

**UMKHANYAKUDE DISTRICT MUNICIPALITY  
BUDGET AND IDP PROCESS PLAN FOR 2020-2021 FINANCIAL YEAR**

NO	DESCRIPTION OF ACTIVITY	TARGET DATE	RESPONSIBLE PERSON(S)	REFERENCE TO LEGISLATION
1.	Commence the planning for 2020/2021 budget, reviews of IDP and budget policies and consultation – review previous year's budget evaluation checklist, council delegations and budget time schedule of key deadlines	15 September 2019	Mayor / MM / CFO	MFMA 21(1)
2	Establish departmental budget committees to include portfolio councillors and officials and delegate tasks in accordance with delegations' policy to ensure political guidance in the budget preparation process. Determine TOR for these committees.	15 September 2019	MM / CFO	MFMA Guidance
3	Commence planning to review delegations and all budget related policies including the review of tariffs, credit control, supply chain and cash management / investment policies, funding and reserves policies, long term financial planning	15 September 2019	MM / CFO	MFMA 62(1)(f) & 79(1)(c)
4	Table in Council budget and IDP time schedule of key deadlines (i.e. including timing for development of policies and process of consultation. Submit them to Provincial Treasury.	31 August 2019	Mayor	MFMA 21(1)(b) & 53(1)(b)
5	Establish appropriate committees and consultation forums and plan programme of internal and public meetings to update community needs analysis and obtain feedback on past year's performance	27 September 2019	Mayor	MFMA Guidance
6	Advertise budget and IDP time schedule for public knowledge	15 September 2019	MM / CFO	MFMA Guidance
7	Commence process of review of IDP and service delivery mechanisms to gauge impact of new or existing service delivery	15 September 2019	Mayor	MSA 34(a) & 77(f)

	agreements and long-term contracts on budget where appropriate.			
8	Determine strategic objectives that are measurable for service delivery and development including backlogs for next three-year budget including reviews of LMs', Provincial and National Government sector and strategic plans as well as Provincial and National priorities. <b>This will be in the form of District Legotla.</b>	15 September 2019	Council	MFMA Guidance
9	Ensure internal analysis of financial and non-financial performance over year are prepared, analyse gaps between actual and planned performance, assess impacts of plans. Determine financial position and assess financial capacity against future strategies.	15 September 2019	MM / CFO	MFMA Guidance
10	Implement budget and IDP time schedule of key deadlines.	15 September 2019	MM / CFO	MFMA Guidance
11	Conclude initial consultation and review, establish direction and policy, confirm priorities, identify other financial and non-financial budget parameters including government allocations to determine revenue envelope and financial outlook to identify need to review fiscal strategies.	15 September 2019	MM / CFO	MFMA Guidance
12	Commence preparation of departmental strategies, operational plans and Service Delivery and Budget Implementation Plan (SDBIP) aligned to strategic priorities in the IDP and inputs from other stakeholders including government and bulk service providers and National Energy Regulator (NER).	01 October 2019	All HODs	MFMA Guidance
13	Conclude first budget draft and policies for initial council discussions	31 October 2019	MM / CFO	MFMA Guidance
14	Commence community and stakeholder consultation process, review inputs, financial models, assess impacts on tariffs and charges and consider funding decisions including borrowings.	01 November 2019	MM / CFO	MFMA Guidance
15	Adjust estimates based on plans and resources. Further council and management discussion and debate	29 November 2019	MM / CFO	MFMA Guidance
16	Finalise inputs from bulk resource providers and NER and agree on proposed price increase	19 December 2019	MM / CFO	MFMA Guidance
17	Review whether all bulk resource	19 December 2019	MM / CFO	MFMA Guidance

	providers have lodged a request with National Treasury and SALGA seeking comments on proposed price increases of bulk resources.			
18	Finalise first draft of departmental strategies, operational plans and SDBIP for review against strategic priorities.	19 December 2019	All HODs	MFMA Guidance
19	Ensure any written comments made to bulk resource providers by the municipality on the proposed increase of bulk resources are included in any submission made by the bulk resource providers to the required organs of state	31 January 2020	MM / CFO	MFMA Guidance
20	Note the President's State of the Nation Address (SONA) for further budget priorities informed by National Priorities per SONA.	31 January 2020	Mayor	MFMA Guidance
21	Review whether comments from National Treasury and SALGA have been received on proposed price increases of bulk resources.	31 January 2020	MM / CFO	MFMA Guidance
22	Finalise detailed operating and capital budgets in the prescribed formats incorporating National and Provincial budget allocations, integrate and align to IDP documents and SDBIP, finalise budget policies including tariff policy.	31 January 2020	MM / CFO	MFMA Guidance
23	Report to Council on status of 2018/2019 budget, 2017/2018 annual report (i.e. including 2017/2018 Annual Financial Statements, Auditor-General's Report) and summarise overall findings of previous year's Annual Performance Report – Reinforce upcoming process for budget approval and oversight.	31 January 2020	Mayor	MFMA Guidance
24	Receive proposed budget from the board of directors of uMhlozinga Development Agency	03 February 2020	MM / CFO	MFMA 87(1)
25	Consider proposed budget of uMhlozinga Development Agency and assess its priorities and objectives and make recommendations to the board of directors as necessary.	28 February 2020	Council	MFMA 87 (2)
26	Note the State of the Province Address (SPA) by the Premier for further Provincial Priorities to be considered in the budget.	28 February 2020	Mayor	MFMA Guidance

