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CHAPTER 1

MAYOR'S FOREWARD &  
EXECUTIVE SUMMARY

FIRST DRAFT

## 1.1. MAYOR'S FOREWORD

It is with great pride that I present to you Senqu Municipality's Annual Report for the period 2011/2012.

As is the nature of service delivery, 2011/2012 was not a year without challenge, both on the administrative and operational front. Having taken on our first year as the Council for 2011-2016, we are proud to be able to say that we have worked extremely effectively with the administrative arm and have received very strong administrative support which has eased our role and function enormously.

While it is acknowledged that the Integrated Development Plan (which is developed from extensive public participation exercises) provides the strategic direction and focus of the organisation, it must also be noted that this is strategically aligned to the Provincial Growth Development Strategy.

In this way our focus and efforts, while strictly accommodating the needs of our community, reflect also the provincial growth and development strategies that inform the focus of municipal service delivery nationally.

Accordingly, the following areas became the focus for the 2011/2012 period and will facilitate growth and sustainability within the municipal delivery areas and areas of focus.

In attempting to align the focus and direction for the 2011/2012 period the following areas of alignment with the district, provincial and national priorities were incorporated within the Key Performance Areas as reflected within the performance reports. Accordingly, areas of focus have included:

- Agrarian and forestry programmes;
- Tourism;
- Service delivery efficiency;
- Financial viability and management;
- Meeting basic community needs in order to facilitate sustainable human settlements;
- Gender equality and women empowerment; and
- Organisational development, good governance and public participation.

These have been incorporated within the 5 National Key Performance Areas as aligned to the national Key Performance Indicators i.e. Financial Viability and Management; Service Delivery; Good Governance and Public Participation; Local Economic Development and Municipal Transformation and Institutional Development.

It is unfortunate that challenges have been experienced with the process of aligning the SDBIP and Budget to the IDP and performance targets were not well written. – this in turn impacted on the manner in which performance targets were written in all other areas and will ultimately affect performance assessment overall.

Every effort must be made to ensure alignment between the IDP, SDBIP and Budget. In so doing, attention must be paid to ensuring that performance targets are well written and written in an objective manner. The performance objectives and targets were translated from the strategic objectives contained within the IDP, into the SDBIP and related Budget. In this manner the focus and direction of all activities within the organisation was on the achievement of the strategic objectives. Realistic objectives were used based on available organisational resources, including budget.

In order to improve public participation and accountability, various types of activities were undertaken – thereby ensuring that the community would feed into all pertinent aspects of governance and ensuring that community needs and issues would be addressed wherever possible. In this manner a culture of communication was also fostered.

The following public participation initiatives were used:

- Outreach programmes allowed feedback/information to be taken to the community regarding the budget;
- Tourism brochures were developed and distributed;
- The IDP Process Plan allowed for formal public participation opportunities/meetings to facilitate community commitment and communication;

- Mayoral outreach meetings were held in all wards;
- Public hearings were held especially in order to disseminate information about and information into by-laws;
- Monthly meetings – in this regard the Municipal Manager has set aside time to meet each month with members of the public in order to discuss pressing needs and issues;
- Media relations including :
  - Newspaper coverage
  - Broadcast media

Accountability from an institutional perspective is achieved by ensuring that institutional and employee reporting is conducted within required parameters.

During 2010/2011 a number of issues were raised by the Auditor General as requiring improved performance. These comments were taken and translated into the Audit Action Plan and in terms of this the following issues were treated as issues of priority and concern. In this manner, every effort was made to engage in corrective actions in order to improve service delivery overall:

- Efforts to reduce and manage electricity losses are to be undertaken and improved upon, year on year;
- Systems and processes were developed in order to facilitate the reduction and elimination of unauthorised expenditure. Strict guidelines were detailed regarding the manner in which expenditure may be authorized and disciplinary action was to be taken in all instances where adherence to the policy and procedures did not occur. In this regard, staff were to be kept informed and updated regarding processes and procedures:
  - Through the application of strict expenditure controls every effort has been made to reduce the incidents of fruitless and wasteful expenditure;
  - Baseline data continues to be an issue –although the manner in which this information is to be sourced is receiving greater attention and focus. Over time it is envisaged that this will be greatly improved;
  - The application of the performance reporting requirements have assisted in facilitating the auditing and verification of all performance information and ensuring that all required standards are met. The appointment of an Integrated Planning and Compliance Manager, an Internal Auditor and the fact that the Internal Audit Unit is now functional has added to this success;
  - All members of the Audit Committee are to be trained in respect of their role and function, and
  - All aspects of Supply Chain Management have and must be strictly applied.

