

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

2023.08.31

ITEM A-CORP (12-2023)

REPORT ON KEY DEADLINES FOR THE REVISION OF THE INTEGRATED DEVELOPMENT PLAN (IDP) FOR 2024/25 FINANCIAL YEAR AND THE COMPILATION OF THE 2024/25 TO 2026/27 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)

1. PURPOSE

To recommend approval of the key deadlines for the review of the IDP for 2024/25 financial year and the compilation of the 2024/25 to 2026/27 MTREF.

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;
 - (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)."

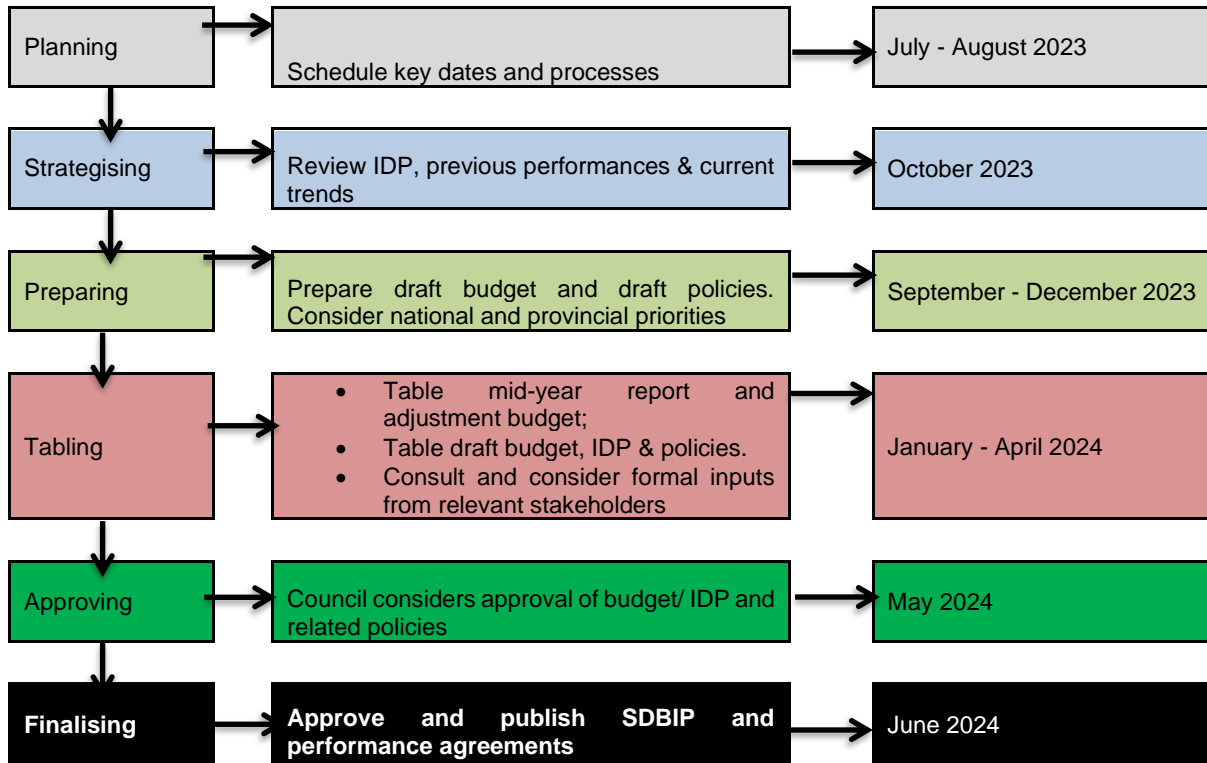
The following diagram was extracted from National Treasury guidelines and further customized by the City to indicate the timelines of the budget process:

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Budget Process for 2024/25 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.

6. DISCUSSION

Key Deadlines for the preparation of the 2024/25 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 meetings at CCA level with ward councillors and ward committees to determine budget inputs from the community, will be undertaken during **September 2023**. 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 between **September and October 2023**.
- Tabling of the 2022/23 Unaudited Annual Report in Council for referral to Oversight Committees in **September 2023**.

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- Interrogation of the 2022/23 Unaudited Annual Report by Oversight Committees from **October – November 2023**.
- Various Lekgotla meetings including the Mayoral Lekgotla in **October 2023** to set priorities for the IDP and 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 2023**. 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 prioritization. A detailed business planning guidelines will be issued to departments and entities for the above purpose.
- Preparation, submission and administrative evaluation of the capital and operating requirements of departmental budget from **October to December 2023**. 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 2023/24 mid-year budget and performance assessment report submitted to the Executive Mayor, National Treasury and Gauteng Provincial Treasury by **25th January 2024** and to Council by **31st January 2024**.
- Adjustment budget for 2023/24 financial year to be considered by Council in **February 2024**. 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 **28th February** each year.
- The Mid-Year Budget and Performance Assessments engagement with the National Treasury is planned for **February 2024**. However, the actual dates for this engagement will be determined by National Treasury.
- The draft IDP and budget will be **tabled in March 2024** 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 IDP and Budget will take place in **April 2024**.
- Public participation and consultation processes regarding the Tabled 2024/25 MTREF and IDP are scheduled to take place in **April 2024**. A detailed programme with preliminary dates will be confirmed and finalised well in advance.
- Benchmarking Review of the Draft Budget and IDP by National Treasury will take place in **May 2024**. 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 2024 before the Council approval in May 2024**.

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- Budget Day for the final approval of 2024/25 MTREF and IDP will take place **during the last week of May 2024.**

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.

7. ORGANISATIONAL AND HUMAN RESOURCE IMPLICATIONS

None

8. FINANCIAL IMPLICATIONS

None

9. LEGAL IMPLICATIONS

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

10. 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.

11. 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 review of the IDP for 2024/25 financial year and the compilation of the 2024/25 to 2026/27 MTREF **BE NOTED.**
- 2. That** the key deadlines for the preparation, tabling and approval of the 2024/25 to 2026/27 MTREF budget as well as the IDP and the budget related policies as contained in the body of the report **BE APPROVED.**