



2027/2028 IDP/BUDGET AND PMS PROCESS PLAN.

To guide the planning, drafting, and adoption of the 5-year Integrated Development Plan, Budget process and Performance Management review.

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1. INTRODUCTION AND BACKGROUND

1.1. Rationale for the Process Plan

The Integrated Development Plan is a legislative requirement. In terms of Section 25 of the Municipal Systems Act (MSA) 2000, all municipalities must undertake an Integrated Development Planning Process. It has a legal status which supersedes all other plans that guide development at local government level. The Municipal Systems Act, No. 32 of 2000 and the Municipal Finance Management Act No. 56 of 2003 confer the responsibility on the Mayor to provide political guidance over the budget process; and the priorities that must guide the preparation of the annual budgets. In terms of section 53 of the Municipal Finance Management Act the Mayor must also coordinate the annual revision of the Integrated Development Plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget and determine how the integrated development plan is to be considered or revised for the budget.

To ensure certain minimum quality standards of the Integrated Development Plan (IDP), and proper coordination between all stakeholders, including the Council, administration, different spheres of government, institutional structures, ward committees and various community-based organisations.

The preparation of this Process Plan, which is in essence, the IDP Process set out in writing, requires the adoption by Council. This plan includes the following:

- A programme specifying the time frames for the different planning steps.
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process.
- An indication of the organisational arrangements for the IDP process.
- Binding plans and planning requirements, i.e. policy and legislation; and
- Mechanisms and procedures for vertical and horizontal alignment.

1.2. Area of IDP

The IDP will be applicable to the Matatiele Local Municipality; located in the Alfred Nzo District municipality in the Northern part of the Eastern Cape Province. The town of Matatiele, is the main commercial node within MLM, situated at the foothills of the Drakensberg, at an altitude of 1 466 meters above sea level. The town is located at the junction of the Eastern Cape, KwaZulu-Natal, and southern Lesotho. Matatiele Local Municipality is a rural Municipality consisting of 27 wards. It is dissected by the R56, which is a primary movement corridor.

2. LEGAL REQUIREMENTS

To ensure certain minimum quality standards of the IDP process and proper coordination between and within the spheres of government, the IDP process is regulated by the following legislation:

2.1 The Integrated Development Plan (IDP)

2.1.1 Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000) indicates that:

Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all-inclusive, and strategic plan for the development of the municipality which-

- a) Links integrates and coordinates plans and considers proposals for the development of the municipality.*
- b) Aligns the resources and capacity of the municipality with the implementation of the plan.*
- c) Complies with the provisions of this Chapter; and*
- d) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.*

2.1.2 In accordance with the Municipal Systems Act, No 32 of 2000 (MSA) Section 28:

- 1) Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.*
- 2) The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.*
- 3) A municipality must give notice to the local community of particulars of the process it intends to follow.*

2.1.3 Section 29(1) of the Municipal Systems Act, No. 32 of 2000 (MSA) instructs that: The process must –

- a) be in accordance with a predetermined programme specifying timeframes for the different steps.*
- b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for –*
 - (i) the local community to be consulted on its development needs and priorities.*
 - (ii) the local community to participate in the drafting of the integrated development plan; and*
 - (iii) organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan.*
- (c) provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation; and*
- (d) be consistent with any other matters that may be prescribed by regulation.*

2.1.4 Section 34 of the Municipal Systems Act, No. 32 of 2000 (MSA) prescribes that:

A municipal council must

- a) review its Integrated Development Plan*
 - i. annually in accordance with an assessment of its performance measurements in terms of section 41; and*
 - ii. to the extent that changing circumstances so demand; and*

- b) *may amend its integrated development plan in accordance with a prescribed process.*

2.2 The Annual Budget

The Annual Budget and the IDP are inter- linked, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004).

2.2.1 Chapter 4 and Section 21 (1) of the Municipal Finance Management Act (MFMA) indicates that:

The Mayor of a municipality must-

- 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. *The consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).*

This document constitutes the process plan for the 2027/2032 IDP and the 2027-2030 MTREF budget formulation for the Matatiele Local Municipality; and therefore, outlines the process to be followed for planning, drafting, and adoption of the IDP and Budget.

