



## **LOCAL GOVERNMENT NOTICE**

### **LESEDI LOCAL MUNICIPALITY**

#### **BUDGET APPROVAL PROCESS BY-LAWS**

The Municipal Manager hereby publishes, in terms of Section 13 of the Local Government Municipal Systems Act, 2000 [Act 32 of 2000] read with Section 162 of the Constitution of the Republic of South Africa Act 1996 [Act 108 of 1996] the By-Laws on the Budget Approval Process which shall come into operation on the date of publication thereof.

#### **Preamble**

WHEREAS a municipal council may make by-laws that prescribe rules and orders for its internal arrangements, its business and proceedings and the establishment, composition, procedures, powers and functions of its committees under the Constitution;

AND WHEREAS a municipality must administer its internal financial arrangements in an efficient, transparent, effective and responsible manner;

AND WHEREAS a municipal council must, for each financial year by way of an annual budget, appropriate money from its Revenue Fund for the requirements of the municipality under the Act;

NOW THEREFORE the municipality adopts the following as the "By-Laws on the Budget Approval Process".

#### **[1] Definitions**

In these by-laws, words used in the masculine gender includes the feminine, the singular includes the plural and vice versa and unless the context otherwise indicates:-

**"Municipal council"** means the municipality of Emfuleni and includes the council of the municipality and any duly authorized committee or official of the municipality;

**"municipal manager"** means the person appointed by the municipal council in terms of section 82 of the Act as the municipal manager of the municipality and includes any person acting in such position or to whom the municipal manager has delegated a power, function or duty in respect of such a delegated power, function or duty.

**“the Act”** means the Local Government: Municipal Structures Act, 1998 [Act 117 of 1998] as amended.

**[2] Budget Approval Process**

- [2.1]** The municipal manager must no later than 30 November of each financial year appoint an official who is responsible for the drafting of the initial draft budget of each department of the municipality.
- [2.2]** The official referred to in sub-section 1, must, after considering the Integrated Development Plan of the municipality and departmental needs, complete a report on the budgetary requirements for his department.
- [2.3]** The municipal manager must by no later 31 December each year ensure that the budgets referred to in sub-section 2 are consolidated into a single document and that expenditure relating to the implementation of the Integrated Development Plan of the municipality is clearly marked therein.
- [2.4]** The municipal manager must by no later 15 January in each financial year submit the different components of the draft budget to each standing committee to which each draft budget relates.
- [2.5]** Each standing committee referred to in sub-section 4 must, after considering the capacity and operational requirements of the departments for which they are responsible, the requirements of the municipality’s Integrated Development Plan and any political objectives, submit their comments on the relative components of the draft budget to the municipal manager by no later than 28 February in each financial year.
- [2.6]** The municipal manager shall refer the comments received by him in terms of sub-section 5, to the Executive Mayoral Committee for consideration, comment and report at its next meeting which shall take place no later than 31 March in each financial year.
- [2.7]** The report of the Executive Mayoral Committee in terms of sub-section 6 must, thereafter, be referred to a combined financial committee, comprising the chairpersons of the executive and all standing committees as well as such other members as the council may appoint, to consider and make recommendations on the draft budget with due regard to:
- [2.7.1]** the maximum administrable increase of capacity;
  - [2.7.2]** the operational requirements of the municipality;
  - [2.7.3]** the Integrated Development Plan of the municipality;
  - [2.7.4]** budgeting guidelines and parameters issued by the National Treasury.
- [2.8]** The comments and recommendations of the combined financial committee referred to in sub-section 7 must be referred to each department to which it relates for these departments to amend their departmental budgets by no later 15 April in each financial year.

- [2.9]** After the relevant departments have amended their budgets, the municipal manager shall submit such amended budgets to the Executive Mayoral Committee as final draft budgets for consideration by no later than 30 April in each financial year.
- [2.10]** After the Executive Mayoral Committee has agreed to the draft budgets referred to in sub-section 9, it will implement a public participation process complying with the Act and if the municipality has ward committees, such draft budgets must be submitted to such ward committees for consideration and comment by no later 15 May in each financial year.
- [2.11]** Once the process mentioned in sub-section 10 has been completed, the draft budgets with all the comments from the public participation process must be submitted to the executive committee who must consider same and make a final recommendation to the Council on the budget to be submitted for adoption.
- [2.12]** The final budget must be submitted to the municipal council for approval by no later than the 31<sup>st</sup> May in the year in which the budget has started.
- [2.13]** The final annual budget of the municipality must be approved by a decision taken by the municipal council of the municipality with a supporting vote of the majority of all its members.
- [2.14]** After the Council has adopted its budget, the Municipal Manager must, without delay-
- [a]** conspicuously display a copy of the resolution for a period of at least 30 days at the main administrative office of the municipality and at such other places within the municipality to which the public has access as the municipal manager may determine;
  - [b]** publish in a newspaper of general circulation in the municipality a notice stating-
    - [i]** that a resolution adopting the budget has been passed by the Council;
    - [ii]** that a copy of the resolution is available for public inspection during office hours at the main administrative office of the municipality and at the other places specified in the notice; and
    - [iii]** the date on which the determination will come into operation; and
  - [c]** seek to convey the information referred to in sub-section [b] to the local community by means of radio broadcasts covering the area of the municipality.
- [2.16]** The municipal manager must forthwith send a copy of the notice referred to in sub-section 15 to the MEC for Local Government in the province of the Gauteng.
- [2.17]** Upon approval by Council, the Municipal Manager must submit the budget to the Minister of Finance within a period of fourteen days from the date of such approval.
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