

DEPARTMENT OF CO-OPERATIVE GOVERNANCE
NOTICE

**LOCAL GOVERNMENT: MUNICIPAL PLANNING AND PERFORMANCE
MANAGEMENT REGULATIONS, 2001.**

The Minister for Cooperative Governance and Traditional Affairs intends to review the Local Government: Municipal Planning and Performance Management Regulations, 2001.

The amended Regulations are hereby published in accordance with Section 120(1)(a) of the Local Government: Municipal Systems Act, Act 32 of 2000 for public comments.

Members of the public are invited to submit written comments by 30 June 2022, to the following address:

By post to: The Director-General

For attention: Ms. Senzi Malaza

Department of Cooperative Governance

Private Bag X804

PRETORIA

0001

By e-mail to: senzim@cogta.gov.za and zakithin@cogta.gov.za

A copy of the amended Regulations can be found on the website of the Department of Cooperative Governance at: **www.cogta.gov.za**, and may also be obtained from the Government Printers.

Comments received after the closing date will not be considered.

GENERAL EXPLANATORY NOTE:

- [] Words in bold type in square brackets indicate omissions from existing enactments.
 _____ Words underlined with a solid line indicate insertions in existing enactments.

SCHEDULE**Definitions**

1. In these regulations, "the Regulations" means the regulations published under GNR. 796 in GG 22605 of 24 August 2001.

Amendment of regulation 1 of Regulations

2. Regulation 1 of the Regulations is hereby amended by-

- (a) the insertion of the following definition before the definition of "financial year":
“**Division of Revenue Act**” means the Division of Revenue Act, 2016 (Act No. 3 of 2016);”;
- (b) the insertion of the following definition before the definition of "outcome indicator":
“**Municipal Finance Management Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);”; and
- (c) the insertion of the following definition before the definition of "the Act":
“**Spatial Planning and Land Use Management Act**” means the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013);”.

Amendment of regulation 2 of Regulations

3. Regulation 2 of the Regulations is hereby amended by-

- (a) the substitution for subregulation (1) of the following subregulation:
 “(1) A municipality’s integrated development plan must at least include-
- (a) the municipal council’s vision statement which describes the council’s long-term goals and outcomes for the development in the municipality, and which is informed by national, provincial and district or metro long-term developmental and transformation policies, plans and strategies including the district or metro One Plan;
- (b) an assessment of the existing level of development in the municipality including-
- (i) the level of socio-economic development;

- (ii) levels of service delivery and infrastructure status;
 - (iii) information on available resources; and
 - (iv) the state of the natural environment including climate change impacts;
 - (c) a high-level analysis of the existing infrastructure within the municipality which shows the extent, condition, age, capacity, location and replacement cost of the infrastructure;
 - (d) the developmental priorities and objectives which are informed by paragraph (a) and paragraph (b), and which describe the council's goals for the elected term;
 - (e) development projects to be implemented in the municipality during the council's elected term, including-
 - (i) the projects which have been identified by the council to attain its developmental priorities and objectives referred to in paragraph (d) above and which will be implemented by the council;
 - (ii) the existing multi-year projects which have been initiated by the previous council and which will be completed within the term of the present council; and
 - (iii) all known projects, plans and programs to be implemented within the municipality by any organ of state;
 - (f) the municipality's developmental strategies which-
 - (i) are aligned with the national and provincial sector plans and planning requirements;
 - (ii) integrate, co-ordinate and link the different plans and programmes within the municipality, including the plans and programmes of other organs of the state;
 - (iii) facilitate the logical sequencing of projects; and
 - (iv) seek to address gender equality, youth development, protection of children, social cohesion and the rights of persons with disabilities;
 - (g) the council's five-year operational strategies in the form of a plan of action providing details of the manner in which the priorities and objectives in paragraph (f) will be achieved; and
 - (h) the council's five-year operational strategies must, consider co-operating with other organs of state and promote local economic development.”;
- (b) the substitution for subregulation (2) of the following subregulation:
“(2) The disaster management plan reflected in the municipality's integrated development plan must be prepared in terms of section 53 of the Disaster Management Act , 2002 (Act No. 57 of 2002).”;
- (c) the substitution for subregulation (3) of the following subregulation:
“(3) A spatial development framework reflected in a municipality's integrated development plan must-

- (a) give effect to the principles contained in section 7 of the Spatial Planning and Land Use Management Act;
- (b) comply with section 12 of Spatial Planning and Land Use Management Act, read with Part D of Chapter 4 or Part E of Chapter 4 of the Spatial Planning and Land Use Management Act, whichever is applicable;
- (c) be aligned to the spatial development frameworks of the other spheres of government; and
- (d) in the case of a local municipality, also be aligned to the spatial development framework of the district municipality of the area.”;

(d) the substitution for subregulation (4) of the following subregulation:

“(4) A financial plan reflected in a municipality’s integrated development plan must at least--

- (a) include a budget projection required by section 26(h) of the Act, which is aligned to the priorities in the integrated development plan;
- (b) indicate the financial resources that are available for capital development projects and operational expenditure;
- (c) illustrate how the financial resources referred in paragraph (b) will be allocated to each financial year;
- (d) include allocations in terms of the Division of Revenue Act, as well as payments expected from other municipalities, provinces, national government and other institutions; and
- (e) include a financial strategy that defines sound financial management and expenditure control, as well as ways and means of increasing revenues and external funding for the municipality and its development priorities and objectives, which strategy may address the following:
 - (i) revenue raising strategies;
 - (ii) asset and liability management strategies;
 - (iii) financial management strategies;
 - (iv) capital financing strategies;
 - (v) operational financing strategies; and
 - (vi) strategies that would enhance cost-effectiveness.”; and

(e) the addition of the following subregulations after subregulation (4):

“(5) The institutional framework included in the integrated development plan must include an organogram, required for--

- (a) the implementation of the integrated development plan; and
- (b) addressing the municipality's internal transformation needs, as informed by the strategies and programmes set out in the integrated development plan.

