

Mayor's foreword & Executive Summary



Chapter 1

Component A: Mayor's Foreword



Dear Community of Nketoana, I hereby present to you the Annual Report for the 2015/16 financial year.

The Annual Report reflects on service delivery, development achievements and challenges in the municipality for the 2015/16 financial year as well as the achievements for the previous financial year and objectives set for 2016/17. The report also highlights the planned interventions put in place to mitigate the challenges that were experienced during the financial year.

We are continuously striving to enhance service delivery to create a better life for all people of Nketoana.

This is clearly defined in our vision and mission statement.

Vision

The vision of Nketoana Local Municipality is "A municipality that will care for its residents and provide a safe and crime-free environment conducive for sustainable development."

As stated in our mission, the Municipality strives to live this by at all times attempting to:

- To foster a spirit of unity and communication in the pursuit of achieving the municipal objectives
- To provide a democratic, accountable and ethical government for the Nketoana community
- To render services in an effective, efficient and economic manner
- To promote sound and transparent financial management in accordance with legislative requirements
- To accelerate programmes that will help meet the socio-economic needs of the Nketoana residents

We, as a municipality is driven by a set of key priority areas as reflected in the Integrated Development Plan that determine our overall agenda. Objectives are set for these priority areas, which are as follow:

• IDP Priority 1	Water
• IDP Priority 2	Sanitation
• IDP Priority 3	Municipal Roads and Transport
• IDP Priority 4	Urban Planning
• IDP Priority 5	Local Economic Development
• IDP Priority 6	Institution Building
• IDP Priority 7	Refuse Removal
• IDP Priority 8	Electricity Reticulation
• IDP Priority 9	Cemeteries and Parks
• IDP Priority 10	Sport and Recreational Facilities

Key Policy Developments

Within the context of the above-mentioned vision, we are especially proud about the following achievements that we have managed to realise during 2014/15.

During 2015/2016 the following policies were developed and or reviewed:

- **Office of the Municipal Manager**
 - Policies developed
 - PMS Framework
 - Organizational PMS
 - Individual PMS
 - IDP Process Plan

- **Department Corporate Services**
 - Policies developed
 - Occupational Health & Safety Policy.
 - Incapacity Due To Ill-health/Injury Policy.
 - Induction Policy.
 - HIV/AIDS & Life Threatening Diseases Policy.
 - Sexual, Racial & Ethnic Harassment Policy.
 - Attendance & Punctuality Policy.

- **Department Community Services**
 - Policies developed
 - Integrated Environmental Management Plan (IEMP) (Draft)
 - Disaster Management Plan (DMP) (Draft)

- **Department Technical Services**
 - Policies developed
 - Electricity Master Plan

- **Department Financial Services**
 - Policy developed
 - Revenue Enhancement strategy
 - Policies reviewed
 - Indigent support policy
 - Tariff policy
 - Expenditure control policy
 - Travel and Subsistence policy
 - Supply chain management policy
 - Credit control and debt collection policy
 - Asset management policy
 - Writing off of irrecoverable debt policy
 - Banking policy
 - Budget policy

Key Service Delivery Improvements

- **Office of the Municipal Manager**
 - Functional Audit Committee
 - Establish a Risk Committee
 - Establish mSCOA Steering Committee and Project Team

- **Department Corporate Services**
 - Filling of critical, vacant posts.
 - Training of employees.
 - Supply of fleet to departments.

- **Department Community Services and LED (policies reviewed and new policies develop)**
 - Mamafubedu Sports Facility (Complete)
 - Ntha Park (Complete)

- **Department Technical Services**
 - Electricity
 - 64 Infill households were connected in Ntha Ext.5.
 - Two Substations Switchgears were upgraded (Reitz Main and Lindley Main Substations.
 - 400m, 11KV line was constructed in Ntha Ext.5, during Phase 3 Electrification.
 - 03 Electrician Apprentices were appointed.
 - Daily repairs and Maintenance of Electricity Infrastructure was being done.
 - New Roads
 - Water
 - Improved maintenance
 - Communal taps were installed where necessary
 - The quality of water and management of sanitation has improved substantially with the appointment of the Manager Water and Sanitation. Blue drop has been improved from 18.57% in 2012 to 71% in 2014.

- **Department Financial Services**
 - Revenue enhancement strategy developed and approved
 - Special intervention in order to prevent fruitless and unauthorized expenditure
 - The municipality succeeded
 - Started with financial recovery plan in cooperation with National Treasury
 - Increasing the indigent threshold to accommodate more people who were struggling with paying their municipal accounts
 - Campaigns held in different areas in order to register indigents
 - Providing Free Basic Services only to the indigents

Public Participation

Our Municipality involve our communities in our affairs by means of public advertisements of our Integrated Development Plan and Service Delivery and Budget Implementation Plan, as well as our performance plans, with specific reference to the Annual Report. We also advertise the activities of the Oversight Report and invite participation from our communities.

Our community also participate through the structures of the IDP Representative Forum and the annual IDP and budget road shows that we conduct annually.

We also conduct public engagement session when major new (or reviewed) by-laws, policies, strategic or sector plans and strategies are considered.

Remaining Challenges

- **Office of the Municipal Manager**
 - The PMS is well accepted by senior management but must now be cascaded down to lower levels of employment to experience the full benefit of a fully implemented PMS.
 - In the compilation/review of the IDP, Public Participation is always a challenge and the commitment of Council to this process is needed. The lack of several master plans in the municipality has a serious impact on the reliability assessment of the IDP.
 - Sector plans to be in place a serious concern, especially taking into consideration the compilation of the new IDP for the cycle starting 2016-2017
- **Department Corporate Services**
 - Some critical, vacant posts remain unfilled.
 - Not all employees were given training.
- **Department Community Services and LED (policies reviewed and new policies develop)**
 - Shortage of staff
 - Operating fleet not in working conditions
 - Shortage of tools, machinery and equipment
 - Shortage of dustbins for households
 - Funding that has been reduced for upgrading of sports facilities.
 - Finalization of Port Arlington township establishment
 - Acquisition of a Cemetery software
 - Late or non-funding of approved projects(impact: Consistency with SDBIP)
 - Lack of human/capital resource to implement the sector plans
 - Lack of by-laws
 - Non-availability of a credible SDF
 - Non-availability of a Transport Master Plan
 - Under-budgeting
 - Investor confidence caused by water and electricity capacity
 - Lack of marketing strategy
 - Lack of business skills
 - Lack of research skills
 - Lack of synergy between the departments in addressing women and youth economic development

