

MINUTES OF THE SIXTH ORDINARY COUNCIL MEETING HELD ON THE 27TH JULY 2017 AT
NEEW COUNCIL CHAMBER, PHUTHADITJHABA AT 11:00

**13.2.19 IDP AND BUDGET PROCESS PLAN FOR
2018/19 FINANCIAL YEAR**

"ANNEXURE AA"

RESOLVED:-

- That Council adopts 2018/19 IDP and Budget Process Plan for implementation.
- That Council adheres to process plan time frames.

Signed and approved by : Adv L.S Motloun

Acting Director Corporate Services

CORPORATE SERVICES
KANTORO YA TSHEBELETSO
KORPORATIEWE DIENSTE

2017 -07- 27

MALUTI-A-PROFUNG MUNICIPALITY
PRIVATE BAG X 805
WITSIESHOEK, 9870

Date

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NASO KHEGA

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IDP AND BUDGET PROCESS PLAN FOR 2018/19 FINANCIAL YEAR

Municipal Systems Act 32 of 2000 (28 (1)
Municipal Finance Management Act No. 56 of 2003 (Section 21(1)(b)
Regulation No. 32141, 11 April 2009

8. BACKGROUND AND DISCUSSION

In terms of the Municipal Systems Act 32 of 2000 each Municipal Council, within a prescribed period after the start period of its elected term and every financial year must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.

In terms of the Municipal Finance Management Act, No.56 of 2003, section 21(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; and
- (iv) any consultative processes forming part of the processes referred to in subparagraphs (i),(ii) and (iii).

9. FINANCIAL IMPLICATIONS

No direct financial implication(s)

10. STAFF IMPLICATIONS

The exercise shall be handled by internal staff

11. COMMENTS FROM OTHER DIRECTORS

No Comments

12. RECOMMENDATIONS

It is recommended that:

- Council adopts 2018/19 IDP and Budget Process Plan for implementation.
- Council adheres to process plan time frames.

.....

Cllr VUSI SHABALALA
EXECUTIVE MAYOR

.....
DATE



IDP & BUDGET PROCESS PLAN 2018-2019

VISION

To be a sustainable, service oriented, tourist destination of choice

Mission

To collectively provide sustainable and quality municipal services

STRATEGIC GOALS AND OBJECTIVES

- To ensure the provision of Infrastructure development and service delivery
- To promote local economic development
- To ensure spatial planning
- To ensure good corporate governance and public participation
- To ensure municipal transformation and organisational development
- To ensure municipal financial viability

CORE VALUES

- Professionalism
- Teamwork
- Accountability
- Integrity

Developmental Objectives and Priorities

Following an extensive and iterative consultation processes between the elected leaders, municipal administration, communities and stakeholders the municipality has agreed to the following developmental priorities that should be achieved in the next three years. These development priorities are steeped within the overall cluster system of government.

SUSTAINABLE INFRASTRUCTURE AND SERVICES	ECONOMIC DEVELOPMENT AND JOB CREATION
Water Sanitation Electricity Waste management Roads, streets, storm- water Housing Cemeteries Land development	Agricultural development Tourism development Land reform Industrial development Skills development SMME development
SOCIAL DEVELOPMENT AND COMMUNITY SERVICES	GOOD GOVERNANCE AND PUBLIC PARTICIPATION
Health services Environmental management Education and training Parks , Sports and recreation services Library services Transport	Increased revenue base from rates and taxes Corporate governance Institutional transformation Community-based planning
PUBLIC SAFETY	
Disaster Management Safety and Security Traffic Control Emergency services	

1. IDP PREPARATION PROCESS

❖ INTEGRATED DEVELOPMENT PLANNING PROCESSES

In terms of Section 28(1) of the Municipal Systems Act (Act 32 of 2000), the Municipal Council needs to adopt a process set out in writing to guide the planning, drafting, adoption of their Integrated Development Plan. The Process Plan fulfills the function of assessing the functioning of a business plan or an operational plan during the IDP processes. Section 34 of the MSA embodies and relates to the essence and objectives of the process plan, i.e. assessing the Municipality's performance against organisation objectives as well as implementation of projects and programmes of municipality, and also taking cognisance of new information and changed circumstances.

Municipal Systems Act (Act 32 of 2000) defines Integrated Development Planning as a process through which Municipalities prepare a strategic development plan for a five year period. Every new Council that assumes power into municipal Council must after elections prepare its own IDP which will guide them for their five year term of office. The IDP is a principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making in a municipality. It has a legal status and supersedes all other plans that guide development at Local Government level. Integrated development planning is an interactive and participatory process which requires involvement of all municipal stakeholders. The IDP processes do, however, inform other components of the Municipal business process including institutional and financial planning and budgeting.

The Municipal Systems Act (MSA), Section 25 provides that:

- (1) *Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which—*
 - (a) *links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;*
 - (b) *aligns the resources and capacity of the municipality with the implementation of the plan;*
 - (c) *forms the policy framework and general basis on which annual budgets must be based;*
 - (d) *complies with the provisions of this Chapter; and*

(e) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The IDP will primarily deal with the following:

❖ During compilation of an IDP, the following activities have been embarked upon:-

- Distribution of Roles and Responsibilities
- Organisational Arrangements
- Mechanisms and Procedures for Community and Stakeholder Participation
- Action Programme with Timeframe and Resource Requirements
- Mechanisms and Procedures for Alignment
- National and Provincial Binding Legislation and Planning Requirements
- Budget Implications

❖ **Process Plan Committee and Steering Committee**

The Council should appoint a Section 80 Committee which will be known as the Process Plan Committee to continue with the preparation of the Process Plan. This committee comprises of the following members:

Councillors:

Executive Mayor

MMC Public Safety, Roads & Transport

MMC Special Programmes

MMC LED & Tourism

MMC Community Services

MMC Finance

MMC Electricity, Waste and Environmental Management

MMC Corporate Services

MMC Human Settlement and Spatial Development Planning

MMC Sports, Arts & Culture

Officials:

Municipal Manager

Director LED & Tourism

Director Infrastructure

Director Corporate Services

Director Public, Safety and Transport

Director Sport, Arts & Culture
Director Community Services
Dir. Human Settlement, Spatial Development Planning
Chief Financial Officer
Manager IDP and Performance Management Systems
Senior Internal Auditor
Senior Manager Budget & Revenue
Manager Risk

❖ **Roles and Responsibilities**

The Mayoral Committee clarifies the roles which external role players will play in the IDP Process and this is in line with Section 84 of the Municipal Structures Act.

❖ **External role players will have the following roles and responsibilities:**

➤ **Civil Society**

Apart from the Ward Committee representatives (see Chapter 5) it is also imperative to engage other legitimate civil society structures to form part of the IDP Process that will represent different civil society groups. It can be announced that not all individuals and groups will participate in the Ward Committee system and it is therefore essential to provide mechanisms for other civil structures and interest groups to participate during the IDP Process. To ensure legitimacy of the process it is therefore essential to engage with existing non-governmental organisations (NGOs), community based organisations (CBOs) and faith based organisations (FBOs) in each of the concerned towns in the area of jurisdiction. The basis of understanding is that all existing organisations will be invited to participate during the process. The civil society is responsible to represent interests and contribute knowledge in the planning process by:

- participating in the IDP Representative Forum to:
- inform interest groups on relevant planning activities and their outcomes,
- analyse issues, determine priorities, negotiate and reach consensus,
- participate in the designing of project proposals and assess them,
- discuss and comment on the draft IDP,
- ensure that annual business plans and budgets are based on and linked to the IDP

❖ **District Municipality**

The District Municipality will be responsible to:

- ensure horizontal alignment with the IDP process of the Municipality,
- ensure vertical alignment between district and local planning,
- facilitate vertical alignment with other spheres of government and sector departments and to
- Prepare joint strategy workshops with the Local Municipality.

❖ **Provincial Government and Corporate Service Providers**

Although it is not compulsory to engage government departments throughout the process, it is advisable that government departments that are active in the area of jurisdiction should be consulted throughout the process.

- It is essential in order to comply with the principle of integrated planning and also considering that the budget for potential projects rest with provincial and national government departments.
- It is also imperative that national and provincial priorities and policies are applied at local level and the respective departments will be able to provide the linkage between national and local priorities.

❖ **The roles and responsibilities of the departments and service providers are as follows:**

- Ensuring vertical / sector alignment between provincial sector departments / provincial strategic plans and the IDP Process at local level by:
 - guiding the provincial sector departments' participation in and their required contribution to the Municipal planning process and
- Guiding them in assessing the draft IDP and alignment of sectoral programmes with the IDP.
- Efficient financial management of provincial IDP grants.
- Monitoring the progress of the IDP Process.
- Facilitation and resolution of disputes related to the IDP Process of the Municipality.
- Assist the Municipality in the IDP where required.
- Co-ordinate and manage the MEC's assessment of the IDPs.
- Contribute relevant information on the provincial and national departmental plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner.

- Contribute sector expertise and technical knowledge to the formulation of the Municipal strategies and projects.
- Engage in a process of alignment with the District Municipality.

❖ **Municipal Council**

This is the ultimate political decision-making body of the Municipality. The Municipal Council should adopt and approve the Process Plan.

- The Council should monitor the overall management and co-ordination of the planning process which includes ensuring that:
 - all relevant actors are appropriately involved,
 - appropriate mechanisms and procedures for public consultation and participation are applied,
 - the planning events are undertaken in accordance with the time schedule.
 - the planning process is related to the real burning issues in the Municipality,
 - it is a strategic and implementation-oriented process ;
 - the sector planning requirements are satisfied and
 - adopt and approve the IDP, ensure that the annual business plans, budget and land use management decisions are linked to and based on the IDP.