(6) An integrated development plan may--

- (a) have attached to it maps, statistics and other appropriate documents; or

- (b) refer to maps, statistics and other appropriate documents that are not attached, provided they are open for public inspection at the offices of the municipality concerned.

Amendment of regulation 3 of Regulations

4. Regulation 3 of the Regulations is hereby amended by--
- (a) the insertion after subregulation (1) of the following subregulation:
“(1A) A municipality may not amend its integrated development plan before performing the review process in terms of regulation (3A).”;
- (b) the substitution for subregulation (2) of the following subregulation:
 “(2) Any proposal for amending a municipality’s integrated development plan must be–
- (a) accompanied by a memorandum setting out the reasons for the proposal; and
- (b) aligned with the framework adopted in terms of section 27 of the Act in respect of local and district municipalities.”; and
- (c) the addition of the following subregulation after subregulation (3):
“(3A) The council’s decision referred to in sub regulation (3) must be submitted together with supporting documents to the MEC for local government in terms of section 32 of the Act.”.

Insertion of regulation 3A in Regulations

5. The following regulation is hereby inserted in the Regulations after regulation 3:

“3A Review of an integrated development plan

- (1) The review of the integrated development plan of a municipality in accordance with section 34 of the Act must–
- (a) be done by the council;
- (b) take place before the deadline set by the mayor of the council in terms of section 21(1)(b)(ii) of the Municipal Finance Management Act; and
- (c) allow sufficient time for the participation of the local community in the review process in terms of section 16(1)(a)(i) of the Act.
- (2) The review process must–

- (a) compare the actual progress of the implementation of the integrated development plan with the planned progress;
- (b) measure actual performance in terms of the integrated development plan with the appropriate performance targets provided for in the integrated development plan; and
- (c) take into account any changed circumstances, including national, provincial and local priorities, new or updated policies or events that may necessitate the amendment of the integrated development plan.

(3) If at the end of the review process the municipality decides to amend the integrated development plan such amendment must be in accordance with regulation 3.”.

Amendment of regulation 4 of Regulations

6. Regulation 4 of the Regulations is hereby amended by the substitution for subregulation (1) of the following subregulation:

- “(1) Whenever a MEC for local government decides to refer an objection to an *ad hoc* committee in terms of section ~~[33(4)]~~ 32(4) of the Act, the MEC must–
- (a) within seven days of such decision, notify the relevant municipal council that the municipal council's objection is being referred to an *ad hoc* committee; and
 - (b) submit the following to the *ad hoc* committee as soon as it is appointed:
 - (i) a copy of the MEC's request in terms of section 32 (2) of the Act;
 - (ii) written reasons for the MEC's requests referred to in section 32 (2) (a) of the Act; and
 - (iii) a copy of the municipal council's objection and the reasons for disagreeing with the MEC's proposals.”.

Substitution of regulation 15 of Regulations

15. Community participation in respect of integrated development planning and performance management

7. The following regulation is hereby substituted for regulation 15 of the Regulations:

- “(1) A municipality must engage the local community in the processes of integrated development planning and performance management in accordance with the appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Act.

- (2) (a) In the absence of an appropriate municipal wide structure for community participation, a municipality must establish a forum that will enhance community participation in--
- (i) the drafting and implementation of the municipality's integrated development plan; and
 - (ii) the monitoring, measurement and review of the municipality's performance in relation to the key performance indicators and performance targets set by the municipality.
- (b) Before establishing a forum in terms of paragraph (a), a municipality must, through appropriate mechanisms, invite the local community to identify persons to serve on the forum, including representatives from ward committees, if any.
- (c) A forum established in terms of paragraph (a) must be representative of the composition of the local community of the municipality concerned.
- (3) A Municipality must--
- (a) convene regular meetings of the forum referred to in subregulation (2) to--
 - (i) discuss the process to be followed in drafting the integrated development plan;
 - (ii) consult on the content of the integrated development plan;
 - (iii) monitor the implementation of the integrated development plan;
 - (iv) discuss the development, implementation and review of the municipality's performance management system; and
 - (v) monitor the municipality's performance in relation to the key performance indicators and performance targets set by the municipality; and
 - (b) allow members of the forum at least 14 days before any meeting of the forum to consult their respective constituencies on the matters that will be discussed at such a meeting.
- (4) A municipality must afford the local community at least 21 days to comment on the final draft of its integrated development plan before the plan is submitted to the council for adoption."

Insertion of regulation 15A in Regulations

8. The following regulation is hereby inserted in the Regulations after regulation 15:

"15A Prescribed periods

- (1) The prescribed period referred to in--

- (a) section 25 (1) of the Act is on or before 30 June and must be in accordance with the prescribed timelines contemplated in section 24 (2) (a) of the Municipal Finance Management Act to ensure alignment with budget processes;
 - (b) section 27 (1) of the Act is 60 days after the municipal council started its elected term and should be reviewed annually; and
 - (c) section 28 (1) of the Act is on or before 31 August in accordance with the prescribed timelines indicated in section 21 (1) (b) of the Municipal Finance Management Act to ensure alignment with budget processes.
- (2) The prescribed period for the submission of a draft integrated development plan to the municipal council for adoption contemplated in section 30 (c) of the Act is the same date that the annual budget is tabled in terms of section 16 (2) of the Municipal Finance Management Act.”.

9. Short title

These Regulations are called the Local Government: Municipal Planning and Performance Management Amendment Regulations, 2021.