

<p>SECTION 72 REPORT MID_YEAR BUDGET AND PERFORMANCE ASSESSMENT REVIEW FOR THE PERIOD 1 JULY 2015 – 31 DECEMBER 2015</p>

<item number>

<day month year>

REPORT FROM ACTING DIRECTOR: FINANCE

PURPOSE OF THE REPORT

For Council to consider and note the Mid-Year Budget and Performance Assessment Report in terms of section 72 of the Municipal Finance Management Act (MFMA), which states that “A municipality must review the 1st 6 months expenditure against approved the annual budget and recommend whether an Adjustment budget is necessary or not”.

LEGISLATIVE INTRODUCTION

Section 72 of the MFMA read together with section 23 of the Municipal Budget and Reporting Regulations (MBRR) sets out the criteria, timeframes and other prescriptions for when a municipality may review its Expenditure for the 1st 6months of every Financial Year and recommend whether an Adjustment budget is necessary or not.

FINANCIAL IMPLICATIONS

There are financial implications which will be considered when Council Approves Section 72 Recommendations: “To table the Adjustments budget-25 February 2016”.

RECOMMENDATION

- (1) An adjustments budget for 2015/16 be prepared and approved by Council by no later than 25 February 2016;
- (2) Revenue and Expenditure projections be revised up and down wards where necessary
- (3) Following the approval of the adjustments budget the revised SDBIP which forms the basis of the mid-year assessments be approved by Council;
- (4) Following the approval of the adjustments budget the revised IDP be approved by Council.