❖ **Ward Councilors**

Ward Committees are instituted in accordance with the Municipal Structures Act as democratic representative bodies. Ward Committees need to be instituted according to the prescribed legal framework to represent the views, needs and aspirations of the demarcated ward, as determined by the Municipal Demarcation Board. Each ward is represented by ward Councillors and the Ward Committee system will be a critical element of the IDP participation process. Ward councilors are the major link between the Municipal Government and the residents. Their role will therefore be to:

- link the planning process to their constituencies and / or wards,
- be responsible for organising public consultation and participation

❖ **Mayoral Committee**

As the senior governing body of the Municipality, the Executive Committee:

- submit the Process Plan of the IDP to the Municipal Council for adoption,
- is responsible for the overall management, co-ordination and monitoring of the process and drafting of the IDP together with the Municipal Manager,
- has to approve nominated persons to be in charge of the different roles, activities and responsibilities of the process and drafting and
- Submit the draft IDP to the Municipal Council for adoption.

❖ **IDP Manager**

The IDP Manager will manage and co-ordinate the IDP Process. Responsibilities of the IDP Manager are as follows:-

- ensure the preparation of the Process Plan,
- undertake the overall management and co-ordination of the planning process,
- ensure that all relevant actors are appropriately involved,
- nominate persons in charge of different roles,
- be responsible for the day-to-day management of the drafting process,
- ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements,
- ensure proper documentation of the results of the planning of the IDP document and
- adjust the current IDP in accordance with the MEC for Local Government's proposals.

❖ **Heads of Departments and other Key Officials**

As the persons in charge for implementing the IDP of the Municipality, the officials will be fully involved in the planning process to:

- provide relevant technical, sector and financial information for analysis to determine
- priority issues,
- contribute technical expertise in the consideration and finalisation of strategies and identification of projects,
- provide departmental operational and capital budgetary information,
- be responsible for the preparation of project proposals, the integration of projects and sector programmes.

❖ **IDP Steering Committee**

The composition of the IDP Steering Committee is explained in Chapter 6 as part of the Public Participation Plan. The terms of reference for the IDP Steering Committee includes to:

- co-ordinate and integrate the IDP Process,
- ensure that key deliverables are completed within the time frames,
- provide guidance and support to the process,
- co-ordinate departmental responsibilities within the local government,
- oversee the implementation of key aspects of the IDP formulation and revision process including the participation, communication and empowerment strategy as outlined in the Process Plan,
- refer IDP disputes for mediation and arbitration to the Council,
- provide terms of reference for the various planning activities,
- commission research studies,
- consider and comment on:
 - inputs from sub-committee/s and study teams
 - inputs from provincial sector departments and support providers
 - process, summarise and document outputs,
 - make content recommendations,
 - prepare, facilitate and document meetings,
 - consult and establish sub-committees for specific activities and outputs which should include additional persons outside the Steering Committee.

❖ **IDP Representative Forum**

The IDP Representative Forum is the structure, which institutionalises and guarantees representative participation in the IDP Process. The composition of the IDP Representative Forum is explained in Chapter 6 as part of the Public Participation Plan. The terms of reference for the IDP Representative Forum includes to:

- represent the interests of their constituents in the IDP Process,
- provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders including the Municipal Council,
- ensure communication between all the stakeholder representatives including the Municipal Council and
- monitor the performance of the planning and implementation process.

The code of conduct for the IDP Representative Forum will regulate the following issues:

- meeting schedule (frequency and attendance),
- agenda, facilitation and documentation of meetings,
- understanding by members of their role as representatives of their constituencies,
- feed back to constituents,
- Majority for approval.

❖ **Public Participation Plan & Methodology**

Since the IDP Process involves participation of a number of stakeholders, it is crucial for the Municipality to adopt an appropriate approach and also put in place appropriate structures to ensure effective participation. One of the main features about the Integrated Development Planning Process is the involvement of the community and stakeholders. Participation of affected and interested parties ensures that the IDP addresses the real issues that are experienced by the communities of the Municipality.

❖ **Principles of Public Participation**

- The elected Council is the ultimate decision-making forum on IDPs.
- The role of participatory democracy is to inform and negotiate with stakeholders and to give the opportunity to provide input on the decisions taken by the Council.
- In order to ensure public participation, the legislation requires the Municipality to create appropriate conditions that will enable participation as a minimum requirement.
- Community and stakeholder groups will be encouraged to get involved.

❖ **Conditions for Public Participation**

- The residents and stakeholders will be informed on the Municipality's intention to embark on the IDP Process.
- Appropriate forms of media will be utilised in order to reach as many people as possible.
- All relevant community and stakeholder organisations will be invited to register as members of the IDP Representative Forum.

- An appropriate language and accessible venue will be used to allow all stakeholders to freely participate.
- The IDP Representative Forum meetings will be scheduled to accommodate the majority of the members.
- The community and stakeholder representatives will be given adequate time to conduct meetings or workshops with the groups, they represent.
- Copies of the IDP documents will be accessible for all communities and stakeholders and adequate time provided for comment.
- The Council meeting regarding the approval of the IDP will be open to the public.

❖ **Public Participation Plan and IDP Process Methodology:**

In considering an appropriate structure that will ensure effective participation, the following issues need to be considered:

- The plan and programme for the municipality should be informed by local communities and a detailed research and study.
- That the principle of representation should be applied to ensure effective planning.
- Ensure that feedback is provided to the broader community.

It is essential to apply mechanisms that will consider the above issues and allow for the representative views of the communities but at the same time are able to progress with the formulation of the IDP. Due to the large geographical area of the Municipality it is essential to provide mechanisms whereby all communities will be able to provide input to the IDP.

❖ **Approval:**

An advertisement will be published to give notice of the IDP to provide opportunity for comments by the community. The IDP will also be circulated to the Governmental departments and service providers for comment. Once all comments received have been evaluated and amendments made accordingly, the IDP will be adopted by the Council. The approved and revised IDP will then be submitted to the MEC for Local Government and Housing together with the approved Process Plan.

❖ **Conflict Resolution:**

If an agreement cannot be reached within the IDP Steering Committee regarding certain planning and review issues, conflict will have to be resolved by means of a decision within the formal Council. The Council decision regarding the outcome will be conveyed to the Steering Committee for implementation. In severe conflict situations, irrespective of the structure (Council, Steering Committee or Representative Forum) special mediation measures will have to be implemented, utilising an external person or body as a mediator.

❖ **Alignment Procedures**

Alignment is the instrument to synthesise and integrate the top-down and bottom-up planning process between different spheres of government. The alignment procedures and mechanisms will be arrived at between the Local Municipality and the District Municipality and all parties involved in the alignment will be informed.

❖ **Principles for Alignment**

- Alignment requirements should be minimised to keep the co-ordination requirements on a manageable level.
- Different alignment mechanisms will be suitable for the different alignment needs and at different stages.
- This implies with regard to alignment mechanisms to keep the number of alignment events (such as workshops/meetings) to a minimum due to the financial and time resources required
- Events with numerous participants from different sectors and spheres will require a competent facilitator. Alignment with Provincial Departments can also be achieved through provincial visits to the District.
- The Municipality may have to align on a bilateral basis with neighbour Municipalities for issues that affect both.

❖ **Alignment with Government Organisations**

It will be evident to receive contributions from the different identified NGOs through the process. Consultation will thus occur on a continuous base with relevant Departments which in some instances may also serve on the IDP Steering Committee. Governmental Organisations will be invited on national and provincial level that will attend these sessions or send regional office representatives.

2. BUDGET PROCESSES

2.1 BUDGET PREPARATION PROCESS

The budget preparation process will commence about 10 months before the start of the budget year. It is considered that a well-run budget preparation process that incorporates the IDP review will facilitate community input and encourage discussions.

Six steps to preparing a budget

The following table sets out six distinct steps to the preparation of a budget.

	Step	Process
1	Planning	Schedule key dates, establish consultation forums, review previous processes
2	Strategising	Review IDP, set service delivery and objectives for next 3 years, consult on tariffs, indigent, credit control, free basic services, etc and consider local, provincial and national issues, previous years performance and current economic and demographic trends etc
3	Preparing	Prepare budget, revenue and expenditure projections, draft budget policies, consult and consider local, provincial and national priorities
4	Tabling	Table draft budget, IDP and budget related policies before council, consult and consider formal local, provincial and national inputs or responses
5	Approving	Council approves budget and related policies
6	Finalising	Publish and approve SDBIP and annual performance agreements and indicators

STEP 1: PLANNING

The Mayor will lead a review of the previous budget process and incorporate findings into planning the next budget process.

This step commences at the latest on the 1st of July and must be completed by no later than 31st of August with the tabling of the schedule of key deadlines.

- ❖ The Chief Financial Officer and the Manager responsible for IDP shall draft the IDP process plan as well as the Budget timetable for the municipality for the ensuing financial year for tabling by the Mayor by **31 August** each year for approval.

- ❖ Both the Budget timetable and the IDP process plan and shall indicate the key deadlines for the preparation and approval of the annual budget and review of the IDP. Such target dates shall follow the prescriptions of the Municipal Finance Management Act, Municipal Budget and Reporting Regulations as well as any guidelines set by the National Treasury.

STEP 2: STRATEGISING

This step involves the review of the Integrated Development Plan and budget related policies through internal and external consultations. Internal consultation means consultation with staff within the municipality. External consultation means consultation with the community and other stakeholders.

This step commences early in the process and carries on until November.