- **Department Technical Services**

- Water and Sanitation
 - Lindley clean water reservoir is leaking. The consultant was appointed for assessment.
 - Meintjies clean water reservoir is leaking; a quotation will be obtained from Gertuck to fix this reservoir.
 - The Reitz Waste Water Treatment Works is overloaded, the plant is unable to treat the amount of waste water inflow.
 - The department is short-staffed; as a result, there is a delay in executing most of the planned projects.
 - The department is in short of vehicles, which forces other teams to share vehicles.
 - There is a delay in purchasing of material, which is affecting the service delivery.
 - There is high water demand in Reitz; as a result the reservoirs are no longer getting full.
 - Most of toilets in Petsana are leaking; which is resulting in serious water loss.
- Electricity and Mechanical
 - 81 of 145 infill sites could not be electrified during Phase 3 Electrification of Ntha Ext.5 as their owners did not occupy them.
 - Ageing Electricity Infrastructure needing upgrading and refurbishment
 - Meter tempering resulting in Distribution losses
 - Shortage of Qualified Personnel (Electricians and Mechanics).
- Roads and Stormwater
 - Delays in Procurement of Vehicle Parts.
 - Shortage of qualified Mechanics.
 - Transport – trucks needs tyres, roadworthy and license fees to be paid; Requests were handed in for approval and purchases,
 - Consider hiring of yellow fleet for gravelling program.
 - Labour intensive – not enough labour to perform as required.
 - Require EPWP workers temporary.
 - Lack of internal and external funding due to financial constraints.
 - Apply for funding at District Council and MIG
 - In need of pedestrian vibrating roller, 3 x plate compactors and 2 x tamper rammers; Requests handed in for approval of purchases.

- **Department Financial Services**

- Increasing collection rate
- Implementing full credit control and debt collection on the areas supplied by Eskom
- Recovery plan

Future Actions

Our immediate future priorities to improve our services will be as follows:

- **Office of the Municipal Manager**
 - Develop Service Standards for all services rendered in 2016/2017 financial year
 - Cascading down of the PMS System to lower level officials
- **Department Corporate Services**
 - Fill in critical posts.
 - Provide training to staff as per WSP.
 - Arrange for the approval of policies.
 - Provide employees with necessary protective clothing.
 - Ensure compliance with policies, legislation and collective agreements.
- **Department Community Services and LED**
 - Present municipal by-laws to the public for final adoption by council
 - Cascading of performance management plans to the middle management
- **Department Technical Services**
 - Councilors to encourage site owners to occupy their site for Electricity provision.
 - Source funds from DoE to upgrade ageing Infrastructure.
 - Source funds for smart metering to prevent meter tempering or Appoint Professional Service provider for extensive Meter Auditing.
 - Permanently Appoint Qualified Electricians and Mechanics.
- **Department Financial Services**
 - Continuous visits to locations to urge people to pay

Conclusion

This Report is our feedback to you, our loyal friends and compatriots. It contains particulars of what we achieved during the past financial year (2015/16) and give an overview of the obstacles that remain in realising our vision and mission above. We believed that we have made important strides in fulfilling our Government's mandate to create a better life for all – especially the most vulnerable and poor in our society.

Component B: Executive Summary

1.1 Municipal Manager's Overview



Through the dedication and commitment of our staff, we strived to make important progress towards a better life for all our communities in the 2015/16 financial year taking into consideration the resources available and our strategic objectives.

Service Delivery performance

We are reasonably satisfied that we, as managers, have contributed positively towards Council's service delivery successes in 2015/16. However, there were also several challenges that need to be addressed. In this regard, the following could be highlighted:

- An unqualified audit with matters.
- Filling of posts
- Cash flow constraint
- Many breakdowns due to ageing infrastructure
- Meter tempering

Policies and related administrative matters

The municipality has maintained registers of the required administrative and financial policies throughout the 2015/16 financial year. The employment equity plan was reviewed and progress reports about its implementation submitted to the Department of Labour. The following important plans and policies were also reviewed and/or implemented:

- **Office of the Municipal Manager**
 - IDP Review
 - Internal Audit Annual Audit Plan
 - Risk assessment
 - New or revised policies:
 - Policies developed
 - IT Policy
 - Policies Reviewed:
 - PMS Framework and policies

- **Department Corporate Services**
 - Plans reviewed during the financial year
 - Employment Equity Plan.
 - Workplace Skills Plan.
 - Existing policies
 - Asset management policy, Banking and investment policy, Budget policy, Car allowance policy, Cellphone allowance policy, Credit control and debt collection policy, Draft property rates policy, Draft property rates by-laws policy, Indigent support policy, Leave policy, Overtime policy, Pauper burials policy, Recruitment policy, Supply chain management policy, Tariff policy, Travel and subsistence policy, Use of municipal vehicle policy, Use of mayoral car policy, Working hours policy, Policy on career , opportunities, succession, planning, rapid progression and promotion, Training and development policy, Public participation policy, Scarce and critical skills, Retention and recruitment policy, Internship programme policy, Records management policy, Occupational health and safety policy, Study grant and bursary policy, Relocation policy, IT policy and procedure, Employment equity policy, HIV/ aids & life threatening diseases policy, Incapacity due to ill health/ injury policy, Sexual, racial & ethnic harassment policy, telephone Policy, Housing Allowance Policy, Study Allowance Policy
 - Policies developed
 - Occupational Health & Safety Policy.
 - Incapacity Due To Ill-health/Injury Policy.
 - Induction Policy.
 - HIV/AIDS & Life Threatening Diseases Policy.
 - Sexual, Racial & Ethnic Harassment Policy.
 - Attendance & Punctuality Policy.
- **Department Community Services and LED (policies reviewed and new policies develop)**
 - Policies developed
 - Integrated Environmental Management Plan (IEMP) (Draft)
 - Disaster Management Plan (DMP) (Draft)
 - Policies reviewed
 - Policy for the Disposal of the Municipality's immovable Capital Assets (Draft)
- **Department Technical Services**
 - Electricity masterplan
- **Department Financial Services**
 - Budget Policy, Cash and Investment Policy, Indigent Policy, Tariff Policy, Write off of irrecoverable debt Policy, Supply Chain Management Policy, Property Rates Policy, Asset Management Policy, Credit Control and Debt collection Policy, Free Basic Electricity Policy,