2.3 The Service Delivery and Budget Implementation Plan (SDBIP)

The Service Delivery and Budget Implementation Plan (SDBIP) is an implementation plan of the approved Integrated Development Plan (IDP) and the Budget. Therefore, only projects that are budgeted for are implemented. The SDBIP serves to address the development objectives as derived from the approved IDP.

2.3.1 Section 1 of the MFMA defines the SDBIP as:

“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:

- a) *projections for each month of-*
- (i) *revenue to be collected, by source; and*
- (ii) *operational and capital expenditure, by vote.*
- b) *service delivery targets and performance indicators for each quarter*

2.3.2 The Spatial Planning and Land Use Management Act, 16 of 2013 confirms in Section 20(2):

that a municipal SDF must be prepared – “as part of” a municipal IDP.

3. THE PROCESS PLAN DEVELOPMENT APPROACH

This Process plan has been prepared to include the following:

- A programme specifying the time frames for the different planning phases and processes.
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process.

4. INSTITUTIONAL ARRANGEMENTS

This section outlines the internal processes and arrangements by Matatiele Local Municipality. Before the development process commences, certain institutional arrangements must be put in place to ensure that the process is managed well.

4.1 Steering Committee

The IDP Steering committee of Matatiele Local Municipality comprises of the Municipal Manager and General Managers, IDP Coordinator and Middle Managers, administrative assistants in the IDP Unit, Alfred Nzo 7 District Municipality and Provincial Sector Departments. It is essentially made up of the stakeholders who are “providers “of services to the communities. The IDP STEERING committee thus forms a critical structure in the IDP Process. For the 2027/28 IDP processes; the steering committee meetings will be held in conjunction with the Inter-Governmental Relations (IGR) forum meetings. Both structures require the same stakeholders. This arrangement has been put in place to encourage full participation of sector departments in the IDP process. The Steering Committee will perform amongst the following activities which serve as terms of reference for the functioning of the committee: meeting is scheduled to sit Quarterly.

4.2 IDP Representative Forum

The IDP Representative Forum (RF) for Matatiele Local Municipality will be established through a process where all interested and affected stakeholders will be invited to participate in the IDP development process. The approach will ensure that all stakeholders within Matatiele Local Municipality and within the district municipalities are fully represented in the IDP Representative Forum.

The Rep Forum must also have full representatives from all Spheres of Government, with emphasis on Provincial Government Departments and those sector departments located within the district and government parastatals such as Eskom. The Rep Forum is reviewed on an annual basis to ensure that it is continuously effective to ensure sustainable planning and service delivery within the Municipality.

The Invitation will be publicized on the local newspapers, on the notice boards, or in the local community radio to inform community members of the IDP Preparation and further invitation of interested parties to form part of the Representative Forum to ensure wider representation and the need for continued participation in the IDP process through the Representative Forum to ensure that the final IDP is reflective and inclusive of all needs and programmes of all parties.

The IDP Representative forum will therefore work in terms of the Terms of Reference; in terms of section 15 of the Local Government: Municipal planning and performance regulations (NO.796, 24 August 2001).

The forum shall include the following representatives (but not limited to these):

- Members of the executive committee of the council
- Ward Councillors including district councillors.
- Traditional leaders and Khoi-san leaders
- Ward committee representatives from the IDP and LED sector
- Ward support assistants
- Community development workers
- Heads of departments and senior officials from municipal and government department
- Representatives from organised stakeholder groups
- People who fight for the rights of unorganised groups – e.g. A gender activist
- Resource people or advisors
- Community representatives (e.g. youth forums)

The purpose of this forum is to:

- Provide an opportunity for stakeholders to represent the interests of their constituencies.
- Provide a structure for discussion, negotiations and joint decision making.
- Ensure proper communication between all stakeholders and the municipality.
- Monitor the planning and implementation process.

The IDP Representative forum will therefore work in terms of the Terms of Reference; in terms of section 15 of the Local Government: Municipal planning and performance regulations (NO.796, 24 August 2001). These ToR's provide procedures on:

- Meetings – frequency and attendance
- Agenda, facilitation and recording of proceedings.
- Understanding the role of various stakeholders as representatives of their constituencies
- How feedback to constituencies will take place
- Required majority for decisions to be taken.
- How disputes will be resolved

For the 2027/2028 IDP process, the IDP representative forum is scheduled to sit four (4) times.

