

Number and Period of Suspensions				
Position	Nature of the Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reason why not Finalized	Date Finalized
Refuse removal	Dishonesty	23 June 2016	Pending , still investigating	Pending
				T 4.3.5

Disciplinary Actions Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and value of loss to the Municipality	Disciplinary Action taken	Date Finalized
None	None	None	None
			T 4.3.6

4.4 PERFORMANCE REWARDS

The municipality is currently not paying or issuing out any performance management rewards. Under the year of reporting no rewards were paid to S56 managers as well as municipal employees. The municipal council approved the PMS Policy and Framework that will provide a guideline on how municipal performance is to be governed. As at 30 June 2016 the PMS only catered for the Senior Management, however plans have been put in place to ensure that the system is cascaded to other post levels.

The performance audit committee played a significant role in ensuring that the municipality complies with certain components of performance management. Quarterly performance reports were prepared by HoD's and presented before the Performance Audit Committee on a regular basis. This mechanism ensured that non-performance is detected and corrected at an early stage.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Although the EE plan was approved by the municipality during the previous financial year it was rejected by the department of labour. We are currently in process to attend to the requirements of the department of Labour and it is envisaged that the EE plan will become operational during this financial year.

Skills audit was conducted wherein we have been able to identify training needs of staff within our municipality. A workplace skills plan was developed and discussed with all internal role players. The WSP was submitted to LGSETA indicating all focus areas where training is needed. Training has improved drastically as the number of employees trained has increased.

Skills audit was conducted wherein we have identified which employees need training. WSP was submitted to LGSETA with all focus area of training. The Municipality has also applied for Discretionary grant to LGSETA to assist the Municipal budget in order to implement trainings.

Training has improved drastically as the number of employees trained has increased. The training budget should be increased so that we can be able to train more employees.

4.5 SKILLS DEVELOPMENT AND TRAINING

LGSETA STRATEGIC FOCUS AREA	MUNICIPAL KEY PERFORMANCE AREA	MAIN IDP PRIORITY LINKED TO KEY PERFORMANCE AREA	TOTAL NUMBER TRAINED					
			EMPLOYED		UNEMPLOYED		TOTAL	TOTAL
			FEMALE	MALE	FEMALE	MALE		
Infrastructure and Service Delivery	Basic Service Delivery and Infrastructure Development	To ensure that households in Masilonyana Municipality have to basic services	6	18	2	5	24	7
Community Based Participation and Planning	Good Governance and the Deepening of Democracy	To ensure good governance	14	25	9	11	39	40
Management and Leadership	Municipal Transformation and Institutional Development	To facilitate institutional transformation and development in the municipality	3	2			5	
Financial Viability	Municipal Financial Viability and Management	To facilitate the financial viability of the Municipality	27	21			48	
Community Based Participation and Planning	Sustainable Local Economic Development	To create employment opportunities	2	6			8	
SUB-TOTAL							124	47

NUMBER OF BENEFICIARIES WHO COMPLETED TRAINING BY TYPE OF LEARNING INTERVENTION										
TYPE OF LEARNING INTERVENTION	NUMBER OF BENEFICIARIES BY OCCUPATION CATEGORY									TOTAL
	Legislators	Managers/ Coordinators	Professionals	Technicians and Trade Workers	Community and Personal Services Workers	Clerical and Administrative Workers	Sales and Service Workers	Machinery Operators and Drivers	Elementary Workers	
Apprenticeship										
Bursary	5	5	1	1		16	2			30
Learnership	1	11		1		9		8	11	41
RPL								10		10
Skills Programme								2	41	43
Short Course: Non-credit										
TOTAL										124

TYPE OF LEARNING INTERVENTION BY NQF LEVEL												
TYPE OF LEARNING INTERVENTION	NQF LEVEL OF LEARNING INTERVENTIONS										TOTAL	
	1	2	3	4	5	6	7	8	9	10		
Apprenticeship	0	0	0	0	0	0	0	0	0	0	0	0
Bursary	0	0	0	0	30	0	0	0	0	0	0	30
Learnership	0	0	14	24	2		0	0	0	0	0	40
RPL		10	0	0	0	0	0	0	0	0	0	10
Skills Programme	6	18	10	10	0	0	0	0	0	0	0	44
Short Course: Non-credit	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL					0				0	0	0	124

COMPLIANCE WITH THE PRESCRIBED MINIMUM COMPETENCIES

The municipality has however made strides with regards to minimum competency levels as prescribed by National Treasury. Over and above the numerous capacity building interventions MFMP training was still prioritized as a matter of urgency due to compliance with the Treasury Regulations. The municipality now complies with a much greater extend with the Treasury Regulations. The MFMP training for qualifying employees will be extended over the next financial year. The following MF MP trainings was conducted during this financial year:

REPORT ON MUNICIPAL FINANCE MANAGEMENT PROGRAMME

Service Provider: Deloitte
Date: 2013/2014

Chamuka Consultants
Date: 2014/2015 Financial year
Venue: Brandford

SENIOR MANAGERS

Names	Designation	Department	Division	Status of completion
Mr M.D. Nthau	Senior Manager: Corporate Services	Corporate Services	-	Completed - Waiting for the results to be uploaded on the system
Ms. Fikile Mzizi	Chief Financial Officer	Finance	-	Completed - Waiting for the results to be uploaded on the system
Mrs E. Makgahlela	Senior Manager: Social and Community Services	Social & Community Services	-	Completed - Waiting for the results to be uploaded in the system
Mr. F. Malatji	Acting Director: Infrastructure and Technical Services	Technical Infrastructure &	-	Not registered

CHAPTER 5 – FINANCIAL PERFORMANCE

This chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Masilonyana Local Municipality

Annual Financial Statements for the year ended 30 June 2016

Statement of Financial Performance

Figures in Rand	Note(s)	2016	2015
Revenue from exchange transactions			
Service charges	20	88 250 813	66 259 866
Rental of facilities and equipment	21	253 261	240 582
Other income		332 595	17 074
Interest received	23	8 107 348	5 105 135
Dividends received	23	4 860	4 692
Total revenue from exchange transactions		96 948 877	71 627 349

Revenue from non-exchange transactions

Taxation revenue

Property rates	24	35 060 357	16 585 703
----------------	----	------------	------------

Transfer revenue

Government grants & subsidies	25	156 607 170	163 397 470
Fines, Penalties and Forfeits		260 000	43 053
Total revenue from non-exchange transactions		191 927 527	180 071 226
Total revenue	19	288 876 404	251 698 575
Expenditure			
Employee related costs	26	86 134 253	73 232 764
Remuneration of councilors	27	6 252 891	4 938 593
Capital donations	28	-	15 090 643
Depreciation and amortization	29	27 384 106	24 556 918
Impairment loss	30	460 682	7 105 842
Finance costs	31	8 924 766	4 789 733
Lease rentals on operating lease	38	6 546 934	589 968
Debt Impairment	32	75 794 046	29 492 636
Repairs and maintenance		19 624 439	7 708 663
Bulk purchases	33	33 769 606	34 082 940
General Expenses	34	38 218 345	43 088 359
Total expenditure		303 110 068	244 677 059
Operating surplus (deficit)		(14 233 664)	7 021 516
Gain on disposal of assets and liabilities		473 745	-
Fair value adjustments	35	(2 315)	4 824
Actuarial gains/losses	16&18	(652 427)	(186 235)
		(180 997)	(181 411)
Surplus (deficit) for the year		(14 414 661)	6 840 105

5.2 GRANTS AND SUBSIDIES

Government grants and subsidies	2016	2015
Operating grants		
Equitable share	88 321 000	84 850 000
Municipal Systems Improvement Grant	930 000	9 34 001
Local Government Financial Management Grant	2 616 331	3 191 342
Local Government Sector Education Training Authority	118 538	148 382
Expanded Public Works Programme	1 112 000	1 023 000
	93 097 869	90 146 725
Capital grants		
Regional Bulk Infrastructure Grant	38 956 939	48 697 549
Municipal Infrastructure Grant	22 076 400	23 671 417
Accelerated Community Infrastructure Program	-	881 779
Integrated National Electrification Programme Grant	1 500 000	-
Lejweleputswa District Municipality	975 962	-
	63 509 301	73 250 745
	156 607 170	163 397 470
Conditional and Unconditional		
Included in above are the following grants and subsidies received:		
Conditional grants received	68 286 170	78 547 470
Unconditional grants received	88 321 000	84 850 000
	156 607 170	163 397 470

ASSET MANAGEMENT

Purpose: Prudent management of municipal infrastructure assets as well as regular maintenance of those assets in order to meet the constitutional mandate as outlined in the constitution of South Africa.

Measurable objectives: To ensure that the assets of the municipality are safe guarded and regularly maintained.

In the financial period under review the focus area was the refurbishment of the existing infrastructure in order to ensure that the community at large has full access to water. The major refurbishments were the pump stations as well as the Boreholes.

In addition to the refurbishments that were done the major procurement for the year amounting to **R8 million** were the two graders as well as one cherry picker for the municipality. The main objective of these procurements was the enhancement of service delivery. The municipality continuously endeavors to improve its asset management by putting policies; principles and processes in place that speaks to the vision of the municipality. As such the Asset Management Policy and Assets Maintenance plan, were developed. These covers key elements such as asset acquisition, asset maintenance, asset disposal, asset transfer and insurance matters. This policy was tabled and adopted by council on the 30 June 2016.

The municipality's infrastructure assets is ageing and this cost the municipality more on repairs and maintains. The municipality also had redundant assets which were disposed of in the 2015/2016 financial year.

The management of the municipality also successfully negotiated and got an insurance payout for an amount of **R4 328 885.63** for the two municipal properties that were burnt down during community unrest in 2015 in Winburg and Verkeerdevlei.