



Molemole Municipality

VIREMENT POLICY

2025 - 2026

DOCUMENT REF:	Budget.2025/2026
VERSION NO:	004.2025-26
PREPARED BY:	Wiso P M
DATE COMPILED:	May 2025
REVIEWED BY:	ZULU K
DATE REVIEWED:	May 2025
APPROVED BY:	Mayor
DATE APPROVED:	29 May 2025
EFFECTIVE DATE:	01 July 2025

**1. OBJECTIVE**

The objective of the virement policy is to provide guidelines to be followed, to effect virements of approved budgeted expenditure during the course of financial year.

2. PRINCIPLES

- 2.1. Virements should not be permitted in relation to the revenue side of the budget;
- 2.2. Virements between votes should be permitted where the proposed shifts in funding facilitate sound risk and financial management(e.g. the management of central insurance funds and insurance claims from separate votes);
- 2.3. Virements from capital budget to the operating budget should not be permitted;
- 2.4. Virements towards personnel expenditure should not be permitted;
- 2.5. Virements to or from the following items should not be permitted : bulk purchases, debt impairment, interest charges, depreciation, grants to individuals, revenue foregone, insurance and VAT;
- 2.6. Virements should not result in adding new projects to the capital budget;
- 2.7. Virements of conditional grant funds to purposes outside of that specified in the relevant conditional grant framework must not be permitted;

3. GUIDELINES

- 3.1. Virement of any budgeted expenditure between the line items can only be approved by the Municipal manager with the recommendation from the Chief Financial Officer.
 - 3.1.1 for projects 20%
 - 3.1.2 Others 15%



- 3.2. Virement of any budgeted expenditure between votes (Departments) can only be approved by the Council of Molemole Municipality, upon consideration of a report from Municipal manager to support the necessity thereof, which also extends to the authorization of unforeseeable or unavoidable expenditure not provided for in the budget.

4. AUTHORIZATION

All changes to be authorized in the adjustment budget or by council committee subsequent thereto.

5. VIREMENT BUDGET REPORT

The contents below provide guidance on the layout and information required on the Virement Budget Report.

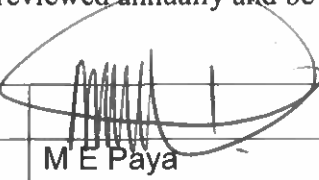


Dermacation Code: LIM353

Description					
Reference Number					
From (Debit)					
To (To)					
Project Name					
SCOA Project Code					
SCOA Project Description					
SCOA Function Code					
SCOA Function Description					
SCOA Item Code					
SCOA Item Description					
SCOA Fund Code					
SCOA Fund Description					
SCOA Costing Code					
SCOA Costing Description					
SCOA Region Code					
SCOA Region Description					
Current Budget (ORGB, ADJ)					
Virement					
Available Budget					
Reason for Virement					
REQUESTED BY: HOD	SIGNATURE		Date		
RECOMMENDED BY:CFO	SIGNATURE		Date		
APPROVAL: MUNICIPAL MANAGER	SIGNATURE		Date		

**6. POLICY REVIEW**

The Virement policy must be reviewed annually and be tabled to the municipal council for approval.

Signature:	
Initial & Surname:	M E Paya
Designation:	Mayor
Council Resolution Number:	00/29/05/2025/4.3.1
Council Date:	29 May 2025