Overall, it is noted that a great deal of success and improvement has been achieved and it is hoped that this will continue to be experienced as we move forward.

Notwithstanding the service delivery issues, Council is passionate about addressing the needs of the Community and uplifting the community of Senqu Municipality in a holistic and sustainable manner.

In this regard, our focus will continue to be placed on Service Delivery whilst also ensuring that every effort is made to facilitate Local Economic Development in all spheres.

In order to be in a position to provide better administration and services we will ensure that staff and councillors are capacitated . We commit to focusing our efforts on undertaking planned projects in respect of Special Programmes (aimed at women, the youth, the disabled, the elderly and the like). We will ensure that HIV/Aids awareness and support is promoted at every level and that the community will be capacitated through EPWP projects.

An exciting 2012/2013 is clearly on its way and we are looking forward to even greater achievements.



**MAYOR N.Y .MTYALI**

FIRST DRAFT

## 1.2 MUNICIPAL MANAGER'S FOREWORD

The 2011/2012 period brought with it a change in the political leadership of Senqu Municipality which in turn impacted positively on the operational and administrative functioning of the organization. Change has been experienced very successfully and bears testimony to Council, management and staff as we have worked well to ensure that, as always, the needs of Senqu Municipality and its community remain paramount.

In delivering this forward a number of pertinent issues are to be highlighted. These are reflected as follows:

- Senqu Municipality was established in terms of the Provincial Gazette of 28 February, Notice 22 of 2000 (with subsequent amendments);
- As a Category B Municipality, Senqu Municipality was established to be a Collective Executive type system and consists of 37 councillors (19 ward Councillors and 18 proportional Elective Councillors);
- Council is responsible for taking political decisions relating to service delivery and playing an oversight role in Council;
- Meetings of Council occur quarterly and Special Council meetings are convened when an urgent issue is require to be attended to and/or an urgent decision needs to be taken;
- As per Chapter 3 of the Municipal Systems Act, Act No. 32 of 2000), the executive and legislative authority of a municipality lies with the Council and the Council takes all the decisions of the municipality subject to s59.
- Executive Committee meetings convene monthly and are constituted as follows: the Mayor, Political Heads of Standing Committees, and the top management of the municipality.
- Standing Committees meet in order to discuss or recommend that certain actions are taken by the Executive Committee or Council. These committees are chaired by the Portfolio Councillors who form part of the Executive Committee members. The other members are Councillors, who are elected by political parties, traditional leaders and the administration;
- The municipality engages with a number of sector departments. While there are a number of associations, the following are representative of the many sector departments with whom there is interaction:
  - The Department of Public works (who provide assistance in terms of EPWP funding);
  - The Department of Sports, Arts and Culture – due to the Community Services functions relating to sportsfields, libraries and the like;
  - The Department of Human Settlements (for whom Senqu Municipality acts as the Housing facilitator);
  - All grant funding sponsors e.g. DEAT, MIG, NDPG, EPWP, Department of Agriculture; and Department of Social Development.

In these instances it is imperative that the municipality meets with these departments regularly to discuss progress and issues of challenge.

- Senqu Municipality was awarded an unqualified audit opinion with emphasis of matter by the Auditor General for the 2011/2012 period. This has occurred two years in succession and we are extremely proud of this fact.
- Changes in respect of the s56 managers did occur during this time. It is noted that the contracts of the following s56 managers were renewed:
  - Municipal Manager
  - Chief Financial Officer
  - Technical Services Manager

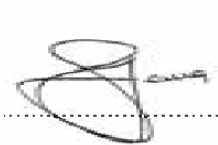
- Community Services Manager

The contracts for the Corporate Services Manager and the IPME Manager were not renewed and new appointments were made after the financial year end.