27	Note National and Provincial budgets for allocations to the municipality for incorporation to the budget.	28 February 2020	MM / CFO	MFMA Guidance
28	Conduct State of the District Address	11 March 2020	Mayor	Municipality's initiative
29	Debate on the State of the District Address	18 March 2020	Council	Municipality's initiative
30	Receive notification of any transfers (if any) that will be made to the municipality from other municipalities in each of the next three-year financial years.	18 March 2020	MM / CFO	MFMA 37(2)
31	Provide any notification of any transfers (if any) that will be made by the municipality to other municipalities in each of the next three financial years.	18 March 2020	MM / CFO	MFMA 37(2)
32	Receive bulk resource providers' price increases as tabled in Parliament or Provincial Legislature.	18 March 2020	MM / CFO	MFMA 42
33	Receive revised budget of uMhlosinga Development Agency from board of directors.	20 March 2020	MM / CFO	MFMA 87(2)
34	Incorporate transfers (if any) to be made to or received from other municipalities.	20 March 2020	MM / CFO	MFMA 37(2)
35	Incorporate changes in prices for bulk resources and finalise tariff proposal for all charges	20 March 2020	MM / CFO	MFMA 42
36	Consider the salary increment in budget of employees emanating from agreements between SALGA and municipal unions and expected upper limits of councillors. This is to be aligned to approved organisational structure and the number of councillors in the municipality.	20 March 2020	MM / CFO	Municipal initiative
37	Table the draft budget with all documents and policies to Finance Portfolio and EXCO for inputs.	25 March 2020	MM / CFO	Municipal initiative
38	Print the agenda for draft budget and IDP together with all supporting documents and distribute it to all councillors in preparation for council meeting	26 March 2020	MM / CFO	MFMA Guidance
39	Table in council the draft annual budget and IDP and all supporting documents	30 March 2020	Mayor	MFMA 16(2), 17 & 87(3)
40	Make public the tabled draft budget and IDP and accompanying documentation, invite the community to submit representations and submit to PT.	13 April 2020	MM / CFO	MFMA 22


	NT and other affected organs of state. This notification must include all scheduled dates for the programme of Budget and IDP roadshows.			
41	Commence the process of consultation with the community on tabled draft budget and IDP to conduct public hearings and meetings in different wards, PT, NT and other organs of state making a budget submission. Publish the ward based information for ward councillors.	15 April 2020	Mayor / MM / CFO	MFMA 23
42	Confirm Provincial and National budget allocations	23 April 2020	MM / CFO	MFMA Guidance
43	Review Provincial and National legislation including DORA to establish potential new reporting requirements including annual, monthly and quarterly grant and performance report specific new allocations/programs	30 April 2020	MM / CFO	MFMA Guidance
44	Conclude the process of consultation on tabled draft budget and IDP with the community and other stakeholders and consider the revision of the budget following the feedback and taking into account the results of the third quarterly (section 52) report.	18 May 2020	Mayor / MM / CFO	MFMA 68
45	Consider the views of the community and other stakeholders on draft budget and IDP	20 May 2020	Council	MFMA 23(1)
46	Respond to submissions received and if necessary, revise the budget and table amendments for council consideration	20 May 2020	Mayor	MFMA 23(2)
47	Review any comments received from PT and NT on draft budget.	20 May 2020	Mayor / MM / CFO	MFMA 68
48	Table the budget and IDP to Finance Portfolio Committee and EXCO for final inputs	25 May 2020	Mayor	Municipal initiative
49	Print the agenda and distribute to councillors' budget, IDP and draft SDBIP in preparation for the meeting of final adoption of the budget and IDP.	25 May 2020	MM / CFO	MFMA Guidance
50	Ensure that board of directors of uMhlosinga Development Agency approved its budget on 31 May after taking into account of any hearings or recommendations of the council.	28 May 2020	MM / CFO	MFMA 87(4)
51	Table the final annual budget and	28 May 2020	Mayor	MFMA 53(1)(c)(i)

IDP before Council				
52	Approve annual budget and IDP by council resolution including tariffs, credit control and debt collection, budget, SCM, funding and reserves, long term financial planning, all other policies etc, measurable performance objectives, service delivery agreements and long-term contracts where applicable.	28 May 2020	Council	MFMA 24(1)
53	Submit approved budget together with council resolution on approving the budget to PT and NT	15 June 2020	MM / CFO	MFMA 24(3)
54	Advertise the approved budget in the local newspaper	15 June 2020	MM / CFO	MFMA Guidance
55	Submit the certification to PT certifying that the approved budget has been captured and protected from any amendment to Financial Accounting System	15 June 2020	MM / CFO	MFMA Guidance
56	Submit SDBIP to the mayor	24 June 2020	MM	MFMA 69(3)(a)
57	Approve SDBIP	29 June 2020	Mayor	MFMA 53(1)(c)(ii)
58	Sign performance agreement of the Municipal Manager for next year	03 July 2020	Mayor	MFMA Guidance
59	Submit signed annual performance agreements for next year to the mayor for all other section 56 employees.	10 July 2020	MM	MFMA Guidance
60	Table before Council for adoption annual performance agreements of all section 56 employees, SDBIP and PMS framework and policy	15 July 2020	MM	MFMA Guidance
61	Make public approved SDBIP, Performance Agreements of all section 56 employees and PMS framework and policy	20 July 2020	MM	MFMA Guidance
62	Forward copies of Performance Agreements of all section 56 employees to the MEC responsible for local government in the Province.	31 July 2020	MM	MFMA Guidance

Compiled by:

  
 MR. N.T. DLUDLA  
 CHIEF FINANCIAL OFFICER

Approved by:

  
 MR. M.A. NKOSI  
 MUNICIPAL MANAGER