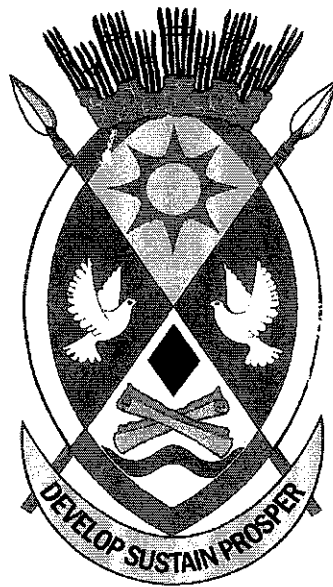


LEPHALALE

LOCAL Municipality



SECOND QUARTER VIREMENT REPORT

2021/2022

INSTRUCTION PAGE

25 FEB 2022

	ORDINARY AND SPECIAL MEETINGS OF THE		FILE NUMBER:	PAGE NR:
	EXECUTIVE COMMITTEE	28 JANUARY 2022	5/1/1-2021/2022; 5/1/B	
	COUNCIL	28 JANUARY 2022		

ITEM A23/2022[1]

SUBJECT: TRANSFERS MADE UNDER VIREMENT POLICY 1ST JULY 2021 – 31ST DECEMBER 2021

Att. of:	MM	EMSSS	EMCSS	CFO	EMIS	EMSS	EMPD						
DATE:													
INITIAL													
Att. of:	SEC MM	MAYOR	IDP/PMS	AS	LEG. & PRP.	INC	ELEC	PW	LIB	WASTE	FIRE	SPLUM	
		SEC MAYOR	LED TRM										
	INTERNAL AUDIT	SEC SPEAKER	IDP	IT		EXP	WAT	PMU	REC PRKS	ENV	LIC	BI	
		SEC CHIEF WHIP	PM/O	HR									
		R/O	COM										
		PUB PART	FT/CLR'S										
		REP	SW										TRAF
		SCM											
	DATE:												
	INITIAL												
Att. of:	NAME	DATE	INIT.	NAME	DATE	INIT.							

REMARKS:

DIARY:

RECORDS OFFICERS: INITIAL

DATE:

ITEM A23/2022[1]

TRANSFERS MADE UNDER VIREMENT POLICY 1ST JULY 2021 – 31 DECEMBER 2021

5/1/1-2021/2022; 5/1/B

COUNCIL: 28 JANUARY 2022

RESOLVED

1. That the transfers made under the virement policy from 1 July 2022 to 31 December 2022 be noted.
2. That Council to approve the **R315 765** virement for Public Works Division for hire of rental equipment as per the virement policy.
3. That Council approve the **R2 188 749** breakdown of Salary allocations of Speaker, Chief Whip and Executive Committee to align to MMSCOA as per the Virement policy.
4. That the Provincial Treasury to be notified on the transfer made under the virement policy.
5. That the report be referred to MPAC for further scrutiny.

CFO

ITEM A23/2022[1]**TRANSFERS MADE UNDER VIREMENT POLICY 1ST JULY 2021 – 31 DECEMBER 2021**

5/1/1-2021/2022; 5/1/B

EXCO: 25 JANUARY 2022**REPORT OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE OF GOVERNANCE, ADMINISTRATION, BUDGET AND TREASURY****1. PURPOSE**

To present to Council a report that entails all the transfers of funds made under the Virement Policy.

Virement is the process of transferring an approved budget allocation from one operating line item or capital project to another within the limits of approvals to accelerate service delivery in the most responsible manner.

2. LEGAL REQUIREMENTS

- Municipal Finance Management Act 56 of 2003
- Lephalale Municipality Virement policy paragraph 7

3. BACKGROUND

According to the Virement policy paragraph 8 all the transfers made under this policy must be reported to council on quarterly basis. On the second quarter of the financial year ending December 2021, the municipality has processed the transfer of funds as per Virement policy. The attached Virement was processed on the system. Due to MSCOA implementation there is no restriction of the amount to be moved, as long as it won't result in an over expenditure on that vote. Virement are effected to align the municipality transactions to MSCOA Framework.

3.1 CHALLENGES

None

4. STAFF IMPLICATIONS

None

5. FINANCIAL IMPLICATIONS

To avoid over expenditure on the line items

ITEM A23/2022[1]**TRANSFERS MADE UNDER VIREMENT POLICY 1ST JULY 2021 – 31 DECEMBER 2021**

5/1/1-2021/2022; 5/1/B

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3.1 CHALLENGES

None

4. STAFF IMPLICATIONS

None

5. FINANCIAL IMPLICATIONS

To avoid over expenditure on the line items

6. OTHER PARTIES CONSULTED

Management

7. ATTACHMENTS

Virement Report (**ANNEXURE**)

RECOMMENDED

1. That the transfers made under the virement policy from 1 July 2022 to 31 December 2022 be noted.
2. That Council to approve the R315 765 virement for Public Works Division for hire of rental equipment as per the virement policy.
3. That Council approve the R2 188 749 breakdown of Salary allocations of Speaker, Chief Whip and Executive Committee to align to MMSCOA as per the Virement policy.
4. That the Provincial Treasury to be notified on the transfer made under the virement policy.