4.3. IDP /Budget Community Outreach

In accordance with chapter four (4) and section 29 of the Municipal Systems Act 32 of 2000, the municipality is required to follow the appropriate mechanisms of involving the community in its processes of developing an IDP.

For the 2027/28 IDP and Budget Processes, MLM will conduct two (2) community outreaches.

The first is the IDP community outreach, which is held during the situational analysis phase of the IDP. This outreach focuses on the needs analysis.

The second outreach is the Budget outreach, which is held upon the tabling of the draft Budget. This outreach focuses on allowing the communities to comment on the draft budget before adoption.

4.4 Budget Steering Committee

Section 4 of the Municipal Budget and Reporting Regulations requires that the mayor of a municipality establish a budget steering committee. This committee's role is to provide technical assistance to the mayor in discharging his or her responsibilities set out in section 53 of the MFMA. These responsibilities include providing political guidance to the IDP and budget processes and the priorities that must guide the preparation of the budget, ensuring the budget gets approved before 1 July, that an SDBIP is produced and that senior managers' annual performance contracts are signed, submitted to council and made public on time

For the 2027/28 Budget processes. The Budget steering committee will sit at least two times, as may be required for the budget adjustment and adoption process.

5. ROLES AND RESPONSIBILITIES OF STRUCTURES

The roles and responsibilities during the IDP and Budget development process are outlined below as follows:

Structure(s)/Person(s)	Roles & Responsibilities
Council	-Adopts and approve the IDP and Budget Framework and Process Plans. -Responsible for the overall management, coordination, and monitoring of the IDP development processes. -Approves the municipal budget and other IDP Sector Plans and Policies in line with the IDP.
The Mayor	-Gives direction on the Process Plan for IDP development -Provides political guidance and leadership for both IDP and the budget processes. -chairs the IDP representative forum
EXCO Members	-Responsible for providing the overall management, coordination, and monitoring of the IDP development process. -Recommends the approval of the IDP and Budget to Council - The mayor to ensure the tabling of the IDP and Budget to the council
Municipal Manager	-Manages and coordinates the whole process. -Ensures that all departments fit in the organizational vision. -Ensures that resources are allocated accordingly and well managed. -Chairs the IDP steering Committee. -Ensures that Performance Management and valuations are done quarterly.
Strategic Governance Manager	-Undertakes the overall management and co-ordination of the planning process, -Ensures alignment and compliance with the legislative framework, IDP guidelines and Sector Departments. -Offers strategic guidance and management to the IDP development process.
IDP Coordinator	-Works closely with the Strategic Governance Manager and Municipal Manager in ensuring that the Council vision is met. - Ensures that the planning process is participatory, strategic and implementation oriented and is aligned with and satisfies sector-planning requirements

		-Ensures that implementation takes place within the available resources. -Ensures that all relevant stakeholders are appropriately involved. - Responds to comments on the draft IDP from public, horizontal alignment, and other spheres of government to the satisfaction of the Municipal Council.
IDP committee	Steering	- Defining TOR and criteria for members of the IDP Representative Forum -Informing the public (issue an advertisement) about the establishment of the IDP Representative Forum and request submission of applications from stakeholders/ community groups (organized and unorganized) indicating goals, objectives, activities, numbers, and constitution. -Processes, summarizes, and documents outputs of the IDP -Makes content recommendations. -Prepares, facilitates and documents IDP steering committee meetings in the form of minutes for compliance with legislation. -Develop the programme for Consultation process of Communities and any other stakeholders.
Budget Committee	Steering	-Ensures alignment of proposed budget with IDP. -Ensures that sufficient funding is provided on the budget for projects as per IDP. -Records realistic revenue and expenditure projections for current and future years. -Take cognisance of national, provincial budgets, DORA, and national fiscal and macro-economic policy.
IDP Representative Forum		-Represents the interests of the constituencies in the IDP Planning and Review Processes. -Ensures communication and participation from all stakeholders in municipal planning and decision making. - To contribute by providing relevant information on provincial sector department plans, programmes, budgets, objectives, strategies, and projects. -Assists in projects and budgeting linkages or alignments.
Communities		-Participate in the IDP Rep Forum -Identify and priorities their needs through guidance by municipalities. -Discuss and comment on the draft IDP and Budget documents
Private Sector		-Participate and ensures inclusion of their projects and programmes in the IDP of the municipality -Provide information on the opportunities that the communities may have in the private sector.