- Risk assessments are conducted annually and reporting is conducted quarterly in order to facilitate the management of risks. While this is conducted effectively as an annual event, it is noted that quarterly reporting must be conducted more formally in order to facilitate the management and reporting of risk, provision has been made on the organogram for the appointment of a Compliance Officer and a Risk Manager. To date the Compliance Officer has been appointed and this has facilitated the reporting function.

Having experienced a successful 2011/2012 we look forward to the new financial year – striving at all times to provide the much needed and required services in an efficient and effective manner.

I would like to take this opportunity to thank my team (managers and staff) and the Mayor, Speaker and Councillors' for making our efforts worthwhile.



**M.M. YAWA**  
**MUNICIPAL MANAGER**



## 1.3 EXECUTIVE SUMMARY

Senqu Municipality's Annual Report for 2011/2012 details and comprehensively summarizes the overall financial and administrative health of the organization, together with the successes and challenges experienced.

At all times and as per Chapter 5 of the Municipal Systems Act, Act 32 of 2000, reference will be made to the Integrated Development Plan and effectively the municipal 5-year strategic plan that emanates from this (and its annual review).

The establishment of the new Council resulted in a new 5-year Integrated Development Plan for Senqu Municipality. This plan was developed to span the period 2011-2016 and was developed after a high degree of public participation, ensuring that it remained an accurate representation of the needs of the community.

Taking Budget considerations into account for the current financial year, the annual strategic objectives were developed and this in turn gave rise to the development of the Service Delivery and Budget Implementation Plans (SDBIP's). These operational plans were developed as required for each department. It is acknowledged that challenges of alignment between the IDP, Budget and SDBIP were experienced and this will be required to be resolved moving forward.

This executive summary is intended to provide a comprehensive overview of the content and issues covered within all parts of this report.

### **Chapter 1: Mayor's Foreword and Executive Summary**

This introductory segment introduces both the political and administrative heads of the organisation. These forewords detail information regarding the current state, vision and corrective action required. Further to this, it provides detail on the geographical context within which Senqu Municipality resides. Issues covered include: population data, gender, income issues and demographical challenges.

It is clear that with high levels of unemployment and poverty, the resulting rate base is adversely affected as a result, and must naturally impact negatively on the organization's ability to increase its revenue source. Additionally it is noted that the younger and more educated members of society tend to leave this economic area which exacerbates these challenges further. These are accepted and considered in context as the other pertinent issues are discussed.

### **Chapter 2: Governance**

This chapter is divided into 4 sections and detail is included as follows:

#### **Component A: Governance Structures**

The background and context of the municipality is examined in respect of:

- Political Governance Structure
- Administrative Governance Structure

#### **Component B: Intergovernmental Relations**

- Intergovernmental Relations (detail on the extent to which this occurs and how)

#### **Component C: Public Accountability and Participation**

- **Public Meetings**

Public Participation meetings are scheduled and held in terms of the Process Plan, IDP requirements and regularly in order to liaise with public.

- **IDP Participation and Alignment**

IDP participation and alignment to the SDBIP and Budget is required to receive focus as indicated..

#### **Component D: Corporate Governance**

A number of governance issues are addressed and these include:

- **Risk Management**

Risk Management /Assessments are undertaken. Greater controls needed to be applied to ensure effective implementation.

- **Anti-corruption and fraud**

Anti-corruption and fraud strategies are in place and applied.

- **Supply Chain Management**

Supply Chain Management practices and policies are for the most part correctly applied and issues requiring attention are being formally addressed.

- **By-Laws**

By-laws, policies and procedures were updated. Implementation remains a challenge and these are required to be workshopped.

- **Websites**

During 2011/2012 attempts to update and post information on the municipal website were undertaken. These are still outdated and required to be updated overall.

- **Public Satisfaction on Municipal Services**

High levels of interaction ensure regular feedback and so too customer satisfaction surveys.

- **All Municipal Oversight Committees**

All audit committees are functioning well overall.

- **Staff capacitation and training**

The capacity of staff has been enhanced through the application of the WSP and management of labour. Notwithstanding it is acknowledged that much more is required to be done in order to enhance capacity in so many areas.