Item GAxB007/2022 C17
Annexure

Item A23/2022 C17
ANNEXURE

Financia 2021 Status:

From/To Project Name	Municipal Classification	SCOA Item	Virement	Reason for Virement	Date
From 91 0307_30000_LIM362_Municipal Running Costs_2018	0307_Archives and Records / 00033002000	Expenditure:Operational Cost:Hire Charges	R 28 000	Insufficient budget	05/10/2021 03:24:18 PM
To 88 0307_30000_LIM362_Municipal Running Costs_2019	0307_Archives and Records / 00033002000	Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	R 28 000	Insufficient budget	05/10/2021 03:24:18 PM
From 257 0101_Salaries_2019	0101_Mayor / 000110040001	Expenditure:Remuneration of Councillors:Executive	R 2 188 749	Corrections on project ID	05/10/2021 03:56:38 PM
To 3 0101_10001_LIM362_Employee Related Cost Senior Management_2018_1	0101_Executive Committee Members / 0001	Expenditure:Remuneration of Councillors:Executive Committee:Allowances and Service Related Benefits:Motor Vehicle Allowance	R 2 188 749	Corrections on project ID	05/10/2021 03:56:38 PM
From 624 0540_ROAD RESEAL/FOGSPRAY	0540_Public Works / 00055004	Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	R 315 765	For rental purposes	06/10/2021 12:01:50 PM
To 183 0540_30000_LIM362_Municipal Running Costs_2018	0540_Public Works / 00055004	Expenditure:Operational Cost:Hire Charges	R 315 765	For rental purposes	06/10/2021 12:01:50 PM
From 25 0071_30000_LIM362_Salaries_2019	0051-Risk Management / 00011003	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 50 000	Transfer from salary	07/10/2021 08:58:00 AM
To 25 0071_30000_LIM362_Salaries_2019	0051-Risk Management / 00011003	Expenditure:Employee Related Cost:Municipal Staff:Social Contributions:Medical	R 50 000	Transfer from salary	07/10/2021 08:58:00 AM
From 238 0615_10002_LIM362_Employee Related Cost Municipal Staff	0615_Spatial Planning and Land Use / 0006	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 574	Transfer from salary to make provision on payroll	07/10/2021 09:05:06 AM
To 238 0615_10002_LIM362_Employee Related Cost Municipal Staff	0615_Spatial Planning and Land Use / 0006	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 574	Transfer from salary to make provision on payroll	07/10/2021 09:05:06 AM
From 345 0309_Salaries_2019_IT	0309_Information and Communication Tech	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 574	Transfer from salary to make provision	07/10/2021 09:13:30 AM
To 345 0309_Salaries_2019_IT	0309_Information and Communication Tech	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 574	Transfer from salary to make provision	07/10/2021 09:13:30 AM
From 248 0630_10002_LIM362_Employee Related Cost Municipal Staff_2018	0630_Local Economical Development (LED)	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 347	Transfer from salary to make provision	07/10/2021 09:17:01 AM
To 248 0630_10002_LIM362_Employee Related Cost Municipal Staff_2018	0630_Local Economical Development (LED)	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 347	Transfer from salary to make provision	07/10/2021 09:17:01 AM
From 9061 0101_Speaker:Remuneration of Councillors	0101_Speaker / 000110040002	Expenditure:Remuneration of Councillors:Speaker:Allowances and Service Related Benefits:Basic Salary	R 5 474	To make provision on payroll budget	11/10/2021 02:18:31 PM