Traditional Leaders & Khoi-San leaders	-Traditional Leaders should work closely with ward councillors to identify priority developmental issues within their communities -Facilitate community consultation in collaboration with ward councillors
Other Community Organisations (FBOs, CBOs, Interested Groups and others)	-Participate in the process to ensure that interests of structures they represent are considered within the municipal planning process (IDP and Budget).
Ward committees, ward support Assistants and CDW'S	-provide records of community challenges and needs -provide support with the outreach logistics -disseminate information to the communities

6. MECHANISM FOR COMMUNITY AND STAKEHOLDER PARTICIPATION

Chapter 4 Section 16(1) of the Municipal Systems Act 32 of 2000 as stipulates that municipalities must develop a culture of municipal governance that compliments formal representative government with a system of participatory governance that encourages and create conditions for the local community to participate in the affairs of the municipality. This includes involvement of communities in the following:

- i. The preparation, implementation, and review of the Municipal Integrated Development Plan in terms of Chapter 5 of Municipal Systems Act as amended.
- ii. The establishment, implementation, and review of the Municipal Performance Management System in Terms of Chapter 6 of the Municipal Systems Act as amended.
- iii. The monitoring and review of the municipal performance including the outcomes and impact of such performance.
- iv. The preparation of the municipal budget; and
- v. Strategic decisions relating to the provision of municipal services in terms of Chapter 8 of the Municipal Systems Act 32 of 2000
- vi. Identification of Key Performance indicators.

Municipalities and other government departments have a constitutional mandate to encourage the involvement and participation of community organizations in the matters of local government.

For the 2027/2028 IDP processes, MLM will adopt the following mechanisms for participation:

a) IDP Representative Forum

This forum will represent all stakeholders and will be as inclusive as possible. Efforts will be made to bring additional organisations into the RF and ensure their continued participation throughout the process.

b) Media

Local newspapers and Information brochures will be used to inform the community about of the progress of the planning phase.

The following methods will be used for advertising IDP processes:

1. Newspaper: local newspapers.
2. Municipal newsletter
3. Lifts and Pamphlets
4. Notices at public institutions (libraries, schools, churches, municipal offices etc.)
5. Community radios
6. Social media Platforms and the Municipal website

7.1 PROCEDURES/ PROCESSES FOR PARTICIPATION

7.1.1 Representative Forum (RF)

The representative forum will sit four times. The first RF meeting will involve a presentation of the Process Plan. It will also capture the progress made in terms of projects since the approval of the IDPs.

7.1.2 Council Approval

It is proposed that in a Council Meeting open to public, the Council notes the Draft IDP documentation by end of the month of March each year. Council will also approve the various Sector Plans of the IDP upon their completion. The Council in a meeting open to public, will approve the final IDP and Budget by end of May each year.

7.1.3 Newspapers

The adopted first Draft and Final IDP will be published in the local newspapers, notice boards, public facilities, or community radio.

All notices for outreaches and IDP representative forums will be published in local papers and the available social media platforms for the municipality.

The free local newspapers will be used for announcements and notices. These are available weekly and reach a wider demographic.

7.1.4 Information Sheets

At the completion of each of the Sector Plans, as well as the sections of the IDP, an information sheet will be prepared for the update of all stakeholders. The members of the Representative Forum shall assist with the distribution of these information sheets. The information sheets will cover an executive summary of the completed sector plan or phase of the IDP. This will ensure that communities are kept updated on the progress of IDP preparation.

7.1.5 Social Media Platforms

MLM's Facebook page and WhatsApp groups will also be used to share information, including invitations, notices, links and announcements.

