

EXTRACT COUNCIL MINUTES: 27 MARCH 2024

UNANIMOUSLY RESOLVED

Item A51/27/03/2024

1. that Council approves the tabled draft top layer SDBIP 2024/25 for public participation.
 2. that the public be invited to provide inputs to the draft top layer SDBIP for 2024/25.
 3. that Council notes that the draft top layer SDBIP 2024/25 information is aligned to the Draft Budget and IDP.
 4. that the tabled draft top layer SDBIP 2024/25 be placed on the municipal website.
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Item number A51.

27.03.2024

DRAFT SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN FOR 2024/2025

Report of the Municipal Manager: Mrs A. Vorster

Department

Office of the MM

Section

Performance Management

File number

5/1/1

PURPOSE OF REPORT

The Service Delivery and Budget Implementation Plan (SDBIP) is a detailed annual financial plan for implementing services using the approved budget for 2024/2025. This annual service delivery plan called the SDBIP is based on the approved IDP and Budget. The SDBIP serves as a contract between the municipality and the community on the services that the municipality commits to deliver over the twelve (12) months. It also helps to hold the municipality and its management accountable for the performance on the mentioned programmes and projects.

FACTS AND BACKGROUND

The Municipal Finance Management Act (MFMA) No 56 of 2003 requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their strategic planning tool, the Integrated Development Plan (IDP). The SDBIP is a contract between Council, administration & community. It gives effect to the IDP and budget of the municipality. The municipal budget shall give effect to the strategic objectives contained in the IDP. The SDBIP shall contain details on the execution of the budget & information on programmes & projects. There should be regular reporting on progress on the programmes or projects hence the performance evaluation has been indicated in the document. The SDBIP intends to empower councilors to perform their oversight responsibility better.

Section 69(3)(a) of the Municipal Finance Management Act, Act 56 of 2003(MFMA) requires the Accounting Officer to submit a draft Service Delivery and Budget Implementation Plan (SDBIP) to the Mayor:

- no later than 14 days after the approval of the Budget and drafts of the performance agreements as required in terms of Section 57 (1) (b) of the Municipal Systems Act, Act 32 of 2000.

- The Mayor must subsequently approve the SDBIP no later than 28 days after the approval of the Budget in accordance with section 53(1)(c)(ii) of the MFMA

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 the following:

- Projections for each month
- Revenue to be collected by source; and
- Operational and capital expenditure by vote
- Service Delivery targets and performance indicators for each quarter.

The SDBIP is a one – year detailed implementation plan which gives effect to the IDP and Budget of the Municipality. It is a contract between the administration, Council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis of measuring the performance in service delivery against end year targets and implementing budget.

Financial components of the SDBIP include the (but will be circulated separately as part of the budget items):

1. Monthly projections of revenue to be collected for each month
2. Monthly projections of expenditure (operating and capital) and revenue for each vote
3. Quarterly projections of service delivery targets and performance indicators
4. Ward information for expenditure and service delivery
5. Detailed capital works plan broken down by ward over three years

DISCUSSIONS

The Draft SDBIP 2024/25 is required to be tabled with the draft budget and opened for public comments.

The Draft SDBIP 2024/25 is **attached as Annexure J**.

LEGAL IMPLICATIONS

Section 53(1)(b) of the MFMA

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

1. that Council approves the tabling of the draft top layer SDBIP 2024/25 for public participation.
2. that the public be invited to provide inputs to the draft top layer SDBIP for 2024/25.
3. that Council notes that the draft top layer SDBIP 2024/25 information is aligned to the Draft Budget and IDP.
4. that the tabled draft top layer SDBIP 2024/25 be placed on the municipal website.