

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY  
ORDINARY COUNCIL MEETING**

**2022.08.25**

**ITEM A-F (49-2022)**

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**REPORT ON KEY DEADLINES FOR THE COMPILATION OF THE 2023/24 TO 2025/26 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) AND THE REVISION OF THE INTEGRATED DEVELOPMENT PLAN (IDP)**

**1. PURPOSE**

To recommend approval of the key deadlines for the compilation of the 2023/24 to 2025/26 MTREF and the revision of the IDP.

**2. STRATEGIC PRIORITY**

Promoting good governance

**3. WARDS AFFECTED**

All wards

**4. IDP LINKAGE**

Compilation of IDP and Budget

**5. EXECUTIVE SUMMARY**

Section 28(1) of the Municipal Systems Act, 32 of 2000 stipulates that a municipality must adopt a process set out in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan.

Section 21 of the Municipal Finance Management Act, 56 of 2003, stipulates that the Mayor of a municipality must-

- (a) co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;
- (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

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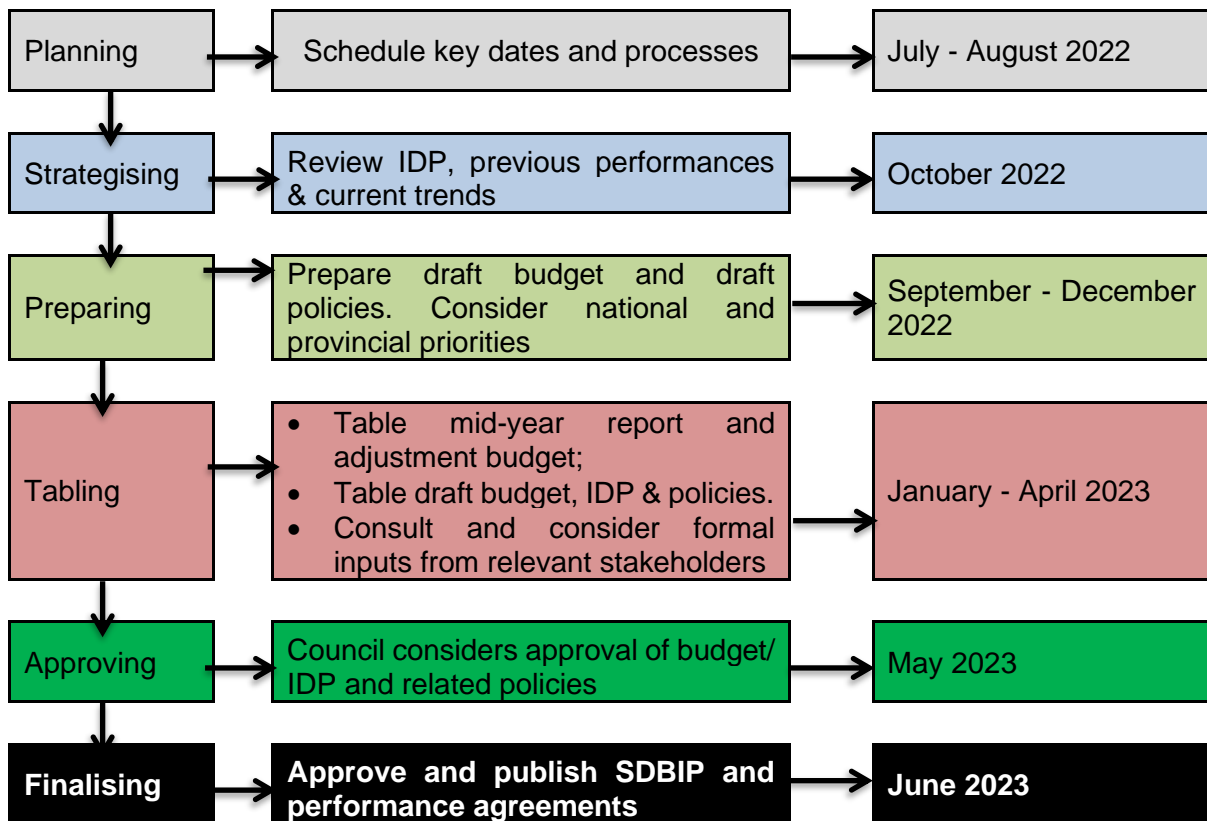
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- (iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies;
- (iv) and any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).”

The following diagram was extracted from National Treasury guidelines and further customized by the City to indicate the timelines of the budget process:

**Budget Process for 2023/24 MTREF**



The time schedule captures the key dates that must be complied with. The detailed dates for meetings of Senior Management Team and the Budget Steering Committee will be determined within the abovementioned key dates.