- ❖ The Mayor shall establish a budget steering committee to provide technical assistance to the mayor in discharging his responsibilities as set out in section 53 of Municipal Finance Management Act.
 - The budget steering committee shall **consist of the following persons:**
 - the Councillor responsible for financial matters;
 - the Accounting Officer (Municipal Manager);
 - the Chief Financial Officer;
 - the manager responsible for budgeting;
 - the manager responsible for planning;
 - any technical expert on infrastructure; and
 - heads of the Departments of the municipality / Senior Managers.

STEP 3: PREPARING

The preparation of the budget is a lengthy process spanning many months. It can be said to start in August at the time the mayor tables the schedule of key deadlines and concludes when the mayor approves the Service Delivery and Budget Implementation Plan and annual performance agreements with senior managers.

- ❖ Without derogating in any way from the legal responsibilities of the municipal manager as accounting officer, the chief financial officer shall be responsible for preparing the draft annual capital and operating budgets (including the budget components required for the ensuing financial years), any required adjustments budgets, the projections of revenues and expenses for the service

delivery and budget implementation plan (including the alignment of such projections with the cash management programme prepared in terms of the banking and investments policy), and shall be accountable to the municipal manager in regard to the performance of these functions.

- ❖ The municipal manager shall ensure that all heads of departments provide the inputs required by the chief financial officer into these budget processes.
- ❖ The chief financial officer shall ensure that the annual and adjustments budgets comply with the requirements of the National Treasury reflect the budget priorities determined by the mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the mayor on the revision of the IDP and the budget-related policies where these are indicated.

STEP 4: TABLING

The MFMA stipulates that the budget and revised Integrated Development Plan must be tabled together 90 days before the start of the budget year, together with the draft resolutions and budget related policies.

This step may commence as early as January and must be completed no later than 31 March.

- ❖ An annual budget and supporting documentation tabled in council shall be in a prescribed format in terms of Municipal Budgeting and Reporting Regulations, 2008 and be credible and realistic such that it is capable of being approved and implemented as tabled.
- ❖ The Mayor shall table the draft budget to council by 31 March (90 days before the start of the new budget year) together with the draft resolutions and budget related policies.

Public participation and submission of draft budget for consultation

- Immediately after the draft annual budget has been tabled to council, the municipality must convene hearings on the draft budget and **invite the public, and stakeholder organizations to make representation at the council hearings and to submit comments in response to the draft budget.**
- The Municipal Manager or his/ her delegate shall publicize, in terms of section 21A of Municipal Systems Act, summaries of the annual budget and supporting documentation in alternate languages dominant in the community information relevant to each ward of the municipality.
- The Municipal Manager or his/ her delegate shall **submit to the National Treasury and the Provincial Treasury the tabled budget** together with other supporting documents in both print and electronic versions.
- After considering all budget submissions, the council shall **give the Mayor an opportunity to respond to the submissions.**

STEP 5: APPROVING

After the mayor has responded to the recommendations and made amendments to the tabled budget, the full council must meet to consider the budget for approval not later than 31 May (30 days before the start of the budget year).

This step may commence as early as March and must be completed prior to the start of the budget year.

- ❖ At least 30 days before the start of the new budget year (*i.e* end of May), the Mayor shall table to Council the following documents in relation to the annual budget:
 - A report summarizing community's views on the budget;
 - Any comments on the annual budget received from the National Treasury and the Provincial Treasury;
 - Any comments on the annual budget received from any other organ of state including any affected municipality;
 - Any comments of the annual budget received from any other stakeholder.

- ❖ The council shall consider the medium term expenditure framework budget for approval not later than 31 May (30 days before the start of the budget year).
- ❖ Before approving the tabled annual budget and supporting documentations, the council shall consider full implications, financial and otherwise, of such budget and supporting documents.
- ❖ Within 10 working days after the council has approved the annual budget, the Municipal Manager or his delegate shall, in accordance with section 21A of Municipal Systems Act, publicize the approved annual budget and supporting documentation and the resolutions passed by the council in relation to the annual budget.

STEP 6: FINALISING PLANS TO IMPLEMENT THE BUDGET

This step of the budget preparation process involves the finalising of plans to implement the budget, through the approval of the Service Delivery and Budget Implementation Plan and the performance agreements for the municipal manager and other senior managers for the coming financial year.

This step may commence as early as April and should ideally be completed prior to the start of the budget year.

- ❖ The Mayor shall approve the Service Delivery and Budget Implementation Plan not later than 28 days after the approval of the annual budget by Council.
- ❖ The SDBIP shall include the following particulars as a minimum:
 - Monthly projections of revenue to be collected for each source;
 - Monthly projections of expenditure (operating and capital) and revenue for each vote;
 - Quarterly projections of service delivery targets and performance indicators for each vote;
 - Ward information for expenditure and service delivery; and
 - Detailed capital works plan broken down by ward over three years.

Submission of Approved Annual Budget and Other Documentation

- The Municipal Manager or his/ her delegate shall submit to the National Treasury and Provincial Treasury in both printed and electronic form the following:
 - The supporting documentation within 10 days after the council has approved the annual budget;
 - The approved SDBIP within 10 days after being approved by the Mayor; and
 - Any other information as may be required by the National and / or Provincial Treasury.
- The Municipal Manager or his/ her delegate shall also submit copies of the approved budget and documentation in both printed and electronic form to:
 - Thabo Mofutsanyane District Municipality within 10 days after the council has approved the annual budget; and
 - Any other organ of state on receipt of a request from that organ of state.

2.2 BUDGET IMPLEMENTATION PROCESS

The budget preparation process is the first of three processes in the budget and reporting cycle. The second process deals with budget implementation.

This process covers implementing, monitoring and amending the budget. It is important to note that implementation, monitoring and amending are integrated, they feed into each other.

➤ **Implementation:**

- Implementation using the budget and SDBIP - Section 53(1)(c)(ii) of the MFMA

➤ **Monitoring**

- Monthly budget statements- MFMA s(71)
- Quarterly performance review- MFMA s(52)(d)
- Mid-year budget and performance assessment – MFMA s(72)

➤ **Amending:**

- Adjustments budget- MFMA s(28)

Management of the budget

- ❖ The Municipal Manager with the assistance of the Chief Financial Officer and other senior managers is responsible for the implementation of the budget, and shall take reasonable steps to ensure that:
 - funds are spent in accordance with the budget;
 - expenses are reduced if expected revenues are less than projected; and
 - Revenues and expenses are properly monitored.

Oversight

- ❖ The mayor shall ensure that the municipality approves its annual budget before the start of the budget year.
- ❖ The mayor shall provide general political guidance over the fiscal and financial affairs of the municipality by monitoring the implementation of the budget.
- ❖ Within the ambits of the MFMA, the mayor shall oversee the exercise of responsibilities assigned to the Municipal Manager and the Chief Financial Officer, but may not interfere in the exercise of those responsibilities.
- ❖ The mayor must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget.
- ❖ Within 30 days of the end of each quarter, the mayor must submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

2.3 BUDGET EVALUATION PROCESS

The last process takes place after the end of the budget year, although planning will start earlier. It covers the following components:

- Audited Annual Financial Statements - **actual financial performance**
- Annual Report - **Council is vested with the responsibility to oversee the performance of its respective municipality**
- Oversight Report - **contains the council's comments in the annual report**
- Budget evaluation checklist.

The first three evaluate financial and service delivery performance against the promised performance in the budget and SDBIPs. The fourth (Budget evaluation checklist) evaluates the budget process itself.

PROCESS PLAN SCHEDULE FOR 2018/19

IDP & BUDGET PHASES	INPUTS AND PROCESS	RESPONSIBLE PERSON	DATES
PREPARATORY JULY-AUGUST	Executive Mayor tables in Council IDP & Budget Process Plan outlining the key deadlines for: preparing, tabling and approving the budget related policies and consultation processes at least 10 months before the start of the budget year.	Executive Mayor	27 July 2017
	Submission of IDP and Budget Process Plan to Thabo Mofutsanyana District Municipality, National and Provincial Treasuries.	Municipal Manager	04 August 2017
	Advertisement of IDP and Budget Process Plan.	Municipal Manager	04 August 2017
ANALYSIS AUGUST-SEPTEMBER	Assessment of the current status quo of development and analysis of opportunities and priority issues.	Municipal Manager	17 August 2017
	Executive Mayor begins planning for the next three-year budget in accordance with co-ordination role of budget process. Planning includes review of the past year (2016/2017) financial and non-financial performance.	Finance Portfolio Committee	8 September 2017
	Initiate Public Participation to consolidate community needs.	Office of the Speaker and Municipal Manager	23 August 2017 – 21 September 2017

IDP & BUDGET PHASES	INPUTS AND PROCESS	RESPONSIBLE PERSON	DATES
STRATEGIES SEPTEMBER-OCTOBER	Executive Mayor establishes a budget steering committee in terms of Budget Regulations.	Executive Mayor	09 October 2017
	Analyse, review and refine municipal Strategies, Objectives, and KP'Is to influence the budget.	Executive Mayor	28 September 2017
	Consultation with senior managers	Municipal Manager	29 September 2017
	IDP Steering Committee to prioritise IDP projects;	Executive Mayor	05 October 2017
	IDP Priorities to be confirmed by MAYCO; IDP Multi-year Scorecard Revised and presented to MAYCO;	Municipal Manager	10 October 2017
	Municipal objective, strategies, KPIs and targets to be approved by MAYCO;	Municipal Manager	24 October 2017
	Quarterly SDBIP performance progress report first quarter 2017/18 financial year.	Municipal Manager	27 October 2017
	MSCOA Progress Report	Municipal Manager	27 October 2017
	Formulation of Project Proposals;	Executive Mayor	31 October 2017
PROJECTS NOVEMBER - DECEMBER	Screen, adjust, consolidate and agree on Project Proposals	Executive Mayor	07 November 2017
	Alignment with District, provincial and National;	Municipal Manager	07 December 2017