Free Basic Sanitation Policy, Free Basic Waste Policy, Free Basic Water Policy, Mayoral & Speaker Car Policy, IT Policy, 8 key policies as per Performance Plan, Indigent Policy, Procurement Policy

- Policies reviewed
 - Indigent support policy
 - Tariff policy
 - Expenditure control policy
 - Travel and Subsistence policy
 - Supply chain management policy
 - Credit control and debt collection policy
 - Asset management policy
 - Writing off of irrecoverable debt policy
 - Banking policy
 - Budget policy

Shared Services

The municipality entered into an agreement with the district municipality for the utilisation of the following shared services:

- Disaster management (Thabo Mafutsanyana District municipality)

1.2 Municipal Population, Functions and Environmental Overview

Nketoana Local Municipality is named after the Liebenbergsvlei River, which is Nketoana in Sesotho.

The Municipality is situated within the Thabo Mafutsanyana District Municipality in the Eastern Free State. It comprises of Reitz, Petsana, Mamafubedu (Petrus Steyn), Lindley, Ntha, Arlington and Leratswana.

Figure / Table 1.1: Map of the Nketoana municipal area



(Source: Municipal Demarcation Board)

The head office is situated at Reitz, with municipal staff in each unit to ensure that services are brought closer to the community. The Municipality has four administration departments i.e. Corporate Services, Community Services, Technical Services and Financial Services. The core function of the municipality is service delivery as set out in the constitution.

The municipality is 54km from Bethlehem, 240km from Johannesburg and 60 km from the N3 Road.

The main economic activities in the area are agriculture and retail businesses. Nketoana is a fertile agricultural region and approximately 19% of the economically active population is employed in the agricultural sector.

Attractions in the area include: flower and nut farms; bird farms; two lion farms; game farms and the Bass Feather Country Lodge (Previously known as Bietjie Water Holiday Resort). History buffs will be interested in the fact that Lindley was the birthplace of Dr Danie Craven and the Yeomanry Koppies area is a recognised Anglo-Boer War battlefield. The historical Dutch Reformed Church building in Ntha and the Krusipad Missionary Church are also likely to be of interest, as are the other national monuments in the area.

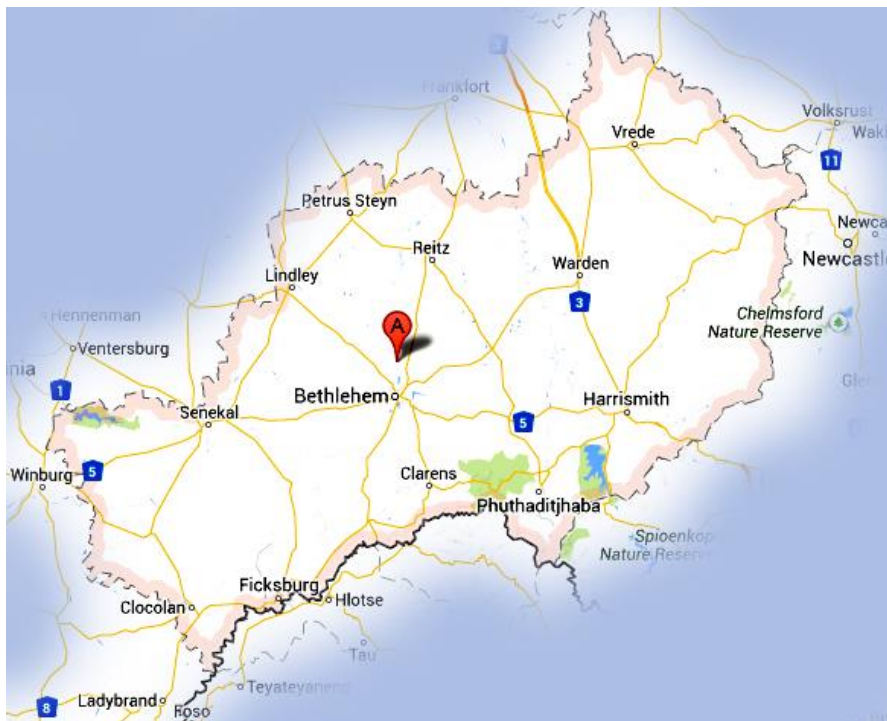
The Bielemielie Festival and annual stud auctions are popular with locals. Tourists can visit the agri-tourism route in Arlington. (Source: <http://www.freestatebusiness.co.za/municipalities>)

Figure / Table 1.2: Nketoana Municipality

Place	Area (km ²)	Population	Most spoken language
Arlington	5.51	222	Sotho
Cremona	0.46	2,021	Sotho
Leratswana	0.82	3,429	Sotho
Lindley	21.07	1,621	Sotho
Mamafubedu	1.38	8,121	Sotho
Ntha	2.16	8,500	Sotho
Mamafubedu (Petrus Steyn)	9.74	1,163	Afrikaans
Petsana	2.76	13,670	Sotho
Reitz	6.51	1,781	Afrikaans
Remainder of the municipality	5,560.92	21,423	Sotho

Source: <http://en.wikipedia.org>

Figure / Table 1.3: Map of the Nketoana municipal area



(Source: <https://maps.google.com>)

Trade and Industry in different towns:

Reitz

- **Background**

Reitz is the principal town of the area and economically the strongest. Lying almost halfway between Bethlehem and Frankfort on Route 26, Reitz is described as a peaceful village. It first became a municipality in 1903.