### **Chapter 3: Service Delivery Performance (Performance Report Part 1)**

This chapter details the performance achievements and challenges experienced within the areas of service delivery specifically. Key issues are highlighted as follows:

- Senqu Municipality has been licensed by the National Energy Regulator of South Africa to supply electricity to Sterkspruit, Lady Grey and Barkly East. The level of this service is currently high. Electricity losses have been successfully reduced in 2011/2012.

Notwithstanding insufficient funding, inadequate infrastructure and a lack of capacitated staff and filled vacancies have had impact on the ability to reduce electricity losses. The target of eliminating backlogs of approximately 60% was met but is dependent on ESKOM to address these within the rural areas.

A Free Basic Energy Project is currently undertaken in Rossouw and as a result, 63 households currently receive 20 liters of paraffin and 12 candles per month.

- The municipality is currently responsible for all access and municipal roads – the reminder falling under the functions of the Department of Roads and Public Works (DRPW).

Roads are not provided at the required level and are predominantly gravel in the rural areas.

Financial and plant shortages/limitations and the capacity of staff have had a detrimental effect on the ability to provide the required services.

Shortfalls in planned eradication of backlogs were achieved.

- Stormwater systems are required to be installed by Senqu Municipality. The standard of service for these is exceptionally low and most of these provisions remain unlined.

Notwithstanding the resource limitations it is noted that the Stormwater Master Plan was recognized as being a requirement for the entire municipal area and once implemented, would allow for coordinated projects.

Progress has been made in respect of the replacement of road signs, maintenance of side drains, cleansing of catch pits and the installation of stormwater crossings in the rural areas.

- Water services are only provided within the urban area and Senqu Municipality was appointed as the Water Services Authority until 31 July 2012.

Service provision is considered to be of a high quality and connections to the yard and house are apparent with 24 hours availability. Within the rural areas this status is very different and many outages are experienced.

Many challenges are present in attempting to meet these required targets.

- Sewerage services are provided only within the urban area, and as the appointed Water Services Authority. This is provided mostly at a high level (as part of the water borne services). VIP's and buckets are still to be found within informal and formal areas and where this is apparent, the bucket removal and VIP services are found to be sub- par due to plant down time.

A number of successes were achieved and these related to the handling of complaints, new connections, emptying of conservancy tanks and informal bucket removal.

Challenges related to: bucket eradication, development of sanitation ponds, infrastructure and financial resource limitations, and capacity of staff.

- The job creation projects while considered to be successful were overspent by R288 000 although this was due to unforeseen payments. The EPWP programme exceeded all expectations and additional job opportunities were created above target.
- MIG funding on projects was spent as required and the manner in which MIG projects were managed was recognized.
- Although cemetery maintenance function occurs, it is limited by available funding. The planned electronic cemetery register was not developed during this financial year and is required to receive focus moving forward.
- Campaigns to minimize illegal dumping have been undertaken but additional progress is required.
- While limited by financial resources, certain projects were undertaken and project milestones achieved in respect of municipal halls and sporting facilities. Kwezi-Naledi Hall was fenced and renovated and sportsfields had minor issues addressed. Additional needs are required to be addressed and planning for these will take place.
- A number of successful interventions were undertaken in order to raise awareness regarding the importance of and the methods of recycling. These were facilitated by interns and staff.
- Refuse collection remained a challenge due to vehicle breakdowns, impassable access roads and staff shortages – ultimately exacerbated by lack of financial resources and inadequate infrastructure.
- Commonages were well stocked – preserving the goodness of the land.
- Senqu Municipality is in possession of a Free Basic Services and an Indigent Subsidy Support Policy which was reviewed and implemented. The most challenging issue relates to updating and maintaining the Indigent Database Register – its accuracy and validity a major challenge and also to ensure that no-one is disadvantaged in the process.
- The management of suppliers was a challenge that appears to have been resolved through the application of the service providers reporting template and the proposed appointment of the Risk Performance Officer. Notwithstanding progress, it is acknowledged that the risk assessment of the supply chain management system has not been completed. On a positive note it is noted that the SEBATA system now notifies staff of insufficient funds (in order to prevent incidents of over-spending). The Bid Register is now published on the municipal website and the tender committees are now functioning as required.

