p> <p>Senior Managers for the respective administrations receives directive from Budget Steering Committee (BSC) on draft ward requests</p> <p>(After BSC meeting)</p> <p>Based on BSC directive, Ward Committees meet for finalisation of their ward projects and reviewed prioritised wish list</p> <p>Budget Office distributes current approved three year capital budget to directors and project managers to review existing projects on the two outer years and prioritise projects for the third outer year (2020/2021)</p> <p>Snr Manager Revenue sends Tariff Lists to Directors for review</p> <p>Snr Managers of the respective administrations submit final ward projects to</p>	<p>Snr Managers for the respective administrations</p> <p>Samras/Budget Office</p> <p>Strategic Office</p> <p>TMT/Budget Office</p> <p>Budget Steering Committee</p> <p>TMT/Budget Office</p> <p>Snr Managers of the respective administrations</p> <p>Budget Office</p> <p>Snr Manager Revenue</p> <p>Snr Managers of the</p>			<p>11-15-Sept-17</p> <p>19-Sept-17</p> <p>22 Sept-17</p> <p>11-28-Sept-17</p> <p>2-3-Oct-17</p> <p>3-6-Oct-17</p> <p>6-Oct-17</p> <p>9-13-Oct-17</p> <p>09-Oct-17</p> <p>09-Oct-17</p> <p>16-Oct-17</p>

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2018/19
		2016/17	2017/18	BUDGET
		FINANCIAL	FINANCIAL	TIME FRAME
		YEAR	YEAR	
Budget Office and final reviewed prioritised wish list to Strategic Office	respective administrations			
Strategic office distribute final reviewed prioritised ward wish list to Directorates for their response by 2 nd November 2017	Strategic Office			19-Oct-17
Final review Samras Budget Portal for readiness	Samras/Budget Office			20-Oct-17
Mayoral directional IDP/Budget Speech	Executive Mayor			25-Oct-17
Directors submit draft 3 year MTRF capital proposals of existing projects on the two outer years and prioritised projects for the third outer year (2020/2021)	Directors			31-Oct-17
INTEGRATION PHASE				
District IDP Rep/PP Comm Forum	Coordinated by ODM IDP Office			Nov-17
Budget office to issue directives to budget holders regarding the compilation of 2018/19 – 2020/21 OPEX Budget	Budget Office			1-Nov-17
Directors to submit Tariff proposals to Snr Manager Revenue	Directors			1-Nov-17
Budget Steering Committee Meeting - To discuss & review capital budget requests (ROUND1)	Budget Steering Committee			
Workshop on Tariffs and Tariff Related Policies	Budget Office			6-10-Nov-17
Samras Budget Portal update where necessary with new IDP Strategic objectives/Focus Areas/Programmes	Samras/Strategic Office/Budget Office			6-10-Nov-17
Additional Training if required for all Budget Holders on the new Samras Budget Portal for OPEX and CAPEX Budgets (Project Based Approach)	All Budget Holders/Budget Office			10-Nov-17
Capturing of Opex & Capex budgets on the Budget Portal	All budget Holders			13-17-Nov-17
Directors to submit New Post requests to HR & Salary Office	Directors			13-Nov-17 to 1-Dec-17
Managers to submit Final List of Overtime, Essential etc. to Salary Department	Managers			20-Nov-17
HR/Salary Office to submit requests for new staff/posts to the Budget Office	HR			24-Nov-17
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Strategic Office			24-Nov-17
District IDP Rep/PPCom Forum (Coordinated by ODM- IDP Manager)	Strategic Office			27-Nov-17
Budget Office to distribute Year-to-Date Opex & Capex performance for	Budget Office			Nov-17 to be confirmed