It is a small Free State town which is a centre for the maize, wheat and cattle farmers of the area. Its biggest claim to fame is that it has the largest maize silos in the southern hemisphere.

- **Trade and Services**

Reitz has a well-developed CBD in the centre of Reitz with a variety of retail businesses and related services including agricultural suppliers, wholesalers, retailers, general dealers, hair dressers, funeral parlors, pharmacies, bakeries, professional service providers and many more.

Apart from the above formal businesses, a substantial number of business activities are also to be found in Petsana, including spaza shops, vegetable shops, backyard repair shops, panel beaters, car washes, builders and so forth.

- **Industrial**

Reitz has two industrial areas situated directly to the north of Petsana and Reitz respectively where a variety of light and heavy industries can be found. Most of these industries are however related to and in support of the agricultural sector.

Mamafubedu (Petrus Steyn)

- **Background**

Mamafubedu (Petrus Steyn) is situated near the large hill Elandskop, the scene of many a skirmish between Boer and Brit during the Anglo-Boer War.

Research has indicated that Mamafubedu (Petrus Steyn) is the Free State town highest above sea level, at 1 702 meter above sea level and is dominated by one of the biggest co-operative grain silos in the Free State. The Renoster River has its source near the town.

- **Trade and Services**

Mamafubedu (Petrus Steyn) has a well-defined CBD. Businesses found within the CBD include the co-operation, a supermarket, retail shops and general dealers and liquor stores, a hotel and hair dressers. Other services of interest include financial institutions, medical doctor's practices, a pharmacy, an estate agency and funeral houses.

Mamafubedu accommodates quite a number of formal businesses, which is mostly situated at the entrance to Mamafubedu. There are quite a large number of residential sites used for mixed uses such as businesses, taverns, funeral parlours, fuel depots and spaza shops. These properties have not been rezoned as such.

- **Industrial**

One of Mamafubedu's (Petrus Steyn's) largest assets is the grain silo situated to the northwest of the town next to the railway station. The silos have the largest storage capacity of 102 000 tons in the Lindley district.



According to the co-operation, approximately 25 000 tons of maize are stored during May to August, whilst approximately 35 000 ton of wheat are stored during December to February each year. The industrial area itself is completely served and has good access from both external roads and the railway line, but is currently completely underutilized. There is ample land available for expansion should the need arise. Several other enterprises are situated in the town itself which include a warehouse, engineering works, a mill and bakery, 2 potato wash facilities, a fuel depot and various light industrial workshops.

Lindley

- **Background**

Lindley is named after a missionary, Daniel Lindley, an American Presbyterian minister of the Voortrekkers. Historically notable was the Battle for Yeomanry Hills which took place during May 1900 between British and Free State forces.

The farm Doornkloof of famous Voortrekker leader, Sarel Cilliers, is also in the district, forming today the national headquarters of the Voortrekkers youth movement.

- **Trade and Services**

Lindley has a well-defined CBD consisting of several businesses linear along the main road to the north and south of the CBD. Ntha has not yet a well-defined CBD although a concentration of businesses exists in the township. A need exists for the development of the large business site adjacent to the access road to Ntha to serve as an activity or business node.

- **Industrial**

No provision is made for light industrial sites in a designated industrial area in Lindley. A definite need exists for sites of this nature. A few light industrial sites were provided in Ntha along the main collector roads through Ntha.



Arlington

- **Background**

Founded in 1930, the village of Arlington is supported by a very strong agricultural district, especially cattle studs for the Simmentaler, Simbra and Angus breeds.

- **Trade and Services**

Arlington has a well-defined and accessible CBD adjacent to the major road between Bethlehem and Steynsrus. Leratswana has a small business activity node consisting of community facilities and shops adjacent to the access road. The business areas described indicate limited growth potential. Arlington has no industrial sites available due to the lack of available land.

(Source: <http://www.nketoana.fs.gov.za/>)



Figure / Table 1.4: Nketoana Municipal Area



(Source: <https://maps.google.com>)

Figure / Table 1.5: Population

Census 2001

Community Survey 2007

Census 2011

Male	Female	Total	% of Total
3038	3067	6105	10%
3505	3436	6941	11%
3989	4044	8033	13%
3852	4095	7947	13%
2818	3216	6034	10%
2196	2544	4740	8%
1735	2157	3892	6%
1638	1988	3626	6%
1452	1729	3181	5%
1258	1586	2844	5%
1123	1148	2271	4%
759	897	1656	3%
516	800	1316	2%
442	745	1187	2%
338	614	952	2%
208	320	528	1%
117	297	414	1%
81	200	281	0%

	Male	Female	Total	% of Total
0 - 4	3098	3705	6803	11%
4 - 9	2857	3188	6045	10%
10 - 14	3027	3264	6291	11%
15 - 19	3156	3576	6732	11%
20 - 24	2638	3354	5992	10%
25 - 29	2791	2798	5589	9%
30 - 34	2200	2256	4456	7%
35 - 39	1857	2322	4179	7%
40 - 44	1226	1569	2795	4%
45 - 49	1111	1382	2493	4%
50 - 54	1304	1759	3063	5%
55 - 59	1296	1589	2885	5%
60 - 64	815	942	1757	3%
65 - 69	421	738	1159	3%
70 - 74	309	473	782	1%
75 - 79	230	239	469	1%
80 - 84	147	280	427	1%
85 - 120	201	250	451	1%

	Male	Female	Total	% Total
0 - 4	3527	3591	7118	12%
4 - 9	3230	3328	6558	11%
10 - 14	2875	2931	5806	10%
15 - 19	2973	2910	5883	10%
20 - 24	2950	2921	5871	10%
25 - 29	2519	2654	5173	9%
30 - 34	2028	2173	4201	7%
35 - 39	1696	1851	3547	6%
40 - 44	1299	1647	2946	5%
45 - 49	1356	1643	2999	5%
50 - 54	1108	1441	2549	4%
55 - 59	985	1341	2326	4%
60 - 64	819	1015	1834	3%
65 - 69	513	749	1262	2%
70 - 74	321	563	884	1%
75 - 79	185	411	596	1%
80 - 84	131	302	433	1%
85 - 120	96	242	338	1%