- The following awards have been received in respect of service delivery:
  - Vuna Awards during 2010/2011
  - Financial Awards for the “Cleanest Town Award” (Environmental Affairs Award for Province);
  - A reward for effective MIG expenditure; and
  - Being chosen to pilot a customer care survey that was taken to the community via Community Liaison Workers and Ward Councillors.

Overall we have a situation where Senqu Municipality is financially sound/liquid, service delivery is well provided and we have received an unqualified audit report. Notwithstanding it is acknowledged that improvements are always needed and our focus will be: enhancing revenue, ensuring full GRAP compliance, implementation of Risk Management Strategies and monitoring financial viability and debt coverage and expenditure control.

#### **Chapter 4: Organizational Development Performance (Performance Report Part II)**

##### **Component A: Introduction to the Municipal Workforce**

This deals with an introduction to the municipal workforce. Discussion centers around the organogram, staff establishment figures, employment equity issues and the like.

##### **Component B: Managing the Workforce in terms of reporting and functional structures**

Functional reporting structure is provided

##### **Component C: Capacitation of the Workforce**

Capacitating workforce, WSP and staff training statistics are provided.

##### **Component D: Managing municipal workforce expenditure**

Controls in respect of reporting and expenditure management are provided.

#### **Chapter 5: Financial Performance**

All aspects of financial management are covered and specifically within the following areas:

##### **Component A: Statement of Financial Performance**

##### **Component B: Spending against Capital Budget**

##### **Component C: Cash Flow Management and Investment**

##### **Component D: Other Financial Matters**

#### **Chapter 6: Auditor General Findings**

This chapter provides an overview of the Auditor General's Report of the previous financial year and will include:

- Detail on issues raised during the previous financial year; and
- Remedial action and preventative measures taken and proposed..

#### **Appendices:**

Appendix A:	Councillors, Committee Allocation and Council Attendance
Appendix B:	Committee and Council purpose
Appendix C:	Third Tier Administrative Structure
Appendix D:	Functions of Municipal Entity
Appendix E:	Ward Reporting
Appendix F:	Ward Information
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Appendix H:	Long Term Contracts and Public Private Partnership
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Appendix K:	Revenue Collection Performance
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Appendix L:	Conditional Grants Received: Excluding MIG
Appendix M:	Capital Expenditure – New & Upgrade/Renewal Programmes: Including MIG
Appendix M(i):	Capital Expenditure- New Assets Programme
Appendix M (ii):	Capital Expenditure – Upgrade/Renewal Programme
Appendix N:	Capital Programme by Project Current Year
Appendix O:	Capital Programme by project by Ward current year
Appendix P:	Service Connection Backlogs at Schools and Clinics
Appendix Q:	Service Backlogs experienced by the community where another sphere of Government is responsible for service provision
Appendix R :	Declaration of loans and Grants made by the Municipality
Appendix S:	Declaration of Returns not Made in due Time under MFMA s71
Appendix T :	National and Provincial Outcome for local government

## Volume II: Annual Financial Statements

Section 67(1)(a)(iv) states that audited financial statements for the financial year must be reported on, Financial statements to be displayed within the municipal/municipal entity Annual Report include:

- Summary of operating results presented by the CFO, including
  - Operating revenue
  - Operating expenditure
  - Operating results per service
  - Capital expenditure and financing
  - External loads, investments and cash
- Statement of financial position
- Statement of financial performance
- Statement of changes in net assets
- Cash-flow statement
- Accounting policies
- Notes to financial statements

Financial statements of all entities of the municipality should be included in this section.

In concluding it must be emphasized that the overriding goal of the vision and mission of Senqu Municipality is to “provide quality and affordable services to all members of the community, in a manner that sustains development and creates a better life for all”.

As per the IDP, focus areas include:

- Good governance and effective administration
- Sustainable Infrastructure development
- Sustainable Basic Services
- Economic Development
- Environmental Management
- Social Development
- Financial Viability
- Empowerment of Youth, Women and Disabled, and
- Safety and Security

**Noted:** These focus areas will be incorporated into the five national indicators for performance reporting purposes.

This report details the manner in which this is achieved, within the context of the goals and targets contained within the Integrated Development Plan.