IDP & BUDGET PHASES	INPUTS AND PROCESS	RESPONSIBLE PERSON	DATES
INTERGRATION JANUARY - FEBRUARY	Integration of sector plans and service plans into IDP;	Municipal Manager	11 January 2018
	Submit to the Mayor, NT and Provincial Treasury by 25 th January each year, a mid-year budget and performance assessment reflecting information required by s72 (1)(a)(i)(II, (iii), (iv)(b),(2) and (3).	Municipal Manager	25 January 2018
	Quarterly SDBIP performance progress report for second quarter of 2017/18 financial year;	Municipal Manager	25 January 2018
	MSCOA Progress Report	Municipal Manager	25 January 2018
	Publicise mid-year budget and performance assessments on the municipality website within five working days after approved by Council	Municipal Manager	5 days after mid-year has been tabled 01 February 2018
	Finance prepares indicative allocation per vote on the projected income and also provide budget guidelines for 2018/19 budget ;	Municipal Manager CFO	12 February 2018
	Where necessary, revise approved annual budget through an adjustment budget in the appropriate format;	Council	27 February 2018

IDP & BUDGET PHASES	INPUTS AND PROCESS	RESPONSIBLE PERSON	DATES
	Table the 2017/18 adjustments budget within prescribed limitations before the 28 th February 2018;	Executive Mayor	27 February 2018
	2017/18 Mid-year budget and performance assessment visits	Provincial Treasury	February - March 2018
TABLING MARCH - APRIL	Heads of department to prepare and submit 2018/19 draft operating budgets inputs and draft operational plans;	Municipal Manager	12 March 2018
	The 2018/19 draft budget to be discussed by budget steering committee then after to be circulated to different portfolio committees.	Executive Mayor	20 March 2018 5 days after submission
	Publicise adjustment budget on municipality website and newspaper and submit to NT and Provincial treasury within 10 working days after approval;	Executive Mayor	Within 10 working days after Council approval
	Table the 2018/19 annual Budget and IDP at a Council meeting at least 90 days before the start of the budget year.	Executive Mayor	30 March 2018
	Make public the adopted 2018/19 draft IDP and Budget and associated documentation immediately after the tabling in Council, and invite the community to make representations;	Municipal Manager	Within ten days after it has been adopted
	Submit the 2018/19 draft budget and draft IDP as tabled in printed and electronic form to NT, the provincial treasury, MEC: COGTA and others as prescribed.	Municipal Manager	Within ten days after it has been adopted
	Approval: Advertisement for public comments on Draft IDP and Draft Budget.	Municipal Manager	06 April 2018

IDP & BUDGET PHASES	INPUTS AND PROCESS	RESPONSIBLE PERSON	DATES
	Quarterly SDBIP performance progress report for third quarter of 2017/18 financial year	Municipal Manager	30 April 2018
	MSCOA Progress Report	Municipal Manager	30 April 2018
	Public participation on the 2018/19 Draft Budget and Draft IDP		10 April – 03 May 2018
APPROVAL MAY - JUNE	When the 2018/19 annual budget has been tabled in Council, consider the views of the local community, NT, the provincial treasury and other provincial and national organs of state.	Council	11 May 2018
	Budget and Benchmark Assessments	Provincial Treasury	April - May 2018
	Provide the Mayor with an opportunity to respond to budget submissions made and if necessary revise the budget and table amendments for Council consideration	Executive Mayor	15 May 2018
	Approval: Council approval of the 2018/19 final IDP base on Final assessments by government departments.	Executive Mayor	31 May 2018
	Consider the approval of the 2018/19 annual budget at least 30 days before the start of budget year.	Council	31 May 2018
	Approve measurable performance objectives for revenue by source and expenditure by vote.	Council	31 May 2018
	Approve annual budget by Council resolution, with resolutions to impose and set taxes and tariffs and changes to the IDP and budget-related policy before the start of	Council	31 May 2018

IDP & BUDGET PHASES	INPUTS AND PROCESS	RESPONSIBLE PERSON	DATES
	the budget year.		
	Submit the approved 2018/19 annual Budget and IDP to NT, and Provincial treasury.	Municipal Manager	Within 10 days after the approval
	Accounting Officer publishes approved budget, IDP and tariffs on the local newspaper.	Municipal Manager	Within 10 days after the approval
	The approved budget and related documents be placed on the website of the municipality and local newspaper.	Municipal Manager	Within 10 days after the approval
	Implement the 2018/19 approved budget in accordance with s69(1)	Municipal Manager	01 July 2018
	Submit to the mayor a draft service delivery and budget implementation plan no later than 14 days after the approval of the annual budget	Municipal Manager	13 July 2018
	Submit to the mayor drafts of annual performance agreements for the municipal manager and senior managers no later than 14 days after the approval of the annual budget	Municipal Manager	16 July 2018
	Approve service delivery and budget implementation plan within 28 days after the approval of the budget	Executive Mayor	27 July 2018
	Ensure that revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter as set out in the service delivery and budget implementation plan are made public no later than 10 days after its approval	Executive Mayor	within 10 days after the approval of the SDBIP
	Ensure that performance agreements of the	Executive Mayor	within 14 days

IDP & BUDGET PHASES	INPUTS AND PROCESS	RESPONSIBLE PERSON	DATES
	municipal manager, senior managers and other officials prescribed are made public no later than 14 days after the approval of the service delivery and budget implementation plan, and that copies of such performance agreements are submitted to the council and the MEC for local government in the province		after the approval of the SDBIP
	Quarterly SDBIP performance progress report for fourth quarter of 2017/18 financial year	Municipal Manager	27 July 2018
	MSCOA Progress Report	Municipal Manager	27 July 2018

NATIONAL TREASURY

MFMA IMPLEMENTATION PLAN - TEMPLATE

(High Capacity Municipality Only)



Name of municipality: Maluti - A - Phofung
(eg: City of Johannesburg)

Demarcation code: FS 194
(eg: GT001)

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
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1 MANAGEMENT ARRANGEMENTS

Reforming the municipality's finances will require a new approach to organisational change, one that takes into account change management processes as well as a clear understanding of the relevant legislation - not only the MFMA, but also the Constitution, Municipal Structures Act, Municipal Systems Act and annual Division of Revenue Act. This section outlines some of the key management and organisational considerations that must be borne in mind when commencing the reforms required. Note that this list is not exhaustive, and must be amended as required to meet the council's own individual circumstances. Refer MFMA Chapters 7, 8, 9, 13, 14 and 15, and s51 and s59 of the MSA. s51 of the MSA describes the organisation of a municipality's administration in more detail.

CORPORATE MANAGEMENT							
Council and the mayor							
1.1	In instances where there is no mayor, executive mayor or executive committee, designate a councillor to exercise the powers and duties assigned to a mayor	57 59	Council	ref s59 of MSA	1-Feb-14	7-Feb-14	Cllr. V Tshabalala
1.2	In instances where there is an executive committee, exercise the powers and functions in consultation with the executive committee	58 59	Executive Mayor	ref s59(1) of MFMA		YES	
1.3	Take steps to ensure that the mayor is aware of his or her general responsibilities under the MFMA	52 59	Municipal Manager	ref s79(1) of MFMA		YES	
Municipal officials: municipal manager, CFO and top management							
1.4	Appoint/assign a person to assume the duties of the municipal manager		Council	ref s59 of MSA	1-Jan-16	4-Jan-16	Adv. M.R. Tsupa
1.5	Take steps to ensure that the municipal manager is aware of his or her fiduciary responsibilities as the accounting officer of the municipality	60 61	Executive Mayor	ref s59(1) of MFMA	1-Jan-16	YES	
1.6	Provide guidance and advice on compliance with the MFMA to political structures, political office-bearers and officials and undertake all fiduciary responsibilities	60(b) 61	Municipal Manager	ref s79(1) of MFMA	Monthly	YES	
1.7	Implement the appropriate systems to help ensure that the resources of the municipality are used effectively, efficiently and economically	62(1)(a)	Municipal Manager	ref s79(1) of MFMA		YES	
1.8	Implement the appropriate systems to help ensure that full and proper records of the financial affairs of the municipality are kept in accordance with prescribed norms and standards	62(1)(b)	Municipal Manager	ref s79(1) of MFMA		YES	
1.9	Appoint/assign persons to assume the roles of other senior managers to form a top (or senior) management team	77	Council	ref s59 of MSA		YES	
1.10	Designate a person to assume the duties of the chief financial officer (CFO)	80	Municipal Manager	ref s79(1) of MFMA		YES	
1.11	Administer the budget office, advise the municipal manager, senior managers and other senior finance officials, and undertake financial duties as delegated by the municipal manager	81	CFO	restricted by s82 of MFMA	Monthly	YES	
1.12	Review contracts of employment in line with compliance with new roles and responsibilities under the MFMA for senior managers and other officials exercising financial responsibilities	78	Municipal Manager	ref s79(1) of MFMA		YES	
1.13	Take all reasonable steps within their respective areas of responsibility to ensure their compliance with s78	78	senior managers & officials exercising financial responsibilities	n/a		YES	
Review of delegations							

