

**13.  
GUIDANCE ON THE NEW 5-YEAR IDP COMPILATION FOR 2022/2027**

2/12/1

RG Louw

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**1. Executive Summary**

The purpose of this report is for Council to note the guidance on the new 5-year integrated development plan (IDP) compilation for 2022/2027.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

*Management Services*  
*Strategic Services*

**3. Compliance with Strategic Priority**

Provision of democratic, accountable and ethical governance

**4. Delegated Authority**

None

**5. Legal Requirements**

Sections 25, 28 and 29 of the Local Government: Municipal Systems Act, 2000 (32 of 2000) [Systems Act]

**6. Background**

The Integrated Development Plan (IDP) has a lifespan of 5 years that is directly linked to the council's elected term of office. After every local government election, the new council has to decide on the future of the IDP.

In deciding on the future of the IDP, this item provides guidance on the options available to ensure that a legally compliant IDP is in place from 1 July 2022.

The Municipal Systems Act (MSA) prescribes and requires the following regarding the IDP process:

**Section 25 of the MSA**

In terms of Section 25(1) of the Municipal Systems Act 32 of 2000 (MSA) 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 (Integrated Development Plan).

In terms of Section 25(2) an integrated development plan (IDP) adopted by a municipal council in terms of subsection (1) remains in force until an IDP is adopted by the next elected council.

In terms of Section 25 (3) (a) a newly elected municipal council may adopt the integrated development plan (IDP) of its predecessor, but the required process outlined in section 29 must be followed.

### **Section 28 of the MSA**

- (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.*

### **Section 29 of the MSA**

*The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, 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 IDP; 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.*

## Discussion

### Guidance on the new 5-year IDP compilation

The term of the 2017-2022 IDP comes to an end on 30 June 2022, it is therefore important to consider what the new council has to do after the elections to be legally compliant in respect of an IDP from 1 July 2022.

The new incoming Council has two options to ensure that a legally compliant IDP is in place from 1 July 2022.

#### **Option 1 – Adopt IDP of predecessor**

Due to the LG elections held late in 2021 (1 November 2021) there is not sufficient time for the newly elected council to develop a full 5-year IDP for approval in May 2022. (*Draft IDP must be tabled by 30 March 2022*). Section 25 (3) of the Municipal Systems Act No 32 of 2000 provides options to the new Council to deal with the IDP of its predecessor. New municipal councils can adopt the IDP, in part or in whole, of the preceding council. This, however, still requires the municipality to follow the required process outlined in Section 29 of the MSA (*meaning the local community must participate in the IDP compilation*). Practically this would mean the adoption of the 2017-2022 IDP (with or without amendments) by the new council for another year up to the end of June 2023. The new council can then commence with the compilation of its own IDP in September 2022 to be tabled end of March 2023 and adopted end of May 2023.

Option 1 is promoted by National and Provincial Government and was alluded to in MFMA circular 108 of 2021 which addressed transitional processes for the development and adoption of IDPs during the 2021 election year.

Extract reads:

*“The 2020/21 municipal financial year represents the last year of the current municipal councils’ electoral term. Therefore, the next municipal election to usher in new councils is expected to take place between August and November 2021 in terms of the Section 24 (2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).*

*It is acknowledged that the period within which the coming election’s date is expected takes place after the start of a new financial year. This particular scenario poses a latent challenge in so far as adherence to legislated timeframes with regard to the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.*

*Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with.*

*In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.*

*Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming councils be unhappy with the priorities set out by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001)”*

### **Option 2 – Develop new 5-year IDP for 2022/2027**

The commencement of the new 5-year IDP process is dependent on the adoption of a **process plan** by the new Council (*section 28 (1) of the MSA*) that must align with a District Framework which must be adopted by the new District Council after consultation with the local B municipalities.

Ward committees play a vital role in the IDP process. The Municipality aim to constitute new ward committees from 15 -18 November 2021 and the ward committees will be requested to review the existing ward needs for the 2022/23 IDP amendment process.

Due to the limited timeframe (i.e., 3 months) to develop a new 5-year IDP the opportunity for public input can be deemed insufficient.

### **Way forward**

In view of the limited timeframe and challenges associated with developing a new 5-year IDP (draft) by 30 March 2022 it is recommended that Council adopt the current 2017/2022 IDP and commence with the process of drafting a new 5-year IDP in 2022/23.

## **7. Financial Implications**

Provision was made on the operating budget to cover the costs associated with compilation of the document. The document was compiled in-house by our own staff.

## **8. Staff Implications**

Internal Staff

## **9. Comments from other Departments, Divisions and Administrations**

The inputs from the relevant Directors were solicited to compile the item.

**10. Annexures**

None

**RECOMMENDATION TO THE COUNCIL:**

1. that the existing IDP in terms of section 25 (3) of the Municipal Systems Act No 32 of 2000 be adopted;
2. that the existing Process Plan that was approved by Council on 31 August 2016 be amended by extending the term of the plan by one year;
3. that Council, in terms of section 29 of the Municipal Systems Act No 32 of 2000, initiate an IDP amendment process on the existing IDP in order to table a draft amended IDP by 30 March 2022; and
4. that Council commence with the process to draft a new 5-year IDP in 2022/23.

**RESPONSIBLE OFFICIAL :****RG LOUW****TARGET DATE FOR IMPLEMENTATION :****3 DECEMBER 2021**