

Explanatory notes on the Adjustment Budget of Councillors Upper Limits:

The reason for the increase is as follows:

- The original budget was a forecast that was done based upon information and parameters available as at the time when the original budget was compiled. Based upon the mid-year performance assessment report (Section 72), the actual performance for these line items was determined for the six months and that was used to reproject the expenditures/allowances to determine the new expected expenditure for the current financial year which led to the increase as indicated in the adjustment budget. Changes to the Upper Limits of Council as gazetted also played a role in the higher expenditure and subsequent increase in the adjustment budget. The same principles were followed with respect of other employee costs which led to a reduction in expenditure as adjusted in the adjustment budget.