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
1.14	Initiate a review of delegations in terms of the MFMA, in order to take account of s59 (mayor), s79 (municipal manager) and s82 (CFO)	59 79 82	Municipal Manager	ref s79(1) of MFMA		YES	
	Review of finance related by-laws and ordinances						
1.15	In conjunction with a review of finance and budget-related policies, review all by-laws and ordinances relating to the budget and financial management (incl tariff policy)	24(2) 53(1)(c)(i)	Council	cannot be delegated, mayor to ensure		YES	
	Budget and treasury office						
1.16	Establish a budget and treasury office with CFO, officials allocated to the CFO and other persons contracted by the municipality for the work of the office	80	Municipality	ref s59 of MSA		YES	* Refer 1.9 and 1.10
	Competency levels and training						
1.17	Meet prescribed financial management competency levels	83(1)	Municipal manager, CFO, other finance officials	n/a	30-Jun-19		
1.18	Provide the appropriate resources and opportunities for training of officials to meet the prescribed financial management competency levels	83(2)	Municipality	ref s59 of MSA	30-Jun-19	YES	
	INTERNAL CONTROL						
1.19	Ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management, internal control and internal audit, operating with prescribed norms and standards, and has and implements a tariff policy, a rates policy and credit control and debt collection policy as required by applicable legislation	62(1)(c)&(f)(i)(ii)&(iii)	Municipal Manager	ref s79(1) of MFMA		YES	*
1.20	Establish an internal audit unit in accordance with s165	165	Municipality	ref s59 of MSA		YES	*
1.21	Establish a council audit committee in accordance with s166	166	Municipality	ref s59 of MSA		YES	*
	RESOLUTION OF FINANCIAL PROBLEMS						
1.22	Put in place an agreed resolution mechanism to ensure disputes concerning municipalities with organs of state of a financial nature are promptly resolved in accordance with s44. In instances when NT is not party to a dispute, report the matter to NT and where appropriate request mediation by NT	44	Municipal Manager	ref s79(1) of MFMA		N/A	
1.23	Put in place an agreed system to ensure the mayor promptly responds to and initiates any remedial or corrective steps proposed by the municipal manager in cases where the municipality faces serious financial problems and alert the council and MEC for local government in the province	54(2) 55	Executive Mayor	ref s59(1) of MFMA		YES	
1.24	Take steps to ensure that the council, the mayor and top/senior management are aware of the implications of Chapter 13 in particular, what constitutes "serious financial problems", triggers for provincial intervention and the role of the Municipal Financial Recovery Service	C 13	Municipality	ref s59 of MSA		YES	
1.25	Take steps to ensure that the council, the mayor and top/senior management and other officials are aware of the implications of Chapter 15 in particular, what constitutes "financial misconduct", offences, penalties, and disciplinary and criminal proceedings, to ensure that the appropriate systems are in place to investigate allegations of financial misconduct	C 15	Municipality	ref s59 of MSA		YES	
	GENERAL MATTERS						
Plan ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
1.26	Put in place an appropriate system to ensure that disciplinary action, or when appropriate, criminal proceedings are instituted against any official of the municipality who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15	62(1)(e)	municipal manager	ref s79(1) of MFMA		YES	
1.27	Put in place an appropriate system to ensure that the municipality does not enter into any forbidden activity prescribed in s164, and develop a strategy to phase out those activities entered into prior to 1 July 2016	164	municipality	ref s59 of MSA		YES	

2 FINANCIAL PLANNING AND BUDGETING

This section incorporates the development of the municipality's annual budget, and the integration of that budget with a review of the municipality's integrated development plan (IDP) and budget-related policies, performance measures as well as annual performance agreements. The tabling and process for approval of the annual budget is described, together with consequences for any failure to table or adopt the budget within an appropriate timeframe. It summarises new requirements involved in implementing the annual budget, using a service delivery and budget implementation plan (SDBIP) and if required an adjustments budget. Refer MFMA Chapters 4, 7 and 8, as well as s34 and s57 of the MSA and s215 of the Constitution.

BUDGET ADMINISTRATION							
2.1	Provide general political guidance over the budget process	53(1)(a)	Executive Mayor	ref s59(1) of MFMA		YES	
2.2	Assist the mayor in performing the budgetary functions assigned to him or her and provide the administrative support, resources and information necessary for him or her to perform those functions	68	Municipal Manager	ref s79(1) of MFMA		YES	
PREPARATION OF ANNUAL BUDGET							
2.3	Coordinate annual budget process and review of IDP and budget-related policies to ensure that the tabled budget, IDP and policy revisions are consistent and credible	21(1)(a)	Executive Mayor	ref s59(1) of MFMA		YES	
2.4	When preparing the annual budget take into account the IDP (ensuring its revision under the MSA) and take into account national budget, provincial budget and national government policy, and consult with stakeholders in accordance with s21(2)(d)	21(2), 53(1)(b)	Executive Mayor	ref s59(1) of MFMA		YES	
2.5	For the purposes of the annual budget, certify that revenues anticipated to be collected are realistic, and confirm that adequate provision for bad and doubtful debts has been made	18	Executive Mayor	municipal manager must assist (s68)		YES	
2.6	Before approving a capital project in terms of the annual budget, consider projected costs covering all financial years until the project is operational and future operational costs and revenue including tariff implications	19(2)	Council	ref s59 of MSA		YES	*
2.7	Set out the annual budget in a schedule that shows revenue by source, and expenditure by vote divided into capital and operating accompanied by appropriate draft resolutions, a cash flow projection, IDP and budget policy amendments, particulars on investments, municipal entities, service delivery agreements, grant allocations, employment costs and other prescribed information	17(1)(a)(b)(d)(i)(e)(2)&(3)(a)&(c) to (m)	Executive Mayor	ref s59(1) of MFMA, municipal manager must assist (s68)		YES	Must be in accordance with an NT framework (as prescribed).
2.8	Note: Set out the annual budget as above, but in addition, over a 3 year period, showing revenue and expenditure by vote for the preceding year, with measurable performance objectives for revenue by source and expenditure by vote linked to the IDP	17(1)(c)(d)(ii)&(3)(b)	Executive Mayor	ref s59(1) of MFMA, municipal manager must assist (s68)		YES	*
2.9	Table in council a time schedule outlining the key deadlines for the forthcoming annual budget at least 10 months before the start of the budget year	21(1)(b)	Executive Mayor	ref s59(1) of MFMA	AUGUST	27-Jul-17	

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
2.10	Ensure that in instances where a municipality must transfer an allocation of funds to another municipality, notify the receiving municipality by no later than 120 days before the start of the budget year of the projected amount of the allocation during each of the next 3 financial years	37(2)	Municipal Manager	ref s79(1) of MFMA		N/A	Council to notify municipality of 3 year allocations by end of February each year.
	TABLING OF ANNUAL BUDGET						
	Tabling and failure to table						
2.11	Table annual budget at a council meeting at least 90 days before the start of the budget year	16(2)	Executive Mayor	ref s59(1) of MFMA	MARCH	30-Mar-18	
2.12	In instances of any delay in tabling the annual budget, approving the service delivery and budget implementation plan (SDBIP) or signing of the annual performance agreements, report the matter promptly to the council and MEC for finance in the province	53(2)	Executive Mayor	ref s59(1) of MFMA		YES	
	Consultation and revision of annual budget						
2.13	Make public the annual budget and associated documentation immediately after tabling in council, and invite the community to make representations	22(a)	Municipal Manager	ref s79(1) of MFMA	APRIL	6-Apr-18	
2.14	Submit the annual budget as tabled in printed and electronic form to NT, the provincial treasury and others as prescribed	22(b)	Municipal Manager	ref s79(1) of MFMA	APRIL	6-Apr-18	within 10 days after approval by council
2.15	When the annual budget has been tabled in council, consider the views of the local community, NT, the provincial treasury and other provincial or national organs of state or municipalities	23(1)	Council	ref s59 of MSA	APRIL-MAY	YES	Budget and benchmark assessments
2.16	Provide the mayor with an opportunity to respond to budget submissions made and if necessary revise the budget and table amendments for council consideration	23(2)	Council	ref s59 of MSA	MAY	YES	
	APPROVAL OF ANNUAL BUDGET						
	Approval of budget						
2.17	Approve 2018/19 annual budget before start of financial year	16(1)	Council	cannot be delegated, mayor must ensure approval	MAY	31-May-18	
2.18	Where a capital project spans more than 1 year, ensure that a separate appropriation is made in each financial year. Note: such projects not to exceed 3 financial years, unless in compliance with s33.	16(3)	Council	cannot be delegated		YES	
2.19	Submit the approved annual budget to NT and the provincial treasury	24(3)	Municipal Manager	ref s79(1) of MFMA	JUNE	JUNE	within 10 days after approval by council
2.20	Consider the approval of the 2018/19 annual budget at least 30 days before the start of the budget year	24(1)	Council	cannot be delegated, mayor must ensure approval	MAY	31-May-18	
2.21	Approve annual budget by council resolution, with resolutions to impose and set taxes and tariffs and changes to the IDP and budget-related policy before the start of the budget year	16(1) 24(2) 53(1)(c)(i)	Council	cannot be delegated, mayor must ensure approval	MAY	31-May-18	
2.22	Note: Approve annual budget as above, but in addition, approve measurable performance objectives for revenue by source and expenditure by vote	24(2)	Council	cannot be delegated, mayor must ensure approval	MAY	31-May-18	*
	Failure to approve						
2.23	If the council fails to adopt the annual budget by the first day of the budget year, report the matter immediately to the MEC for Local Government in the province in accordance with s55	25(3)	Executive Mayor	ref s59(1) of MFMA		N/A	