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2018/19
		2016/17 FINANCIAL YEAR	2017/18 FINANCIAL YEAR	BUDGET TIME FRAME
2017-2018 for Mid-Year review proposals			30-Nov-17	
Provincial IDP Managers Forum	Local/ Provincial alignment- Quarter 3 Provincial engagement – Strategic Office			30-Nov/1 Dec-17
Closing date for the capturing of Opex & Capex budgets on the Budget Portal	All budget Holders			
Snr Manager Revenue to submit Draft Tariff list and proposed Revenue to Budget Office	Snr Manager Revenue			1-Dec-17
Salary Office to submit draft three year salary budget & WCA estimates to Budget Office (Current staff establishment)	Salary Section			1-Dec-17
Asset Management to submit draft three year depreciation budget (Asset register 2017) to Budget Office	Asset Management			1-Dec-17
Costing Section must provide Draft Recharges/ Departmental charges to Budget Office	Costing Section			1-Dec-17
Cash management to submit draft three year interest & Redemption (Loan register 2017) to Budget Office	Cash Management			1-Dec-17
Fleet Management to submit Draft Vehicle Budget: Fuel & Maintenance to Budget Office	Fleet Management			1-Dec-17
Accounting Services to submit provisions and operating leases estimates to budget office	Accounting Services			1-Dec-17
Directors return Mid-Year review requests to Budget Office	Directors		8-Dec-17	
Directors confirm budget position of information captured on the Budget Portal for their respective directorates	Directors			8-Dec-17
Budget Steering Committee Meeting - Mid Year Review (2017/2018 Budget): Consider proposals for adjustments budget (Capex & Opex) and Review Draft Capex & Opex budget for 2018-2019 to 2020-2021 & finalisation of new posts	Budget Steering Committee		11-13-Dec-17	11-13-Dec-17
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 2018-2019 to 2020-2021	Budget Office		15-Dec-17	15-Dec-17

TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
Compilation of Mid-Year Review Report (2017/18) Statistical Information reports for New Budget Formats distributed to applicable Directors & Managers for completion	Budget Office/ Strategic Office		15-19 Jan-18	14-18 Jan-19
Submit Mid-Year Review (MYR) Report to Mayor	Budget Office			20-Jan-18
Table Mid-year Review (MYR) in Council	Budget Office/ Strategic Office		24-Jan-18	25-Jan-19
Budget Steering Committee Meeting - Final discussion of Tariffs & Final Adjustment Budget Review (2017/2018 Budget)	Budget Office/ Strategic Office		25-Jan-18	30-Jan-19
	Budget Steering Committee		30/31 Jan-18	30/31 Jan-18
	Salary Section			
	Asset Management			
	Costing Section			
	Cash Management			
	Fleet Management			
	Accounting Services			
Responsible officials confirm final salary, depreciation, departmental charges, interest & redemption, vehicle costs, provisions & op. leases budget information to the Budget Office	Budget Office			2-Feb-18
Budget Office distributes Draft Capex & Opex budget for 2018-2019 to 2020-2021 for BSC meeting				9-Feb-18
Snr Manager: Revenue submits Final revenue projections & Tariffs to Budget Office	Snr Manager Revenue			9-Feb-18
Review Budget Related Policies	Budget			
Compile Adjustment Budget (2017/2018 Budget): NT Reports and working papers	Committee/Councillors/ Directors/Managers			1-9-Feb-18
Final Review of 2017/2018 Adjustment Budget documents	Budget Office		6-16-Feb-18	
Budget Steering Committee Meeting - To discuss final draft Opex, Capex and revenue projections	Budget Office		19-20-Feb-18	
Provincial IDP Indaba 2 / MGRO 2 (Coordinated Dept. LG- IDP Directorate)	Budget Steering Committee			12-15 Feb-18
	Strategic Office/ MM/ Directors			Feb-18- Dept. LG to confirm

TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19 BUDGET
		FINANCIAL YEAR	FINANCIAL YEAR	TIME FRAME
District IDP Rep/PP Comm Forum	Coordinated by ODM IDP Office			Feb-18
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Strategic Office			ODM to confirm 9-Feb-18
Start with the compilation of Draft SDBIP (2018/19)	Strategic Office/ Directorates			19-Feb-18
Budget Office send Final list of new posts to Salary Department after discussion with BSC	Budget Office			19-Feb-18
Directors and Managers return final Statistical Information with final sign off by Directors to verify information submitted	Directors/Managers			19-Feb-18
Directors and Managers confirm final operational and capital budget proposals to Budget Office	Directors/Managers			20-Feb-18
Managers confirm final depreciation, salary budget and interest & redemption, Recharges/ Departmental charges to Budget Office	Relevant Managers			20-Feb-18
Snr Manager Revenue Dept. confirm Draft tariffs & Revenue Projections to Budget Office	Snr Manager: Revenue			20-Feb-18
Update & Balance Financial System with 3yr Budget Info	Budget Office			19-23 Feb-18
Review Draft IE and Capital Budget status	Budget Office			22-23 Feb-18
Compile Draft Cash Flow	Budget Office			27-28 Feb-18
Managers to submit Final Policies to CFO	Managers			28-Feb-18
Submit Electricity Tariffs to NERSA	Snr. Manager: Revenue			28 Feb -18
Managers to submit Activity/ Business Plans for Grants to Budget Office	Budget Holders			28 Feb -18
Budget Steering Committee Meeting – Review of final draft Opex, Capex & revenue budgets	Budget Steering Committee			28 Feb -18
OMAF Meeting - 2018/19 IDP review focus areas & preliminary budget proposals for 2018/19	OMAF - ward Com/Mayor/Councillors/ Directors /Managers			28 Feb -18
Provincial IDP Managers Forum	Local/ Provincial alignment- 4th Quarter			1-2-Mar-18
Finalise the draft IDP review for 2018/19	Provincial engagement – Strategic Office			1-20 Mar-18
Finalisation of Draft Opex & Capex Budgets working papers	Strategic Office Budget Office			01-09 Mar-18

TASK/ ACTIVITY	RESPONSIBILITY	Close-off 2016/17	Close off 2017/18	2018/19
		FINANCIAL YEAR	FINANCIAL YEAR	BUDGET TIME FRAME
Update & Balance A Schedule and compile draft agenda item	Budget Office			09-15 Mar-18
Budget Office send financial information to Strategic Office for Draft IDP review & SDBIP	Budget Office			
Budget Office compile Draft Budget Report & Schedules	Budget Office			16-Mar-18
Budget Office does Final Review of Draft Budget Report & Schedules	Budget Office			16-20 Mar-18
Printing & Binding of Draft Budget Report & Electronic Files	Budget Office			22-23 Mar-18
Budget Office distributes Draft Budget Report	Budget Office			23-26 Mar-18
				27 Mar-18
Prepare advertisements for Draft IDP & Budgets for comments	Budget Office / Strategic Office			26 Mar-18
Budget Office distributes Draft Budget Report	Budget Office			27 Mar-18
Draft IDP review/Budget tabled in Council	Budget Office / Strategic Office			
Submit Draft IDP review/Budget files to Provincial Treasury after Council Meeting	Budget Office / Strategic Office			28-Mar-18
				28-Mar-18
Place Draft Budget and IDP review on website	Budget Office / Strategic Office			28-Mar-18
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-18
Advertise Draft IDP review & Budget for public comment	Budget Office / Strategic Office			29/30-Mar-18
APRIL – MAY 2018				
CONSULTATION & APPROVAL PHASE				
Public comment period	Community			30-Mar-30 Apr-18
	Community/ Councillors/ Top Management/ Area Managers			
Public Participation (road shows)	Provincial Treasury/ Municipal Delegation			April 2018 end April/ Mid-May-18
LG MTEC3 Engagement	Grant Champions			27-Apr-18
Grant champions to submit Final Activity/ Business Plans for Grants to Budget Office	Strategic Office			27-Apr-18
District IDP Managers Forum (Coordinated by ODM- IDP Manager)	Budget Holders			30-Apr-18
Managers to submit Demand Management Plans to SCM	Budget Office			3 May-18
Summarise all community feedback and distribute to the relevant				

