Municipal Budgeting and Financial Planning

1. Overview

The purpose of this programme is to equip municipal practitioners and decision-makers with the knowledge, skills, and insight required to understand, apply, and manage budgeting principles and processes within South African municipalities.

Participants will develop the ability to align municipal budgets with strategic objectives, ensure efficient allocation of resources, comply with legislative and reporting requirements, and ultimately improve service delivery and financial accountability.

The programme also enables participants to plan and coordinate the municipal budgeting and reporting cycle, ensuring compliance with the Municipal Finance Management Act (MFMA) and other relevant legislation.

2. Programme Outcome:

- Explain various approaches to budgeting and apply them within the municipal environment
- Link the budget to municipal strategic and operational objectives, including the Integrated Development Plan (IDP)
- Advise on and apply legislative and regulatory frameworks that govern municipal budgeting and reporting
- Plan and coordinate the municipal budgeting and reporting cycle in line with statutory requirements
- Contribute to the efficient and effective allocation and utilisation of municipal funds
- Advise on the timing, roles, and responsibilities of key stakeholders in the budget process
- Ensure compliance with budget documentation and reporting requirements for accountability and transparency
- Promote financial sustainability and service delivery improvement through effective budgeting practices

Qualification:	Certificate of Completion
Duration:	4-Months
Programme Type:	Category B – Workplace-Based Learning Programme
Programme ID:	PA0485
SAQA US:	116345 & 116364
NQF Level:	6
Credits:	23
Entry Requirements:	Communication & Mathematical Literacy at NQF 5
Training Options:	**Online** - Each participant will receive the programme materials and resources are emailed to the participants. Training is delivered fully online, and participants will join scheduled Microsoft Teams sessions facilitated by a trainer. This mode provides flexibility and allows learners to participate from any location.

Blended - Blended learning combines both online and face-to-face training Participants receive the learning material by email to the participant. They also attend scheduled in-person contact sessions with a facilitator, either at the client's premises or providers campus. This approach offers the flexibility of online learning with the added support of guided, interactive sessions.

Face-to-Face - Each participant will receive training resources, which contains all programme materials and resources. Training is delivered through onsite contact sessions, either at the client's premises or providers campus, where a facilitator conducts the sessions in a classroom environment.

Minimum Participants Required: (1) Online, (1) Blended & (1) Face-to-Face

3. Programme Content

- **(116345 US):** Apply the principles of budgeting within a municipality
- **(116364 US):** Plan a municipal budgeting and reporting cycle

4. Topics

Module 1: Introduction to Municipal Budgeting

- The role and purpose of budgeting in local government
- Understanding the municipal financial management system
- The relationship between budgeting, planning, and service delivery
- Overview of municipal revenue sources and expenditure types
- The importance of transparency and accountability in municipal budgeting

Module 2: Legislative and Regulatory Framework for Municipal Budgeting

- Key legislation governing municipal budgeting and reporting:
  - Constitution of the Republic of South Africa (Section 215–217)
  - Municipal Finance Management Act (MFMA)
  - Municipal Systems Act (MSA)
  - Municipal Structures Act (MSA)
  - Public Finance Management Act (PFMA) – overview for context
- Treasury Regulations and Circulars
- The roles of National and Provincial Treasuries in oversight and support
- Compliance, audit, and reporting obligations under the MFMA

Module 3: Principles and Approaches to Budgeting

- Key budgeting principles: efficiency, effectiveness, transparency, and accountability

We trust that the above is in order and look forward to hearing from you for Implementation

- Approaches to budgeting:
  - Line-item budgeting
  - Programme-based budgeting
  - Zero-based budgeting
  - Performance-based budgeting
- Selecting the appropriate budgeting approach for municipal needs
- Advantages and limitations of each budgeting method

Module 4: Linking Budgeting to Strategic and Operational Planning

- The Integrated Development Plan (IDP) and its role in budgeting
- Linking the budget to the Service Delivery and Budget Implementation Plan (SDBIP)
- Aligning financial planning with strategic objectives and performance targets
- Participatory budgeting and community involvement
- Monitoring and evaluating budget performance

Module 5: Planning the Municipal Budgeting Cycle

- Overview of the municipal budgeting cycle
- Key stages:
  - Planning and preparation
  - Drafting and consultation
  - Approval and implementation
  - Monitoring and reporting
- Annual timelines and deadlines for municipal budget processes
- Coordination between political executives, financial managers, and departments

Module 6: Roles and Responsibilities in the Budgeting Process

- Roles of key stakeholders:
  - Municipal Council and Mayor
  - Municipal Manager and CFO
  - Heads of Departments and Budget Committees
  - Provincial and National Treasury oversight
- The roles of financial vs. non-financial managers
- The importance of collaboration and communication in budgeting

Module 7: Budget Documentation and Reporting Requirements

- Structure and content of municipal budget documentation
- Non-budget documentation: strategic plans, performance plans, and IDPs
- Cross-referencing requirements between budget and non-budget documents

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- Reporting requirements in terms of MFMA:
  - Monthly and quarterly financial reports
  - Mid-year budget and performance assessments
  - Annual financial statements and performance reports
- Ensuring accuracy, compliance, and transparency in reporting

Module 8: Effective Use and Allocation of Municipal Resources

- Principles of sound financial management
- Allocating resources efficiently to support service delivery priorities
- Managing expenditure and cash flow
- Addressing challenges in municipal budget execution
- Case studies: examples of effective and poor budgeting practices

Module 9: Promoting Financial Sustainability and Service Delivery

- The link between budgeting and municipal sustainability
- Managing revenue, debt, and expenditure prudently
- Building accountability and performance culture
- Continuous improvement in municipal financial management
- Lessons from case studies and audits (AGSA findings)

5. Assessments

This programme includes a Portfolio of Evidence (POE) that must be submitted at the end of the programme. The POE include:

- **Knowledge Assessments:** To evaluate theoretical understanding.
- **Practical Assignments:** Hands-on tasks related to course topics.
- **Workplace Assignments and Logbook:** Application of skills in real-world settings.

Successful participants will receive a certificate of completion.

6. Workplace-Based Learning Programme

This WLP is a fusion of academic learning and practical work. The learning is directly applied to the workplace by using client-based mentors and extensive workplace-based portfolio work and assignments. Apart from the obvious benefits of a workplace directed qualification, each WLP qualifies for recognition as a Category B Skills Programme in the Learning Matrix of the Amended BEE codes, which allows for the salaries of participants to be recognized as part of the Skills Development Expenditure.

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