(Source: Statistic South Africa: Census 2001 and Community Survey 2007)

Census 2001

Community Survey 2007

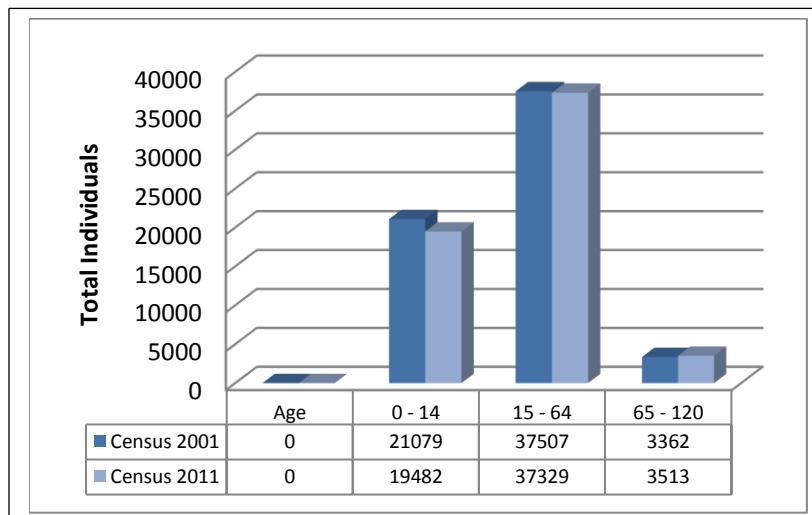
Census 2011

Age	Total Persons	Age group as %
0 - 14	21079	34%
15 - 64	37507	61%
65 - 120	3362	5%

Age	Total Persons	Age group as %
0 - 14	1939	4%
15 - 64	39941	89%
65 - 120	3288	7%

Age	Total Persons	Age group as %
0 - 14	19482	32%
15 - 64	37329	62%
65 - 120	3513	6%

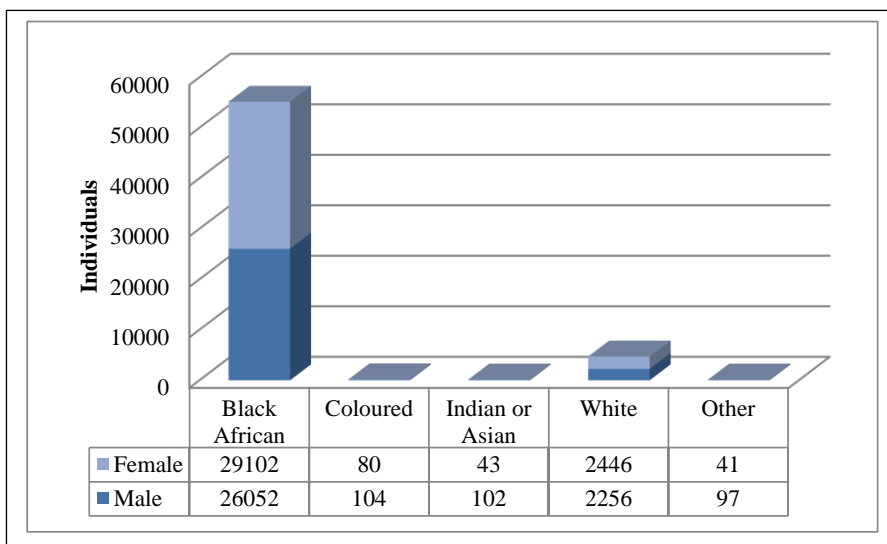
(Source: StatsSA)



(Source: StatsSA)

Figure / Table 1.6: Population Group (StatsSA, Municipal Fact Sheet, Census, 2011)

	Male	Female
Black African	26052	29102
Coloured	104	80
Indian or Asian	102	43
White	2256	2446
Other	97	41

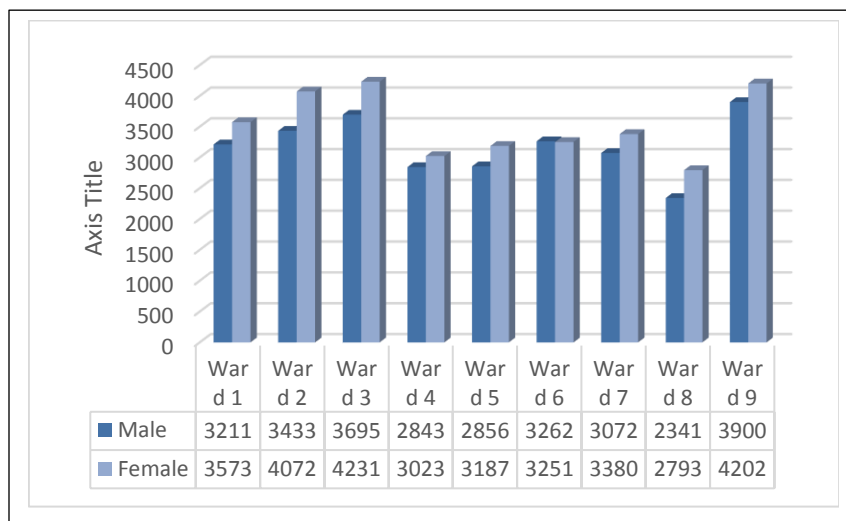


(Source: StatsSA, Municipal Fact Sheet, Census, 2011)

Population according to wards:

Figure / Table 1.7: Gender as per Ward

	Male	Female	Total
FS193: Nketoana	28611	31713	60 323
Ward 1	3211	3573	6 784
Ward 2	3433	4072	7 505
Ward 3	3695	4231	7 926
Ward 4	2843	3023	5 865
Ward 5	2856	3187	6 041
Ward 6	3262	3251	6 511
Ward 7	3072	3380	6 450
Ward 8	2341	2793	5 134
Ward 9	3900	4202	8 102