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
2.24	Inform the MEC for finance in the province in writing of any impending non-compliance with any provision of the MFMA relating to the tabling or approval of a budget or compulsory consultative processes	27(1) 55	Executive Mayor	ref s59(1) of MFMA		N/A	
2.25	If the impending non-compliance referred to in s27(1) pertains to a time provision, apply to the MEC for finance for an extension of time if considered necessary	27(2)	Executive Mayor	ref s59(1) of MFMA		N/A	
2.26	Inform the council, the MEC for finance and NT in writing of any actual non-compliance with a provision of Chapter 4 and any remedial or corrective measures to be taken to avoid any recurrence of the problem	27(3)	Executive Mayor	ref s59(1) of MFMA		N/A	
2.27	If the council fails to approve the annual budget before the start of the budget year, reconsider and again vote on the annual budget (as amended) within 7 days of the meeting that failed to approve the budget, and if still not adopted at that time, repeat the process until the budget is adopted	25(1)	Council	cannot be delegated		N/A	
	IMPLEMENTATION OF ANNUAL BUDGET						
	Implementation and failure to implement						
2.28	Implement the approved budget in accordance with s69(1)	69(1)	Municipal Manager	ref s79(1) of MFMA	JULY	1-Jul-18	
2.29	Inform the provincial treasury in writing of any failure by the council to adopt or implement a budget-related policy or a supply chain management policy or any non-compliance by a political structure or office-bearer with the policy	73	Municipal Manager	ref s79(1) of MFMA		N/A	
	Service delivery and budget implementation plan						
2.30	Submit to the mayor a draft service delivery and budget implementation plan no later than 14 days after the approval of the annual budget	69(3)	Municipal Manager	ref s79(1) of MFMA	JULY	13-Jul-18	*
2.31	Approve service delivery and budget implementation plan within 28 days after the approval of the budget	53(1)(c)(i)	Executive Mayor	ref s59(1) of MFMA, mayor to ensure	JULY	27-Jul-18	*
2.32	Ensure that revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter as set out in the service delivery and budget implementation plan are made public in the form of a table of figures	53(3)	Executive Mayor	ref s59(1) of MFMA, mayor to ensure	AUGUST	YES	* Within 10 Days after the approval of the SDBIP
	Annual performance agreements						
2.33	Submit to the mayor drafts of annual performance agreements for the municipal manager and senior managers no later than 14 days after the approval of the annual budget	69(3)	Municipal Manager	ref s79(1) of MFMA		16-Jul-18	*
2.34	Ensure annual performance agreements comply with the MSA and are linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan	53(1)(c)(i) ii)	Executive Mayor	ref s59(1) of MFMA, mayor to ensure. Note also s60 MSA		YES	*
2.35	Ensure that performance agreements of the municipal manager, senior managers and other officials prescribed are made public no later than 14 days after the approval of the service delivery and budget implementation plan, and that copies of such performance agreements are submitted to the council and the MEC for local government in the province	53(3)	Executive Mayor	ref s59(1) of MFMA, mayor to ensure. Note also s60 MSA		16-Jul-18	* within 14 days after the approval of the SDBIP
	Adjustments budgets						
	Note: format, content and timing of adjustments budgets for the 2004/05 financial year are not prescribed, and should be in a format consistent with council needs						

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
2.36	Where necessary, prepare an adjustments budget and submit it to the mayor for consideration and tabling	69(2)	Municipal Manager	ref s79(1) of MFMA	FEBRUARY	27-Feb-19	Relates to the 2018/19 adjustment budget
	Note: format, content and timing of adjustments budgets for the 2005/06 financial year will be prescribed, and therefore target dates may vary						
2.37	Table adjustments budget within prescribed limitations	28(4)	Executive Mayor	ref s59(1) of MFMA	FEBRUARY	27-Feb-19	Relates to the 2018/19 adjustment budget
2.38	Where necessary, revise approved annual budget through an adjustments budget in the appropriate format	28(1) to (3)&(5) to (7)	Council	cannot be delegated	FEBRUARY	27-Feb-19	Format is in accordance with NT regulation

3 INCOME AND EXPENDITURE MANAGEMENT

Income and expenditure management involves the management of a municipality's systems that control the calculation of revenue due, receipt of that income and management of debt due. It also involves the management of a municipality's systems that control expenditures made, ensuring that all expenditure is lawful and paid in an efficient and effective manner. *Income is discussed in Chapter 8 of the MFMA, with credit control and debt collection discussed in Chapter 9 of the MSA. Expenditure management is discussed further in Chapters 4 and 8 of the MFMA.*

	INCOME MANAGEMENT						
3.1	Maintain responsibility for the management of the municipality's revenue	64(1)	Municipal Manager	ref s79(1) of MFMA		YES	
3.2	Take all reasonable steps to ensure that the municipality's revenue systems comply with s64(2)	64(2)	Municipal Manager	ref s79(1) of MFMA		YES	
3.3	Immediately inform NT of any payments due by an organ of state to the municipality in respect of municipal taxes or services if such payments are regularly in arrears for more than 30 days	64(3)	Municipal Manager	ref s79(1) of MFMA		YES	
3.4	Take all reasonable steps to ensure that any funds collected on behalf of another organ of state are transferred at least on a weekly basis and are not used by that municipality for its own purposes	64(4)	Municipal Manager	ref s79(1) of MFMA	MONTHLY	YES	Income received on behalf of the Maluti Water (Pty) Ltd
3.5	Ensure that the municipality has and implements an appropriate rates and tariff policy, and credit control and debt collection policy	62(1)(f)	Municipal Manager	ref s79(1) of MFMA	JUNE	YES	*
	EXPENDITURE MANAGEMENT						
	Expenditure management system						
3.6	Take responsibility for the management of the municipality's expenditure	65(1)	Municipal Manager	ref s79(1) of MFMA	MONTHLY	YES	
3.7	Take all reasonable steps to ensure that the municipality's expenditure systems comply with s65(2) (excluding s65(2)(j))	65(2)	Municipal Manager	ref s79(1) of MFMA		YES	
3.8	Pay amounts due to other municipalities or to national or provincial organs of state in a timely manner	37(1)	Municipality	ref s59 of MSA		YES	See s65(2)(e) of MFMA: pay accounts within 30 days of receipt of invoice/statement.
3.9	Ensure that funds transferred to an organisation or body outside any sphere of government is done so in accordance with s67	67	Municipal Manager	ref s79(1) of MFMA		NONE	
3.10	Review the remuneration of political office-bearers and members of political structures to ensure that they are remunerated only in accordance with s167(1), and take steps to remedy irregular expenditure	167	Municipality	ref s59 of MSA		YES	
3.11	Report to council on all expenditure on staff salaries, wages, allowances and benefits by type in accordance with s66 and as prescribed	66	Municipal Manager	ref s79(1) of MFMA	Quarterly		

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
3.12	Note: In addition to the requirements of s65(2) above, ensure that all financial accounts of the municipality are closed at the end of each month and reconciled	65(2)(j)	Municipal Manager	ref s79(1) of MFMA		YES	*
	Budgeted expenditure						
3.13	Ensure that all expenditure incurred is in terms of an approved budget	15(a)	Municipality	ref s59 of MSA	MONTHLY	YES	
3.14	Ensure that all expenditure is within the limits of each budget vote	15(b)	Municipality	ref s59 of MSA	MONTHLY	YES	
	Expenditure beyond budget year						
3.15	Incur expenditure on a capital project only when the project is budgeted for, and is approved by council after sources of funding have been considered and are available and uncommitted, and the project complies with s33 (regarding contracts with future budgetary implications)	19(1)	Municipality	ref s59 of MSA		YES	*
3.16	Enter into a contract that will impose financial obligations in excess of three financial years only in accordance with s33	33	Municipality	ref s59 of MSA	MONTHLY	YES	
3.17	Where appropriations for capital projects span more than 1 year, ensure that shifting of funds between years is in accordance with s31 (the municipal manager must receive prior written approval for the increase from the mayor)	31	Municipal Manager	ref s79(1) of MFMA		YES	
	Unauthorised, irregular or fruitless and wasteful expenditure						
3.18	Authorise unforeseeable and unavoidable expenditure for which no provision was made in the approved budget if considered appropriate subject to proper compliance with s29(2) and (3)	29	Executive Mayor	ref s59(1) of MFMA		YES	
3.19	Take steps to recover actual unauthorised, irregular or fruitless and wasteful expenditure	32(2)	Municipality	ref s59 of MSA		YES	
3.20	Inform council and the mayor (or executive committee) in writing of any decision taken that is likely to result in expenditure that is unauthorised, irregular or fruitless and wasteful	32(3)	Municipal Manager	ref s79(1) of MFMA		YES	
3.21	Inform the mayor, the MEC for local government in the province and A-G in writing of any expenditure that is unauthorised, irregular or fruitless and wasteful, whether any person is responsible for the expenditure and steps taken to recover or rectify the expenditure and prevent any recurrence	32(4)	Municipal Manager	ref s79(1) of MFMA		YES	
3.22	Report to SAPS all cases of alleged irregular expenditure that constitutes a criminal offence or cases of theft or fraud	32(6)	Municipal Manager	ref s79(1) of MFMA		YES	
3.23	Report to SAPS all cases of alleged irregular expenditure referred to in s32(6) that involve the municipal manager, or cases in which the municipal manager has failed to act in accordance with s32(6)	32(7)	council	ref s59 of MSA		NONE	
3.24	Ensure that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented	62(1)(d)	Municipal Manager	ref s79(1) of MFMA		YES	

4 CASH MANAGEMENT AND BANKING

Cash management and banking involves the management of a municipality's bank accounts, including the structure of those accounts and daily account deposits and withdrawals. This is linked closely with investments (in terms of cash flows and liquid short-term, often overnight investments). In order to establish better controls, the Act requires the creation of a primary bank account, and places the onus on municipalities to advise certain parties of details of all accounts held. *This is discussed primarily in Chapter 3 of the MFMA, with some references in Chapter 8.*

	BANK ACCOUNTS AND BANKING						
4.1	Open and maintain at least one bank account in the name of the municipality	7(1)	Municipal Manager	CFO only		YES	See s10(1)(c) & 10(2) of MFMA.
4.2	Deposit all money received into the bank account(s) promptly and in accordance with Chapter 3, and any requirements to be prescribed	7(2)	Municipal Manager	CFO only		YES	See s10(1)(c) & 10(2) of MFMA.