of Councillors		000110040002	Expenditure:Operational Cost:Skills Development Fund Levy	R 5 474	To make provision on payroll budget	11/10/2021 02:18:31 PM
From	9062 0101_Chief Whip:Remuneration of Councillors	0101_Council Services / 000110040005	Expenditure:Remuneration of Councillors:Chief Whip:Allowances and Service Related Benefits:Basic Salary	R 4 925	make provision on Payroll budget	11/10/2021 02:36:27 PM
To	9062 0101_Chief Whip:Remuneration of Councillors	0101_Council Services / 000110040005	Expenditure:Operational Cost:Skills Development Fund Levy	R 4 925	make provision on Payroll budget	11/10/2021 02:36:27 PM
From	624 0540_ROAD RESEAL/FOGSPRAY	0540_Public Works / 00055004	Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	R 200 000	For rental purposes	13/10/2021 10:14:39 AM
To	183 0540_30000_LIM362_Municipal	0540_Public Works / 00055004	Expenditure:Operational Cost:Hire Charges	R 200 000	For rental purposes	13/10/2021 10:14:39 AM
From	324 0441_1002_LIM362_Employee Related Cost Municipal Staff_2019	0200_Chief Financial Officer / 00022001	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 15 152	make provision on payroll budget	14/10/2021 11:38:55 AM
To	345 0309_Salaries_2019_IT	0309_Information and Communication Tech	Expenditure:Operational Cost:Skills Development Fund Levy	R 15 152	make provision on payroll budget	14/10/2021 11:38:55 AM
From	345 0309_Salaries_2019_IT	0309_Information and Communication Tech	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 23 467	Make provision on payroll budget	14/10/2021 11:41:46 AM
To	345 0309_Salaries_2019_IT	0309_Information and Communication Tech	Expenditure:Operational Cost:Skills Development Fund Levy	R 23 467	Make provision on payroll budget	14/10/2021 11:41:46 AM
From	345 0309_Salaries_2019_IT	0309_Information and Communication Tech	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 40 000	To clean Data from old computers	29/10/2021 02:52:30 PM
To	345 0309_Salaries_2019_IT	0309_Information and Communication Tech	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 40 000	To clean Data from old computers	29/10/2021 02:52:30 PM
From	71 0235_10002_LIM362_Employee Related Cost Municipal Staff_2018	0235_Credit Control / 000220050002	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Service Related Benefits:Overtime:Structured	R 250 000	Budget currently depleted	02/11/2021 08:19:29 AM
To	71 0235_10002_LIM362_Employee Related Cost Municipal Staff_2018	0235_Credit Control / 000220050002	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Service Related Benefits:Overtime:Structured	R 250 000	Budget currently depleted	02/11/2021 08:19:29 AM
From	200 0553_30000_LIM362_Municipal	0553_Mechanical and Workshop Services / 000220050004	Expenditure:Contracted Services:Contractors:Electrical	R 100 000	Maintenance of airconditioning and installation	09/11/2021 10:08:37 AM
To	181 0540_22246_LIM362_Operational Maintenance Noninfrastructure	0540_Public Works / 00055004	Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	R 100 000	Maintenance of airconditioning and installation	09/11/2021 10:08:37 AM
From	259 0205_Salaries_2019	0205_Municipal Financial Interns / 00022001	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 40 000	Create budget for unbudgeted expenses	16/11/2021 09:22:56 AM
To	259 0205_Salaries_2019	0205_Municipal Financial Interns / 00022001	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Service Related Benefits:Overtime:Structured	R 40 000	Create budget for unbudgeted expenses	16/11/2021 09:22:56 AM
From	365 0623_10002_LIM362_Employee Related Cost Municipal Staff	0615_Spatial Planning and Land Use / 000615	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 575	Create budget for unbudgeted expenses	16/11/2021 09:28:16 AM
To	365 0623_10002_LIM362_Employee Related Cost Municipal Staff	0615_Spatial Planning and Land Use / 000615	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 11 575	Create budget for unbudgeted expenses	16/11/2021 09:28:16 AM

From	71 _0235_10002_LIM362_Employee Related Cost Municipal Staff_2018	0235_Credit Control / 000220050002	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 200 000	To increase overtime budget	16/11/2021 09:32:09 AM
To	71 _0235_10002_LIM362_Employee Related Cost Municipal Staff_2018	0235_Credit Control / 000220050002	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Allowances:Service Related Benefits:Overtime:Structured	R 200 000	To increase overtime budget	16/11/2021 09:32:09 AM
From	324 _0441_1002_LIM362_Employee Related Cost Municipal Staff_2019	0200_Chief Financial Officer / 00022001	Expenditure:Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	R 15 152	To make provision on payroll vote	16/11/2021 11:09:35 AM
To	324 _0441_1002_LIM362_Employee Related Cost Municipal Staff_2019	0200_Chief Financial Officer / 00022001	Expenditure:Operational Cost:Skills Development Fund Levy	R 15 152	To make provision on payroll vote	16/11/2021 11:09:35 AM
From	9060 0101_Mayor:Remuneration of Councillors	0101_Mayor / 000110040001	Expenditure:Remuneration of Councillors:Deputy Executive Mayor:Allowances and Service Related Benefits:Basic Salary	R 6 704	make provision on payroll budget	16/11/2021 11:13:13 AM
To	9060 0101_Mayor:Remuneration of Councillors	0101_Mayor / 000110040001	Expenditure:Operational Cost:Skills Development Fund Levy	R 6 704	make provision on payroll budget	16/11/2021 11:13:13 AM
From	257 0101_Salaries_2019	0101_Mayor / 000110040001	Expenditure:Operational Cost:Skills Development Fund Levy	R 102 490	Correction on project	02/12/2021 02:38:52 PM
To	3 _0101_10001_LIM362_Employee Related Cost Senior Management_2018_1	0101_Executive Committee Members / 0001	Expenditure:Operational Cost:Skills Development Fund Levy	R 102 490	Correction on project	02/12/2021 02:38:52 PM
	TOTAL MOVEMENT			R 3 631 948		