## 1.4. MUNICIPAL OVERVIEW

### Geographical context surrounding Senqu Municipality.

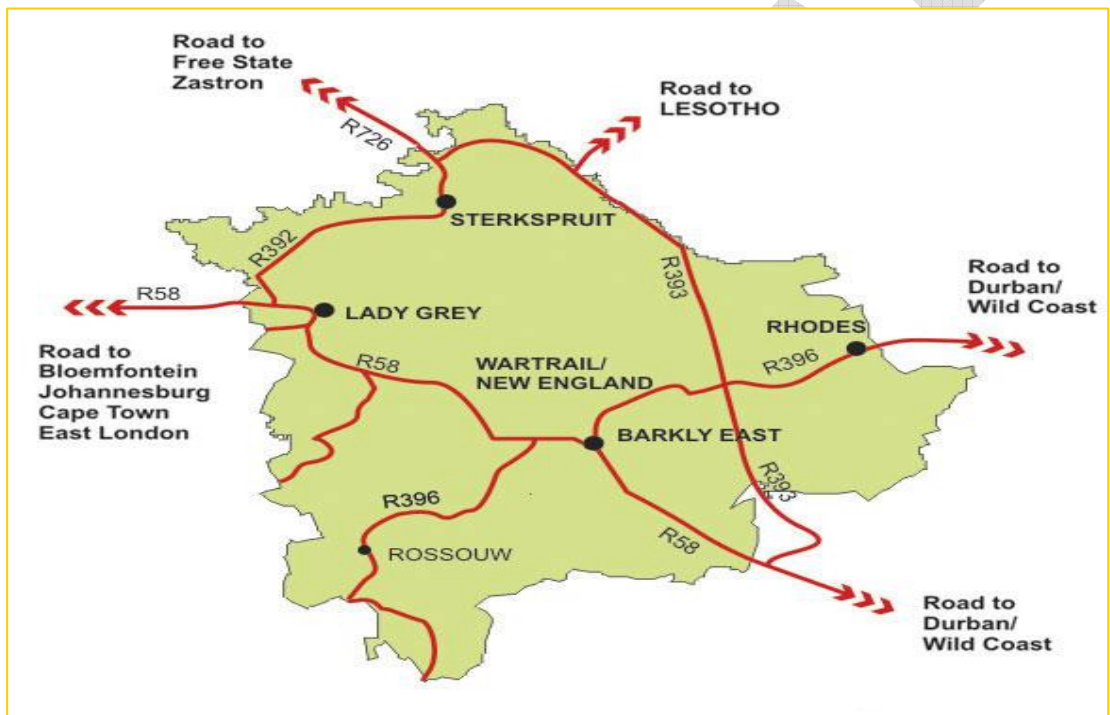
#### GENERAL INFORMATION

##### 1. Geographical Context and Overview of the Municipality

During December 2000, Senqu Municipality was established after the amalgamation of the following Local Authorities and towns:

- Lady Grey (including Transwilger and KweziNaledi);
- Barkly East (including Nkululeko, Fairview and LulamaHlanjwa);
- Sterkspruit;
- Rhodes (including Zakhile); and Rossouw
- Portion of Wodehouse (Dordrecht) and Indwe

Senqu Area also covers commercial farms and villages of the former magisterial districts of Barkly East, Rhodes, Herschel, Lady Grey and Sterkspruit and portions of Wodehouse (Dordrecht) and Indwe.



Senqu Municipality is the largest Municipality in the Joe Gqabi District Municipality, and spans an area of 6772 km<sup>2</sup>. A unique feature of this Municipality is the fact that it borders the Eastern Cape Province and Lesotho. It has beautiful mountains and beautiful rivers to lay claim to, and with many game-fishing opportunities the potential for tourism within the area is an opportunity that requires nurturing. Elundini and Sakhisizwe Municipalities are in the south of Senqu Municipality and in the west is Maletswai Municipality. To the north is the border between the Eastern Cape Province and the Free State Province. The R58 and R392 are the key transport routes through this Municipality and these then link to the N6 at Aliwal North.