(Source: StatsSA, Municipal Fact Sheet, Census, 2011)

Figure / Table 1.8: Gender and population as per Ward

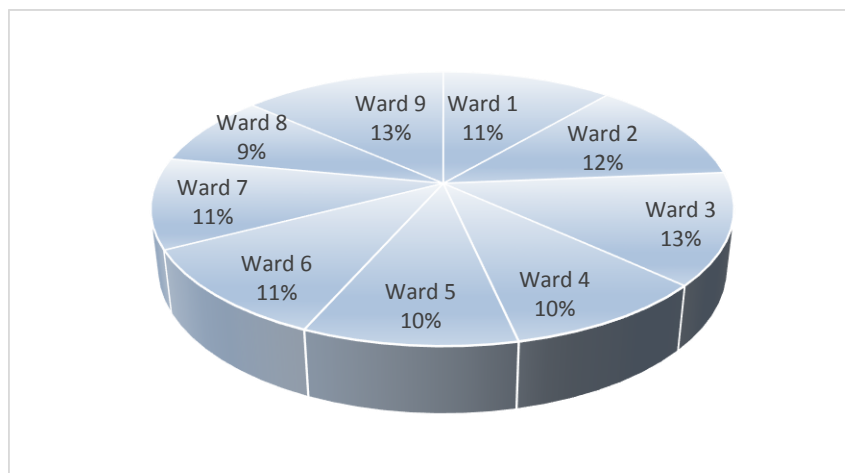
	Black African		Coloured		Indian or Asian		White		Other	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
FS193: Nketoana	26052	29102	104	80	102	43	2256	2446	97	41
Ward 1	2846	3189	9	7	25	8	325	367	6	2
Ward 2	3347	4011	17	11	17	10	45	39	7	1
Ward 3	3622	4177	15	10	9	2	43	40	6	2
Ward 4	2494	2656	10	10	14	9	312	339	12	9
Ward 5	2686	3018	2	9	6	2	156	154	5	3
Ward 6	2381	2349	22	10	12	2	810	872	36	17
Ward 7	2481	2732	14	7	10	9	555	628	10	4
Ward 8	2320	2785	2	2	5	1	7	4	7	1
Ward 9	3873	4186	13	13	5	1	2	1	7	1

According to Census 2011 62 % of the population are between the age of 15 and 64, 53% are female. The dominant language is Sesotho, with 75% speaking the language as a first language, 11% IsiZulu and 9% Afrikaans. The number of persons has decreased from 61950 (Census 2001) to 60324 (Census 2011), but the number of households has increased from 15039 (Census 2001) to 17318 (Census 2011). Which means that the service points in the municipality has increased with 2279 households.

(Source: StatsSA, Census, 2011)

Figure / Table 1.9: Number of persons as per Ward

Ward	Total persons
Ward 1	6784
Ward 2	7505
Ward 3	7926
Ward 4	5865
Ward 5	6041
Ward 6	6511
Ward 7	6450
Ward 8	5134
Ward 9	8102



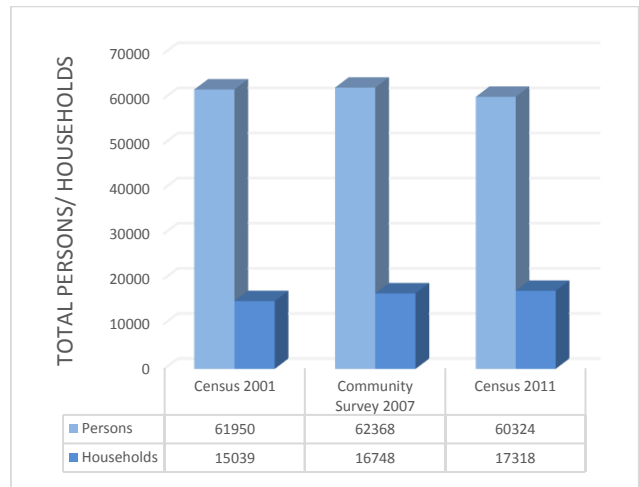
(Source: StatsSA, Census, 2011)

The population density in the area is approximately 10.8 persons per square km, which is substantially less than the national average of 32.

(Source: <http://en.wikipedia.org>)

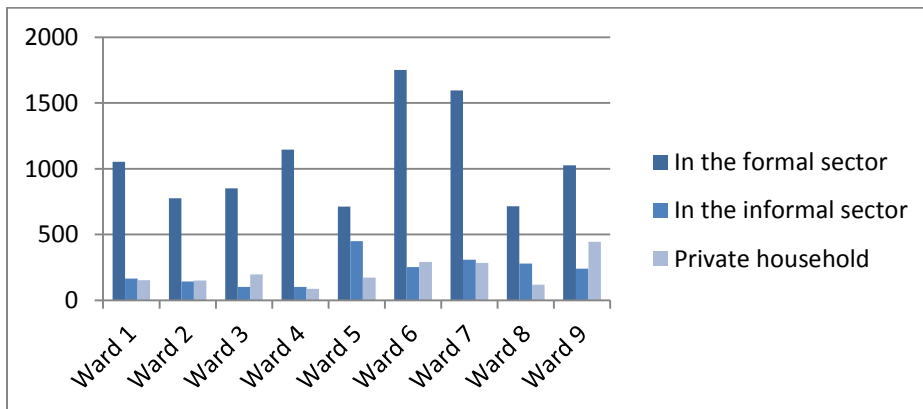
Figure / Table 1.10: Number of persons and households

Category	Census 2001	Community Survey 2007	Census 2011
Persons	61950	62368	60324
Households	15039	16748	17318



(Source: StatsSA, Census, 2011)

Figure / Table 1.11: Economic sectors per ward



	In the formal sector	In the informal sector	Private household
FS193: Nketoana	9630	2045	1900
Ward 1	1053	165	154
Ward 2	777	143	150
Ward 3	852	102	197
Ward 4	1145	101	87
Ward 5	712	451	173
Ward 6	1752	254	292
Ward 7	1597	308	285
Ward 8	716	279	118
Ward 9	1027	241	444

