

The following is a summary of the activities which followed the local government elections and essentially informed resource allocations;

- Political direction and the introduction of a five year city scorecard as contained in the Five Year Strategic and Business Plan (5SBP) document;
- Establishment of a clustering process, initiated by the Chief Operating Officer, evaluating strategic alignment and organisational performance;
- Business planning aligned to the new imperatives taking into consideration the costs of meeting the 5SBP targets;
- Budgeting and resource allocation within the business planning process, which was overseen by executive management and the mayoral committee on the budget; and
- Integrated development planning to ensure the needs resonate within the new political direction.

This chapter, read in conjunction with the Budget Policy Statement of the CTMM (Budget document) describes the process followed.

4.3 FINANCIAL STRATEGY

Long-Term Financial Strategy (LTFS)

The LTFS has essentially informed the compilation of the 2006/07 MTREF. With the review of the strategy, not only were the key imperatives of the MIIF modelled, but the mandatory requirements of the Restructuring Grant as well. A salient feature of the LTFS is the attentiveness to ultimate sustainability, not only from a municipal finance perspective, but also relating to service delivery and the ability of the community to pay for the services rendered.

City Development Strategy (CDS) and the TIDP

The City of Tshwane Metropolitan Municipality (CTMM) has followed a broad and robust process for arriving at the 2006/07 MTREF Budget for consideration and approval. At every stage in the sequence of events that have led up to the budget



document, a concerted effort has been made by the various process drivers in the municipality, in order to ensure that integrated development and business and financial planning, sufficiently informs the work of CTMM departments.

The processes for arriving at the 2006/07 MTREF Budget were run concurrently by the various drivers in the CTMM. The activities and timelines during the exercise were guided by Financial Timeframes as approved by Council. Thus, the processes followed conform to the Development Management Cycle (DMC) as the key tool guiding planning in the CTMM specifically aligned to the CDS.

Corporate And Business Planning

The CTMM established an integrated Corporate and Business Planning Process with the following principles in mind:

- Seamless integration of strategic and bottom up community development planning;
- Strategy driven resource allocation;
- A holistic approach to programmes and project identification; and
- Measurability of plans and hence delivery.

The following key milestones were achieved in the process of rolling out the Corporate and Business Planning Process:

- Setting new standards

For the first time in its history, CTMM developed a standard business planning process. This was developed in line with existing NQF unit standards and is in the process of being accredited by the LGSETA. A cadre of CTMM business planners from each department (26 in total) were trained in this new and exciting planning process. The departmental business planners with the assistance and team work of other departmental business planners and the business planning unit facilitated strategic and business planning in the CTMM, to form the basis of resource allocation. Strategic and business planning was done at a departmental level, and not at a corporate level, due to the current challenges of integrating the TIDP and Corporate planning processes.

Corporate level information that informed departmental planning was taken from previously determined priorities and targets in the TIDP. Departmental business plans were then used to create a corporate level business plan, which is one critical component of the SDBIP.

- Strategy driven resource allocation

The business planning process allowed departments to determine a strategic approach to delivery, and required that departments work together in determining priorities. The establishment of four clusters by the Chief Operating Officer assisted with this goal, of which the clusters are as follows:

- Municipal Infrastructure;
- Development Management and Growth;
- Social Development; and
- Finance and Corporate.

The process included the prioritisation of additional funding options to contribute funding the strategic plan objectives.

- Measurability of plans and delivery

The new business planning standard focuses on being able to measure what Council achieves. Hence departments received intense feedback on an ongoing basis from July to December, to ensure that plans were measurable, that is, targets were appropriate, indicators could be measured, timeframes clearly planned, and outputs and means of verification identified.

Many improvements have been made, and with time, CTMM business plans will mature into the areas of outcome measures as well. It is intended that these measures will then be translated into individual performance contracts, and reported against accordingly. At a departmental level, the business planning process also focuses on the development of monitoring frameworks and plans, which improve the ability of departments to report on the achievement of their business plans throughout the year.