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
4.3	Check to ensure that no bank accounts have been opened in contravention of s7(3)	7(3)	Municipal Manager	CFO only		YES	See s10(1)(c) & 10(2) of MFMA.
4.4	Check to ensure that money is withdrawn from bank account(s) in terms of s11(1)	7(4)	Municipal Manager	CFO only		YES	See s10(1)(c) & 10(2) of MFMA.
4.5	Designate and advise NT in writing of details of the primary bank account, or any change in the primary bank account	8(1)&(5)	Municipal Manager	CFO only		YES	See s10(1)(c) & 10(2) of MFMA & DoRA.
4.6	Deposit all moneys as required by s8 into the primary bank account	8(2) to (4)	Municipal Manager	CFO only		YES	See s10(1)(c) & 10(2) of MFMA.
4.7	Administer all bank accounts, maintain accountability to council and enforce compliance with s7, 8 and 11	10(1) 62(2)	Municipal Manager	s10(1)(c) of MFMA to CFO only		YES	
4.8	Check to ensure that any delegation made in terms of s10(1)(c) is to the CFO only	10(2)	Municipal Manager	CFO only		YES	
4.9	Withdraw or authorise withdrawal of money from accounts in accordance with s11(1)	11(1)	Municipal Manager	CFO or other senior financial official		YES	
4.10	In cases where a municipality has more than one bank account, ensure that only the municipal manager or CFO is delegated authority to withdraw funds from the primary bank account	11(2)	Municipal Manager	CFO		YES	See s10(1)(c) & 10(2) of MFMA. Must be in accordance with an NT framework (as prescribed).
4.11	Check to ensure that all relief, charitable and trust accounts are set up in the name of the municipality and are administered by the municipal manager	12(1) 62(2)	Municipal Manager	ref s79(1) of MFMA		YES	
4.12	Deposit all money received for relief, charitable and trust accounts into the correct account, and make withdrawals from those accounts only for the purposes for which the fund was established and where appropriate authorised by the municipal manager	12(2) to (4)	Municipal Manager	ref s79(1) of MFMA		YES	
4.13	Notify NT of occasions when the bank account(s) of the municipality show an (consolidated) overdraft position for a period exceeding a prescribed period, and provide details of the amount, the reasons for the overdraft and the steps taken to correct the matter	70(2)	Municipal Manager	ref s79(1) of MFMA		YES	
4.14	Table in council a consolidated report of withdrawals each quarter, and submit a copy of the consolidated report to the provincial treasury and A-G	11(4)	Municipal Manager	CFO only	Quarterly	YES	
4.15	Submit to provincial treasury and A-G, written details of new bank accounts when opened, and all bank accounts each year	9	Municipal Manager	ref s79(1) of MFMA	Annually	YES	

5 SUPPLY CHAIN MANAGEMENT REFORM

The reform of supply chain management systems within municipalities is an important area within the MFMA. Municipalities must first take steps to ensure that the appropriate lines of oversight and accountability are established by taking councillors out of a role of implementation so as to concentrate purely on oversight of the process. Municipalities must ensure that they establish supply chain management systems that are fair, equitable, transparent, competitive and comply with the regulatory framework to be prescribed. Municipalities must also ensure that officers are appropriately trained and skilled to meet the prescribed competency levels. *Refer Chapter 11 of the MFMA.*

SUPPLY CHAIN MANAGEMENT							
Supply chain management system							
5.1	Ensure that councillors do not serve on a municipal bid committee or attend any meetings of these committees, or any other committee evaluating or approving tenders, quotations, contracts or other bids	117	Municipal Manager	ref s79(1) of MFMA		YES	
5.2	Ensure that no person interferes with the supply chain management system of the municipality or amends or tampers with any tenders, quotations, contracts or bids after their submission	118	Municipal Manager	ref s79(1) of MFMA		YES	
5.3	Implement an appropriate supply chain management policy in accordance with Chapter 11 and the prescribed regulatory framework	62(1)(f)(i) v) 111 112 115(1)(a)	Municipal Manager	ref s79(1) of MFMA		YES	*

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
5.4	Ensure that unsolicited bids are dealt with in accordance with s113 and the prescribed regulatory framework	113	municipality	ref s59 of MSA		NONE	
5.5	If a tender other than one recommended is approved, notify in writing the A-G, the provincial treasury and NT and advise the reason for deviating from the original recommendation	114	Municipal Manager	ref s79(1) of MFMA		YES	
5.6	Take all reasonable steps to ensure that proper mechanisms and separation of duties are in place in relation to supply chain management systems, to minimise the likelihood of fraud, corruption, favouritism and	115(1)(b)	Municipal Manager	ref s79(1) of MFMA		YES	
5.7	Ensure that all contracts and contract management procedures are administered in accordance with s116	116	Municipal Manager	ref s79(1) of MFMA		YES	
5.8	Note: In addition to the above requirements, establish capacity in the administration of all contracts and agreements in accordance with s116(2)(c)	116(2)©	Municipal Manager	ref s79(1) of MFMA		YES	*
Competency levels and training							
5.9	Meet prescribed supply chain management competency levels	119(1)	Municipal manager, SCM officials	n/a		YES	
5.10	Provide the appropriate resources and opportunities for training of officials to meet the prescribed supply chain management competency levels	119(2)	Municipality	ref s59 of MSA		YES	
PUBLIC-PRIVATE PARTNERSHIPS							
5.11	Ensure that the municipality only enters into a public-private partnership in accordance with the conditions and processes outlined in s120	120	Municipality	ref s59 of MSA		NONE	

6 MUNICIPAL INVESTMENTS AND BORROWINGS

Municipalities must review their investment activities and their short and long-term borrowing arrangements as a high priority. *Municipal investments are to be regulated by investment regulations and municipal policy. Municipal borrowings are governed by s160(2), s218 and s230A of the Constitution, and Chapter 6 of the MFMA.*

INVESTMENTS							
6.1	Establish an appropriate cash management and investment policy	13(2)	Municipality	ref s59 & s60(2) of MSA		YES	Must be in accordance with an NT framework (as prescribed).
BORROWINGS (INCLUDING DEBT)							
Short-term debt							
6.2	Check to ensure that all short-term debt is incurred in accordance with the provisions of the MFMA and only when necessary to bridge shortfalls and capital needs within a financial year	45(1)	Municipality	ref s59 of MSA		YES	Note that the raising of loans can only be done by council, ref s160(2) of Constitution.
6.3	Obtain resolution of council, signed by the mayor approving the short-term debt agreement, and signed by the municipal manager to create or acknowledge the debt	45(2)	Municipality	ref s59 of MSA		YES	
6.4	Check to ensure that the council resolution above refers to an individual short-term debt transaction, credit facility or line of credit or bank overdraft only	45(3)	Municipality	ref s59 of MSA		YES	
6.5	Develop a plan to ensure that all short-term debt is fully repaid by 1 July 2017 (with an aim to extinguish debt by 25% pa)	45(4)	Municipality	ref s59 of MSA		YES	NT recommends that debt be extinguished over a 4 year period (maximum)
Long-term debt							
6.6	Check to ensure that all long-term debt is incurred in accordance with the provisions of the MFMA and only for the purpose of capital expenditure (see s46(4)) and consistent with the capital budget (see s46(6)) or for the re-financing of existing long-term debt (see s46(3))	46(1)	Municipality	ref s59 of MSA		YES	
6.7	Obtain resolution of council, signed by the mayor approving the long-term debt agreement and signed by the municipal manager to create or acknowledge the debt	46(2)	Municipality	ref s59 of MSA		YES	
6.8	Enter into long-term debt agreements only in accordance with s46(3)	46(3)	Municipality	ref s59 of MSA		YES	
Security over debt							

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
6.9	Check to ensure that all debt is denominated in Rand and is not indexed or affected by fluctuations against foreign currencies, and in instances where security is to be provided by the municipality it is in accordance with s48(3)	47	Municipality	ref s59 of MSA		YES	
6.10	Ensure that security over debt obligations is strictly in accordance with s48	48	Council	ref s59 of MSA		YES	
6.11	Ensure that municipal debt guarantees are only provided in terms of s50	50	Municipality	ref s59 of MSA		NONE	
Disclosure of information							
6.12	Ensure that all persons involved in the borrowing of money are aware of requirements to disclose information accurately when interacting with a prospective lender	49	All councillors and officials	n/a		YES	

7 ASSET AND LIABILITY MANAGEMENT							
The municipality must put in place appropriate systems of control to safeguard its assets, and to manage liabilities. Refer Chapters 3, 8 and 14 of the MFMA and s60 of the MSA.							
	ASSET MANAGEMENT						
	Asset management system						
7.1	Maintain responsibility for management of the municipality's assets and liabilities	63(1)	Municipal Manager	ref s79(1) of MFMA		YES	
7.2	Take all reasonable steps to ensure that the municipality maintains appropriate systems and controls and that assets and liabilities are valued according to GRAP	63(2)	Municipal Manager	ref s79(1) of MFMA		YES	*
Disposal of assets							
7.3	Ensure that an appropriate system is established to dispose of capital assets in accordance with s14 ie: to ensure that assets required for the minimum level of basic municipal services are not inappropriately disposed	14	Municipality	ref s59 of MSA		YES	
7.4	Consider the delegation of power to make determinations to dispose of movable capital assets below a certain value to the municipal manager	14(4)	Council	ref s59 & 60(1)(a) of MSA		YES	
LIABILITY MANAGEMENT							
7.5	Take appropriate steps to ensure that the municipality does not incur a liability or risk payable in a foreign currency	163	Municipality	ref s59 of MSA		YES	