7.1.6 Municipal Website

MLM's official website will be used to share information, including invitations, notices, links, and announcements. The draft documents and final IDP and Budget will be available on this platform.

8. MECHANISM FOR ALIGNMENT

Both **horizontal and vertical alignments** will be ensured in the IDP process. The horizontal alignment will be between the Alfred Nzo District Municipality and Matatiele Local Municipality to ensure that planning activities and processes are coordinated and addressed jointly, especially in contributing to the One-Plan (DDM). Vertical alignment on the other hand will be between local government, the province, and national governments as well as parastatals or service providers to ensure that the IDPs are in line with the national and provincial policies and strategies, so that it is considered for the allocation of departmental budgets and conditional grants.

To manage alignment, the Municipal Manager will play a major role in coordinating information from all clusters. The Municipal Manager will ensure that the alignment mechanisms are properly followed and that all clusters are fully functional. Existing intergovernmental structures including clusters should be utilized to ensure integrated planning and alignment.

Sector departments should also be involved in the IDP process from the first phase to ensure that their programmes and projects are included in the IDP document. IGR/IDP Steering Committee meetings and IDP Rep Forum will be used as platforms for information sharing and progress reporting on all programmes planned and implemented in the local municipality.

Sector Plans should also be prepared and reviewed in line with IDP development and review process, and such plans should form the basis for initiating and guiding development within the municipality and further assist the municipalities in having credible IDPs.

IDP review programmes or actions from the Provincial Departments, e.g. COGTA Should be aligned with the activities as reflected in the municipal process plans.

9. MONITORING

Monitoring in the context of IDP development refers to the gathering of data and the subsequent organizing of data into sets of information about certain actions/situations throughout the year.

The following three main bodies of information are important as input to the review process:

- Information about the achievement of objectives set in the IDP.
- Information on the implementation of programmes and projects by all spheres of government through a series of indicators such as completion time frames, use of resources, etc.
- New or changed information such as:
 - Baseline data on demographics
 - New policy and legislation
 - Budget information from external sources and municipal budget reviews
 - New development and trends
 - Changes in the existing situation due to unexpected events such as natural disasters
 - New investment opportunities
 - Inputs from stakeholders

This information needs monitoring and recording throughout the year for consideration in the overall process. MLM has a responsibility to monitor the own Process Plan and to ensure that the District Framework is properly followed.

If deviation from the Framework process plan is experienced, the following procedure should be adhered to:

- Matatiele Local Municipality will inform the District of deviations from the Action Plan that affect district-wide activities.
- The District Municipality must be consulted and agree on the framework before it can be amended.
- The process plan will be tabled to council again for the amendments.

10. BINDING LEGISLATION, POLICIES, AND PLANNING REQUIREMENTS AT NATIONAL AND PROVINCIAL LEVELS

The legislations and imperative, including provincial and national programmes should be taken into consideration in the process of developing/reviewing the IDPs.

11. PROJECT IDENTIFICATION

- Projects, especially infrastructure related, should be informed by the available sector plans, namely Spatial Development Frameworks, Integrated Waste Management Plan, Disaster Management Plan, Water Service Development Plan, Sanitation Master Plan and Comprehensive Infrastructure Plan, Integrated Transport Plan etc.
- Projects must be informed by the ward-based plans and inputs from community feedback sessions.
- The Matatiele Local Municipality's IDP unit will assist and guideline departments in project identification.
- The identified projects should also cater for vulnerable people, e.g. the youth, elderly, disabled and women. The projects must also address the issue of Expanded Public Works Programme in all sectors.
- Projects identification or allocation of resources should be in line with identified levels of service backlogs per municipality.
- Projects from the sector department should also be informed by community issues and service backlogs, as informed by Matatiele Local Municipality.

12. ADOPTION OF THE IDP/BUDGET BY THE COUNCIL

The revised IDPs and Budget documents will be adopted by the municipal council by the 31st of May each year.

13. CONCLUSION

The outlined Programme with timeframes, monitoring, alignment, binding legislation, policies, and planning requirements as well as projects identification and amendment of framework will have to be followed by Matatiele Local Municipality in the planning, drafting and adoption of the 2027-2032 IDP Review and the 2027-2030 MTERF Budget.