The municipality has three urban nodes viz Barkly East, Sterkspruit and Lady Grey with Sterkspruit displaying the highest population growth rate. The rest of the municipality is characterised by small villages and communal and commercial farming land.

With regard to the provision of services 15 586 have no access to water which is 13.2 % of the population. 21 330 have water provision below RDP standards which means that 68.8 % have water service above RDP standards. Sanitation service levels are far lower with 53 140 (45 %) not receiving services and 65 034 (55%) receive sanitation. 62.1 % receive access to electricity provision and work is ongoing to connect households to the grid and concentrate on off grid connections to renewable sources of energy such as solar. The largest backlog is experienced with road provision. District



and access gravel roads in spite of ongoing maintenance are generally in a bad state especially in the communal areas.

DEMOGRAPHIC

Population Figures

The population has decreased since 2001 from 135 141 to 118 174 according to the Community Survey 2007. Correspondingly it appears that the number of households have increased from 33 728 to 35 107 (Statistics South Africa, 2007). This could be attributed to the fact that the average household size is decreasing.

Rural vs. Urban Population

86% of households are rural in nature (Statssa 2001) with 93 % residing near the town of Sterkspruit. The population is fairly youthful in nature with approximately 51.88 % being below the age of 20 with more women than men. This phenomena may be ascribed to migrant and commuter labour which has resulted in many households having a woman as the head of the household and the chief breadwinner living away from the home.

It is critical to note that based on current modelling it is expected that the population will be decreasing in the area due to the effects of out migration as well as due to the impact of HIV and Aids.

Age and Gender

Approximately 53.13% of the municipal population fall in the 15-65 age category, which can be regarded as the economically active sector of the population, with 41% of the population below the age of 15. The population is fairly youthful in nature with approximately 51.88 % being below the age of 20 with more women than men. This suggests continued population growth in the area with a need for education facilities and a focus on education and skills training.

The table below details the gender split, with 46.85% of the population being male and 53.15% female (Census 2001)

2001	
FEMALE	MALE
71 834	63 310

This split may be attributed to migrant and commuter labour which have resulted in many households having a woman as the head of the household, and the chief breadwinner living away from the home. This gender split will also likely impact on the type of development that may occur, especially in regard to manual labour-type employment.

EMPLOYMENT AND INCOME

Employment

Senqu Municipality's three (3) key economic sectors are Agriculture, Services and the Tourism sectors, with the latter (Tourism), having the potential to grow.

Data from the 2007 Community Survey indicates that the average unemployment rate of the Senqu Municipal area is 16%. This number only includes people that are actively searching for work. The percentage of people who are unemployed but not looking for work is 65%, compared to 54% for the district and 48% for the province.

Income Level

The Community Survey 2007 indicates that 50.25% of the population of Senqu earns no income and that a further 21.39% earn between R1 and R1600 per month. This is compared to 50.58% of the district population with no income and 59.34% of the provincial population with no income. The municipality has a high dependency ratio of 161:100, which means that for every 100 economically active people, there are 161 people who are dependent upon them for survival. This has implications with regard to the affordability of services and the sustainability of these services  
It is estimated that:

- 16% actively seeking employment
- 50.25% households have no steady income
- 21.39% of population earn less than R1 600 per month

Note: This figure is below the Household Subsistence Level for the Province.

### **Employment Sectors**

The main economic sectors in the Senqu municipal economy are community services which account for 36% of the employment, followed by agriculture with 21%. This in conjunction with the fact that about 39% of Senqu Local Municipality workforce is made up of elementary or unskilled workers makes the economy very vulnerable to external stresses.

### **Occupational Skills Levels**

The high levels of unskilled workers corresponds with the low levels of educational facilities in the area and indicates a need for skills development and education programmes.

About 39% of Senqu Municipality's workforce is made up of elementary or unskilled workers, and this represents the largest percentage in the District. Senqu Municipality has low levels of senior management and technical staff, and these are reflected as 3% and 4% respectively. This corresponds with low levels of educational facilities in that area, and indicates a need for skills development and education programmes.

FIRST DRAFT