8 IN-YEAR AND ANNUAL REPORTING							
The MFMA requires councils to report monthly and quarterly and mid-year, on its budget performance. It also requires that municipalities provide a range of information on the municipal website and contains other additional reporting requirements. Councils must also prepare and review their annual financial statements and provide an annual report within set timeframes. An oversight report must be prepared in response to the auditor's report on the state of municipal finances. Refer primarily to chapters 7, 8, and 12 of the MFMA and s46 of the MSA.							
	IN-YEAR REPORTING						
	Monthly reporting						
8.1	Report to council in writing on any impending shortfalls in budgeted revenue and overspending in the budget, and steps taken to prevent or rectify such shortfalls or overspending	70(1)	Municipal Manager	ref s79(1) of MFMA	MONTHLY	YES	
8.2	Submit to the mayor and provincial treasury no later than 10 working days after the end of each month, a monthly budget statement in the prescribed format reflecting information required by s71(1)(a), (b), g (iii), (2), (3) and (4)	71	Municipal Manager	ref s79(1) of MFMA	MONTHLY	YES	*
8.3	Consider monthly budget statements and mid-year budget and performance assessment reports: issue appropriate instructions to the municipal manager to ensure revenue and expenditure proceed in line with the budget, identify any real or potential financial problems and submit reports and take appropriate action	54(1)	Executive Mayor	ref s59(1) of MFMA	MONTHLY	YES	Effective date is 1 July 2018, However read in context of 8.2 above.

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
8.4	Note: In addition to the detail provided in the monthly budget statement referred to above, provide information required by s71(1)(e), (f), and (5)	71	Municipal Manager	ref s79(1) of MFMA	MONTHLY	YES	Report from 1 July 2018
8.5	Note: In addition, check and if necessary make the appropriate amendments to the SDBIP, and make revisions public	54(1)&(3)	Executive Mayor	ref s59(1) of MFMA		YES	* Relates to 2017/18 budget for high capacity councils. Effective date 1 July 2018, however read in context of 8.3 above.
8.6	Note: In addition to the detail provided in the monthly budget statement referred to above, provide information required by s71(1)(c), (d), and (g) (i) and (ii)	71	Municipal Manager	ref s79(1) of MFMA	MONTHLY	YES	* By capacity - relates to 2018/19 year for high capacity councils. Effective from 1 July 2018 (first monthly report refers to July).
Quarterly reporting							
8.7	Submit a report to the council on the implementation of the budget and state of municipal finances within 30 days of the end of each quarter	52(d)	Executive Mayor	ref s59(1) of MFMA	Quarterly	YES	
Mid-year reporting							
8.8	Submit to the mayor, NT and provincial treasury by 25 January each year, a mid-year budget and performance assessment reflecting information required by s72(1)(a)(i), (iii), (iv), (1)(b), (2) and (3)	72	Municipal Manager	ref s79(1) of MFMA	JANUARY	YES	*
8.9	Note: In addition to the detail provided in the mid-year budget and performance assessment referred to above, provide information required by s72(1)(a)(ii)	72	Municipal Manager	ref s79(1) of MFMA		YES	*
Other reporting							
8.10	Submit information as prescribed or required to NT, the provincial treasury, the provincial department for local government or the A-G.	74(1)	Municipal Manager	ref s79(1) of MFMA		YES	
8.11	If unable to comply with any of the responsibilities contained in the MFMA report that fact with reasons to the mayor and the provincial treasury	74(2)	Municipal Manager	ref s79(1) of MFMA		YES	
8.12	Submit to NT within 3 months of 1 July 2004, a list of corporate entities, public-private partnerships and long-term contracts as detailed in s178(2)	178(2)	Municipality	ref s59 of MSA		YES	
8.13	Submit to the provincial treasury and A-G, the appropriate documentation authorising lawful over-expenditure in a capital programme within a financial year	31(e)	Municipal Manager	ref s79(1) of MFMA		NONE	
Website reporting							
8.14	Place on the website information required by s75, no later than 5 days after its tabling in council or on the date which it must be made public, whichever comes first	75	Municipal Manager	ref s79(1) of MFMA		YES	*
END-OF-YEAR REPORTING							
Annual financial statements							
8.15	Prepare 2017/18 annual financial statements in accordance with s122(1) containing disclosures as required by s124 and s125	122(1) 124 125	Municipality	ref s59 of MSA		YES	Also ref s5 DoRA
8.16	If a municipality encounters a serious financial problem or anticipates problems in meeting its financial commitments, it must immediately seek solutions to the problem and notify the MEC for local government and MEC for finance in the province and SALGA	135	Municipality	ref s59 of MSA		YES	
8.17	Submit 2017/18 annual financial statements to the A-G within 2 months after the end of the financial year	126(1)(a)	Municipal Manager	ref s79(1) of MFMA	AUGUST	31-Aug-18	Relates to 2017/18 financial statements.
8.18	Note: Ensure that annual financial statements disclose information on intergovernmental and other allocations as required by s123(1)	123(1)	Municipality	ref s59 of MSA		YES	Relates to 2016/17 financial statements.

Plan Ref	Action Required	Act Ref	Responsibility Under the MFMA	Delegation To	Final Target Date	Date Action Completed	Comments (NT)
8.19	Take appropriate action in terms of s133 in instances where financial statements are not submitted to the A-G	133(1)	Council	ref s59 of MSA		YES	Target date dependent upon 8.17 above.
8.20	Ensure that the municipality addresses any issues raised by the A-G in the audit report	131	mayor	ref s59(1) of MFMA		YES	Relates to 2017/18 financial statements. Note: date of 30 January, based on receipt of audit report 3 months after its presentation to A-G at end of August, allowing council 60 days to respond (see s131(2) of MFMA).
8.21	Note: In addition to the requirements of s122(1) and (2), prepare annual financial statements and consolidated financial statements in accordance with GRAP	122(3)	Municipality	ref s59 of MSA		YES	*
The annual report							
8.22	Prepare the 2017/18 annual report in accordance with Chapter 12 and containing information required by s121	121	Municipality	ref s59 of MSA		YES	* By capacity - relates to 2017/18 year for high capacity councils. Ref s46(1) of MSA.
8.23	Deal with the annual report within 9 months after the end of the financial year	121	Council	ref s59 of MSA	APRIL	YES	* By capacity - relates to 2017/18 year for high capacity councils.
8.24	Table in council the 2017/18 annual report of the municipality and any municipal entities within 7 months after the end of the financial year	127(2)	Executive Mayor	ref s59(1) of MFMA	JANUARY	YES	Relates to 2017/18 annual report. Ref s46(1) of MSA.
8.25	If unable to comply with s127(2), submit to council a written explanation setting out reasons for the delay, tabling the annual report as soon as possible	127(3)	Executive Mayor	ref s59(1) of MFMA		YES	Target date dependent upon 8.24 above. Relates to 2017/18 annual report.
8.26	Immediately after the annual report is tabled in council, make public and invite representations on the annual report and submit the annual report to the A-G, the provincial treasury and the provincial department for local government	127(5)	Municipal Manager	ref s79(1) of MFMA		YES	Target date dependent upon 8.24 above. Relates to 2017/18 annual report. Ref s46(3) of MSA.
8.27	Take the appropriate action in terms of s133 in instances where the mayor fails to table the annual report in council	133(1)	Council	ref s59 of MSA		NONE	
8.28	Ensure that council meetings at which the annual report is to be discussed are open to the public	130(1)	Council	ref s59 of MSA		YES	Relates to 2017/18 annual report. Ref s46(3) of MSA.
8.29	Invite any representatives of the A-G to attend council meetings at which the annual report is to be discussed	130(2)	Council	ref s59 of MSA		YES	Relates to 2017/18 annual report. Ref s46(3) of MSA.
8.30	Attend council and committee meetings where the annual report is discussed and submit copies of the minutes of those meetings to the A-G, the provincial treasury and the provincial department for local government	129(2)	Municipal Manager	ref s79(1) of MFMA		YES	Relates to 2017/18 annual report. Ref s46(3) of MSA.
The oversight report							
8.31	Adopt an oversight report following consideration of the annual report, containing council's comments on the annual report in accordance with s129(1), no later than 2 months from the date on which the annual	129(1)	Council	ref s59 of MSA		YES	Relates to 2017/18 oversight report.
8.32	Make public the oversight report within 7 days of its adoption by council	129(3)	Municipal Manager	ref s79(1) of MFMA		YES	Target date dependent upon 8.31 above. Relates to 2017/18 oversight report.
8.33	Submit the annual report and oversight report to the provincial legislature within 7 days after being adopted by council	132	Municipal Manager	ref s79(1) of MFMA		YES	Target date dependent upon 8.31 above. Relates to 2017/18 oversight report.

FOR COUNCIL USE ONLY

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Disclaimer: Please note that this worksheet has been compiled to assist municipalities in developing their own project management plan - municipalities must review the activities and timeframes listed carefully to ensure that they suit their own individual needs. Municipalities are required to review the accuracy of the template, and therefore National Treasury cannot accept any responsibility for errors or omissions contained within this worksheet. As a template, there may be instances when the information contained here is not relevant to a municipality. This document will evolve over time, and users are requested to advise the National Treasury of any errors or omissions so that the template may be constantly improved and enhanced.