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**DISCUSSION**

**Key Deadlines for the preparation of the 2023/24 MTREF and IDP**

In terms of the proposed cycle, the following tentative key deadlines are included in the programme:

- First round public engagements which will entail individual meetings at CCA level with ward councillors and ward committees to determine budget inputs from the community, will be undertaken during **September 2022**. This will focus on the following:
  - Basic feedback on the past IDP Budget Process;
  - Discussion of ward priorities;
- The Strategy and Corporate Planning Department will commence with the arrangements of ward committee meetings to take place in **September/October 2022**.
- Tabling of the 2021/22 Unaudited Annual Report in Council for referral to Oversight Committees in **September 2022**.
- Interrogation of the 2021/22 Unaudited Annual Report by Oversight Committees from **October – November 2022**.
- Various Lekgotla meetings including the Mayoral Lekgotla in **October 2022** to set priorities for the IDP / Budget to be compiled.
- IDP engagements with the Departments - Draft Departmental Plans and SDBIP submitted as part of the IDP review process from **October to November 2022**. The departments must include the priorities as reconfirmed and identified at the Mayoral Lekgotla into consideration. The input from various stakeholders and forums must also be incorporated during the compilation of the priorities to ensure an all-inclusive and comprehensive prioritisation.
- Preparation, submission and administrative evaluation of the capital and operating requirements of departmental budget from **October to November 2022**. The departments will be required to make budget submissions directly on the Budget Tool. This will also include a number of meetings of the Budget Steering Committee during the process. It will also include various other budget related processes such as the review of budget policies, tariff modelling and tariff setting, evaluation of the capital budget requests based on the Capital Investment Framework (CIF), compilation of all the supplementary budgets, submission of demand management plans and motivations for budget requests.
- The 2021/22 mid-year budget and performance assessment report submitted to the Executive Mayor, National Treasury and Gauteng Provincial Treasury by **25<sup>th</sup> January 2023** and to Council by **31<sup>st</sup> January 2023**.
- Adjustment budget for 2021/22 financial year to be considered by Council in **February 2023**. In terms of section 28 of MFMA and clause 23 of the Municipal Budget and Reporting Regulations, the adjusted budget must be tabled by the **28<sup>th</sup> February** each year.
- The Mid-Year Budget and Performance Assessments engagement with the National Treasury is planned for **February 2023**. However, the final dates will be determined by National Treasury.

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- The budget will be **tabled in March 2023** in line with the MFMA, i.e. 90 days before the beginning of the new financial year. This date is set to accommodate the publication of annual Division of Revenue Bill (DoRA) and the water and electricity tariffs by Rand Water Board and NERSA, respectively.
- Engagements with oversight committees regarding the Tabled Budget will take place in **March and April 2023**.
- Public participation and consultation processes regarding the Tabled 2023/24 MTREF/IDP are scheduled to take place in **March and April 2023**. A programme with preliminary dates will be confirmed and finalised well in advance.
- Benchmarking Review of the Draft Budget by National Treasury will take place in **May 2023**. Final dates will be communicated by National Treasury.
- The feedback from the various Oversight Committees and the input from the public participation process will be considered in **April 2023**.
- Budget Day for the final approval of 2022/23 MTREF/IDP will take place **during the last week of May 2023**.

The Key Deadlines as indicated above give broad guidance to the budget process for the following financial year. A detailed programme indicating the various activities and processes will be compiled after approval of this report.

**ORGANISATIONAL AND HUMAN RESOURCE IMPLICATIONS**

None

**FINANCIAL IMPLICATIONS**

None

**LEGAL IMPLICATIONS**

Compliance with Section 21 (Chapter 4) of the MFMA.

**COMMUNICATION IMPLICATION**

The key deadlines for the compilation of the IDP / Budget process must be communicated to external stakeholders. The IDP Office will be responsible for this task.

**OTHER DEPARTMENTS/ BODIES CONSULTED**

Management was consulted during the compilation of the key deadlines for the budget process and the recommendations are supported.

**RECOMMENDATION**

1. **That** the report on the key deadlines for the compilation of the 2023/24 to 2025/26 MTREF and revision of the IDP **BE NOTED**.

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2. **That** the key deadlines for the preparation, tabling and approval of the 2023/24 to 2025/26 MTREF budget as well as the revision of the IDP and the budget-related policies as contained in the table below, **BE APPROVED**:

**Budget Process for 2023/24 MTREF**

