

**A1392 MID-YEAR BUDGET PERFORMANCE ASSESSMENT REPORT FOR THE
2014/2015 FINANCIAL YEAR**

(5/1/3 (2014/2015))

**Cluster: Finance
Portfolio: Finance**

PURPOSE

To table before Council the mid-year assessment of the performance of the 2014/2015 budget for approval.

LEGISLATIVE BACKGROUND

Section 72 of the Municipal Finance Management Act, 56 of 2003 (the MFMA), prescribes that:

72. (1) *The accounting officer of a municipality must by 25 January of each year—*
- (a) *assess the performance of the municipality during the first half of the financial year, taking into account—*
 - (i) *the monthly statements referred to in section 71 for the first half of the financial year;*
 - (ii) *the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;*
 - (iii) *the past year's annual report, and progress on resolving problems identified in the annual report; and*
 - (iv) *the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and*
 - (b) *submit a report on such assessment to—*
 - (i) *the mayor of the municipality;*
 - (ii) *the National Treasury; and*
 - (iii) *the relevant provincial treasury.*

The MFMA Municipal Budget & Reporting Regulations of 2009 indicate the following prescriptions:-

21. *An adjustments budget and supporting documentation of a municipality must be in the format specified*
22. (1) *An adjustments budget of a municipality must be appropriately funded.*
- (2) *The supporting documentation to accompany an adjustments budget ... must contain an explanation of how the adjustments budget is funded.*