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2018/19
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		YEAR	YEAR	
stakeholders for consideration to be included in the Final Budget report				
Budget Steering Committee Meeting - Consideration of Budget Comments (Review Budget comments to make decision on comments)	Budget Steering Committee			4 May-18
Budget Office updates final changes on financial system	Budget Office			7-8 May -18
Budget Office compile Final Budget Report and Schedules	Budget Office			7-17 May-18
Budget Office does Final Review of Budget Report & Schedules	Budget Office			18 -21 May-18
Printing, Binding and Electronic Media of Final Budget Report	Budget Office			22-23 May -18
Distribution of Final Budget Report and submit report to Council Support Services	Budget Office			24-May -18
Approval of IDP review and Budget by Council	Budget Office / Strategic Office			30- May-18
District IDP Rep/PP Comm Forum	Coordinated by ODM IDP Office			May-18 ODM to confirm
IMPLEMENTATION PHASE				
Provincial IDP Managers Forum	Local/ Provincial alignment- 1st Quarter			31-May-1 June-18
Place Final Budget documents on the website	Provincial engagement – Strategic Office			4- June-18
Advertise Final Budget and Tariffs in the media	Budget Office			7-June-18
Submission of Final Budget and data strings and IDP review to National and Provincial Treasury	Budget Office			8 June-18
Municipal Manager submits SDBIP to Mayor	Budget Office / Strategic Office			11-June-18
Submit Budget Related Appendix B reports to National and Provincial Treasury	Municipal Manager			13 June-18
Confirm/Capture Capital Budget on Financial System	Budget Office			11-15 June-18
Compile Electronic Internal Budget Book	Budget Office			18-28 June-18
Publish a summary of Budget in Bulletin	Manager:			15-June-18 TBC
Approval of SDBIP by Executive Mayor	Communications			28-June-18
Finalise and approval of the performance agreements of the S54A and S56 appointees	Mayor			
	Strategic Office/EM/MM			28-June-18

TASK/ ACTIVITY	RESPONSIBILITY	Close-off	Close off	2018/19
		2016/17	2017/18	BUDGET
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		YEAR	YEAR	
Advertise Property Rates Tariffs in Provincial Gazette	Senior Manager: Revenue			22 June-18
Place Internal Budget Book on Intranet and inform budget holders	Budget Office			29-June-18
Submit Budget Locking Certificate to National Treasury	Budget Office			30-June-18
REPORTING & REVIEW				
Monthly Budget Statement to Municipal Manager and Mayor	Budget Office		Aug 17- Jul 18	Aug 18- Jul 19
Quarterly reporting by Mayor to Council	Mayor		Oct 17, Jan 18, Apr 18, Jul 18	Oct 18, Jan 19, Apr 19, Jul 19
Table adjustments Budget	Budget Office		28-Feb-18	28-Feb-19
Finalise Roll over Projects (Final Amounts)	Budget Office		5-Jul-18	4-Jul-19
Table Adjustments Budget for approval of Roll over projects	Budget Office		25-Jul-18	31-Jul-19
Table in Council Draft unaudited Annual Report /AFS	Budget Office / Strategic Office	31-Aug-17	30-Aug-18	29-Aug-19
Submission of annual financial statements to AG	Accounting Services	31-Aug-17	31-Aug-18	31-Aug-19
Finalise the draft unaudited annual report for submission to AG	Strategic Office	31-Aug-17	31-Aug-18	31-Aug-19
Submit Adjustments Budget (Overspending), if necessary	Budget Office	19-Jan-18	26-Jan-19	30-Jan-20
Submit Draft audited Annual Report to Council	Strategic Office	25-Jan-18	26-Jan-19	30-Jan-20
Finalise Annual Report Comments for Approval	Strategic Office	Feb-March	Feb-March	Feb-March
Approval of Annual Report	Strategic Office	28-Mar-18	28-Mar-19	27-Mar-20

Notes:**Capex- Capital budget****Opex- Operating budget**