(Source: StatsSA, Census, 2011)

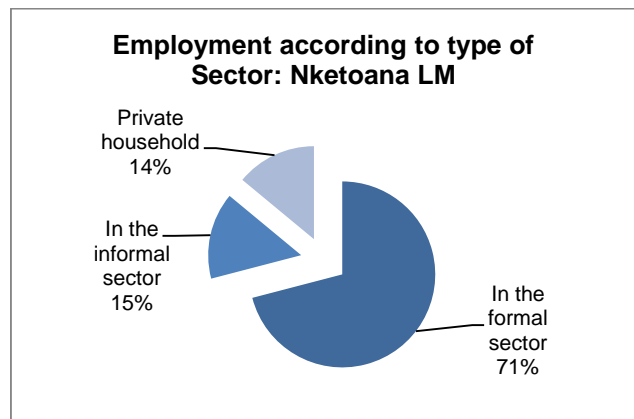
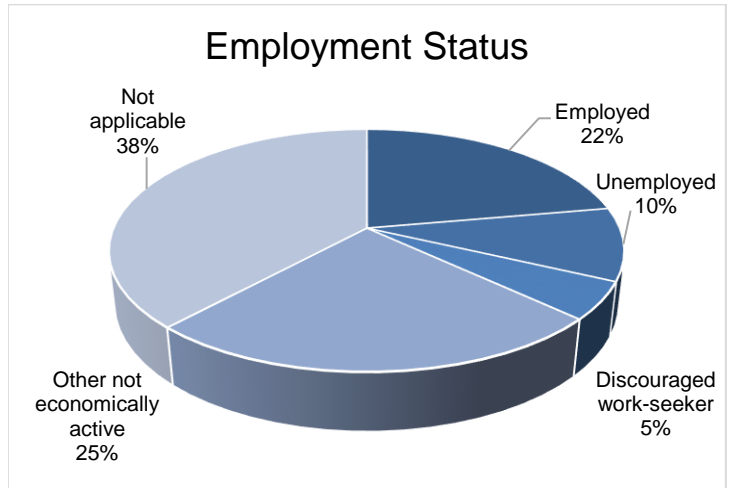


Figure / Table 1.12: Socio Economic / Employment Status

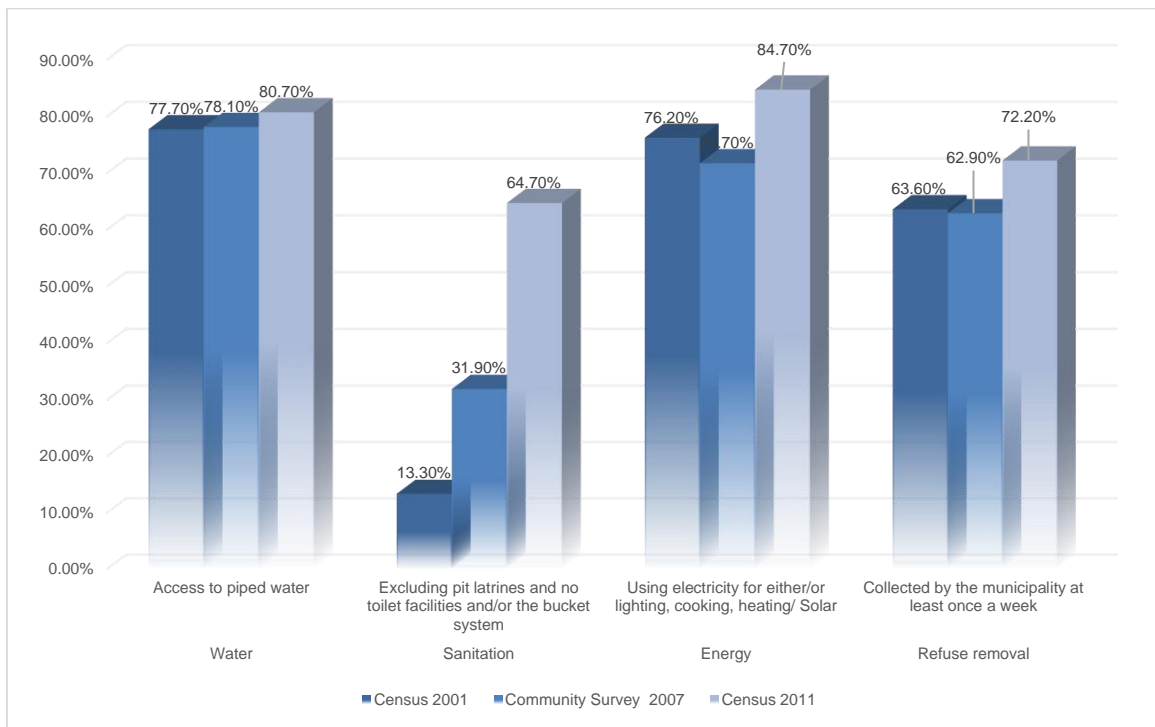
Employment Status	Total persons
Employed	13406
Unemployed	5855
Discouraged work-seeker	3007
Other not economically active	15063
Age less than 15 years	0
Not applicable	22994



(Source: StatsSA, Census, 2011)

1.3 Service Delivery Overview

Figure / Table 1.13: Basic Services Overview



(Source: StatsSA)

The Municipality has attained important progress with the delivery of basic services between Census 2001, Community Survey in 2007 and Census 2011. The above progress lines represented above are reflected in the Table below:

Figure / Table 1.14: Basic Services Overview (2)

Access to Basic Services				
Basic Service	Definition	Census 2001	Community Survey 2007	Census 2011
Water	Access to piped water	77.70%	78.10%	80.70%
Sanitation	Excluding pit latrines and no toilet facilities and/or the bucket system	13.30%	31.90%	64.70%
Energy	Using electricity for either/or lighting, cooking, heating/ Solar	76.20%	71.70%	84.70%
Refuse removal	Collected by the municipality at least once a week	63.60%	62.90%	72.20%

(Source: StatsSA)

1.4 Financial Health Overview

Figure / Table 1.15: Financial Health Overview

Nketoana Local Municipality

Annual Financial Statements for the year ended 30 June 2016

Statement of Financial Performance

Figures in Rand	Note(s)	2016	2015 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	26	128 350 794	111 255 685
Rental of facilities and equipment	27	331 864	356 580
Interest received (trading)	28	24 391 914	20 201 160
Other income	29	1 475 690	1 073 811
Interest received - investment	30	1 101 572	583 166
Total revenue from exchange transactions		155 651 834	133 470 402
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	31	16 612 976	15 835 059
Transfer revenue			
Government grants & subsidies	32	145 433 408	145 035 655
Public contributions and donations	33	8 942 783	4 299 995
Fines	34	216 310	205 404
Total revenue from non-exchange transactions		171 205 477	165 376 113
Total revenue		326 857 311	298 846 515
Expenditure			
Employee related costs	35	(80 810 390)	(74 798 709)
Remuneration of councillors	36	(6 891 541)	(6 676 993)
Depreciation and amortisation	37	(58 502 541)	(57 015 081)
Finance costs	38	(10 202 243)	(8 338 647)
Lease rentals on operating lease	39	(5 547 174)	(4 686 484)
Debt Impairment	40	(83 419 298)	(108 567 852)
Repairs and maintenance	41	(18 427 332)	(15 404 523)
Bulk purchases	42	(43 817 910)	(38 934 748)
Contracted services	43	(11 399 862)	(10 758 689)
General Expenses	44	(49 138 817)	(37 729 201)
Total expenditure		(368 157 108)	(362 910 927)
Operating deficit		(41 299 797)	(64 064 412)
Gain on disposal of assets and liabilities	45	-	36 425
Fair value adjustments	46	(25 963)	57 861
Actuarial gains/losses	22	61 000	708 000
		35 037	802 286
Deficit for the year		(41 264 760)	(63 262 126)

1.5 Organisational Development Overview

Figure / Table 1.16: Municipal Employees per category

Occupational category	Total according to race								Total
	A	%	C	%	I	%	W	%	
Legislators	15	83.33	0	0	0	0	3	16.67	18
Managers	12	80	0	0	0	0	3	16.67	15
Professionals	17	100	0	0	0	0	0	0	17
Technicians and Trade Workers	20	90.9	0	0	0	0	2	9.09	22
Clerical and Administrative Workers	106	98.25	0	0	0	0	2	9.09	108
Machinery Operators and drivers	381	100	0	0	0	0	0	0	381
Total	551	98.22	0	0	0	0	10	1.78	561

(Source: Workplace Skills Plan: 2015/16)

Figure / Table 1.17: Total Number of Employees in the Municipality who Received Training

Occupational category	FA	FC	FI	FW	MA	MC	MI	MW	TOTAL
Legislators	0	0	0	0	6	0	0	0	6
Managers	2	0	0	0	7	0	0	0	9
Professionals	3	0	0	0	5	0	0	0	8
Technicians and Trade Workers	0	0	0	0	6	0	0	0	6
Clerical and Administrative Workers	6	0	0	0	7	0	0	0	13
Elementary Occupations	1	0	0	0	12	0	0	0	13
Total	12	0	0	0	43	0	0	0	55

(Source: Workplace Skills Plan: 2015/16)

Figure / Table 1.18: Summary Employee Profile Data

Total number of black (African, Coloured, Indian) employees	551
Black employees as a % of total employees	98.22%
Total number of women employees	166
Women employees as a % of total employees	29.59%
Total number of employees with disabilities	1
Employees with disabilities as a % of total employees	0%
Total employees over the age of 55	63
Over 55 employees as a % of total employees	11.23%
Total employees between the ages of 35 and 55	356
Employees between 35 and 55 as a % of total employees	63.46%
Total employees under the age of 35	141
Employees under 35 as a % of total employees	25.13%

(Source: Workplace Skills Plan: 2015/16)

Figure / Table 1.19: Summary Employee Qualification Profile Data

EMPLOYEE QUALIFICATION PROFILE	
Total number of employees with an NQF Level 1 and below qualification	119
Employees with an NQF Level 1 and below qualification as a % of total employees	21.21%
Total number of employees with an NQF Level 2, 3 or 4 qualification	251
Employees with an NQF Level 2, 3 or 4 qualification as a % of total employees	44.74%
Total number of employees with an NQF Level 5 or above qualification	76
Employees with an NQF Level 5 or above qualification as a % of total employees	13.55%
Total employees who are Managers and Professionals with an NQF Level 6 or above qualification	21
Employees who are Managers and Professionals with an NQF Level 6 or above qualification as a % of total employees in those categories	21 of 32 = 56.62%
Total employees who are Technicians and Trade Workers with an NQF Level 5 or above qualification	2
Employees who are Technicians and Trade Workers with an NQF Level 5 or above qualification as a % of total employees in those categories	2 of 22 = 9.09%

(Source: Workplace Skills Plan: 2015/16)

1.6 Statutory Annual Report Process

The following statutory required annual reporting process has been complied followed during the 2015/16 financial year:

1	Consideration of the 2016/17 IDP Process Plan	July 2016
2	Implementation of the IDP and budget commences	July 2016
3	Compilation of the 2015/16 Annual Performance Report	August 2016
4	Compilation of the 2015/16 Annual Financial Statements	August 2016
5	Draft Annual Report (Performance Report and Annual Financial Statements submitted to the AG)	August 2015
6	Auditor-General assessed the 2014/15 Annual Financial Statements and Performance Report	September – October 2016
7	Municipality received back the Auditor-General's comments and start addressing issues raised	November 2016
8	Compilation of the 2015/16 Annual Report	January 2017
9	Public comments regarding the Annual Report is invited	February 2017
10	2015/16 Oversight Process	March 2017
11	Public inputs for the purposes of finalising the Oversight Report is invited	March 2017
12	Annual Report, Annual Financial Statements and Audit Management Letters considered with service planning for 2015/16	March 2017

