

EMTHANJENI LOCAL MUNICIPALITY



5TH GENERATION INTEGRATED DEVELOPMENT PLAN

EXECUTIVE SUMMARY *FINAL IDP 2022/2027*

MAY 2022



Integrated Development Plan 2022-2027: Executive Summary

Emthanjeni Local Municipality's Integrated Development Plan (IDP) provides the framework to guide the Municipality's planning and budgeting over the course of the set legislative timeframe (2022/23 – 2026/27). It is an instrument for making the Municipality more strategic, inclusive, responsive and performance driven. The IDP is therefore the main strategic planning instrument which guides and informs all planning, budgeting and development undertaken by the Municipality in its municipal area:

The Fifth Generation IDP 2022-2027 of Emthanjeni Local Municipality is structured as follows:

CHAPTER	DESCRIPTION	CONTENT
1	INTRODUCTION AND PURPOSE OF THE IDP	This Chapter outlines the approach to strategic planning and key processes that underpin and influenced the Fifth-generation IDP outcomes. It also provides background pertaining the legal framework for Integrated Development Planning and the IDP Process followed by Emthanjeni LM to compile the 5th Generation IDP 2022/27 and Budget 2022/25. It further explains community and stakeholder participation in planning and prioritisation setting and includes ward-based information.
2	OVERVIEW – 4TH GENERATION IDP 2016/17 – 2021/22 ACHIEVEMENT	This Chapter provides a Summary of the past five years' achievements (2016/17-2021/22) in line with the National Key Performance Areas.
3	MUNICIPAL PROFILE & SITUATIONAL ANALYSIS	This Chapter contains a profile of the municipal area using most recent data findings to analyse trends including the Municipal Socio-economic Profiles. The Municipal profile and status form a mechanism to achieve identified strategic objectives.
4	INSTITUTIONAL ARRANGEMENTS	This Chapter portrays the institutional framework of the Municipality as the existing governance model and expands on internal capacity to execute municipal policies and the IDP. Functions and responsibilities of the political and administrative structures are listed.
5	MUNICIPAL STRATEGIC AGENDA	This Chapter provides an explanation of the strategic agenda that guides municipal operations for the next five years. It includes Council's Vision, Mission, Municipal KPAs, Strategic Objectives and SWOT Analysis. It further gives detail on the status of internal sector and operational plans that are linked to this IDP and the overall strategic development objectives of the Municipality.
6	FIVE YEAR CORPORATE SCORE CARD	This Chapter contains the five-year Corporate Scorecard which is aligned to the Budget and will be implemented and monitored in terms of the annual Top Layer SDBIP for the next five financial years.
7	FINANCIAL PLAN	This Chapter gives an overview of the financial viability of the municipality as well as the applied process for implementation. It also includes multi-year budgets with a three-year commitment and a strategy for the municipal revenue generation. It furthermore focuses on the projects identified and funded to be implemented during the new financial year. It sets out each project's name, location as well as the potential sources of funding. A distinction is made between projects for which funding is available for the 2022/25 financial years and projects for which funding is not (yet) available, e.g., unfunded projects.
8	PERFORMANCE MANAGEMENT	Overview of Emthanjeni Local Municipality's Performance Management System.
9	INTERGOVERNMENTAL DEVELOPMENT PERSPECTIVE	Overview of the service delivery priorities of sector departments and public private partnership interventions planned for implementation under the Fifth-Generation IDP to be implemented within the jurisdiction of Emthanjeni LM.

According to Section 25(1) of the Local Government: Systems Act, No.32 of 2000, each municipal council must



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adopt an IDP after the start of its elected term within a prescribed period. An election represents the start of a 5-year IDP development process.







The fifth generation IDP aims to address most of the challenges and weaknesses of previous generations of IDPs which included a lack sector department involvement and alignment amongst other. The fifth-generation IDP cycle allows for the adoption of a new 5-year strategic plan that articulates the development agenda for the Emthanjeni Municipality for the period 2022 - 2027.


The process for development of the new five-year IDP 2022/2027 for Emthanjeni Municipality started with Council approving the IDP & Budget Process Plan and Time schedule with key deadlines on 31 August 2021. Due to the municipal elections that were only held during November 2021 as well as COVID 19 lockdown restrictions at that stage the municipality embarked on a process of public participation with Stakeholder Representatives in all towns of Emthanjeni Municipality in October 2021 as part of the IDP Analysis phase to gain input from communities for the compilation of the Draft Five-year IDP 2022/2027. It was followed by Council Meets the People engagements in the respective wards where the newly elected Councillors were introduced to the community of Emthanjeni and communities were granted an opportunity to provide inputs as well.

The **Draft** IDP 2022/2027 will be presented to Council by the end of March 2022 to be approved for public comments whereafter another round of public consultation engagements with Communities and Stakeholders of Emthanjeni Municipality will follow to gain input on the Draft IDP and Draft Budget. The **Final** IDP 2022/2027 (5th Generation IDP) will be tabled to Council for adoption at the end of May 2022 as prescribed by legislation.

The new Council held its first Annual Strategic Planning Session on 09-10 March 2022 to path the way for the next five years. The resultant outcomes informed the design and implementation of municipal-wide projects and programmes, as well as the delivery of services, maintenance of infrastructure and responsibilities to stimulate growth and development. This will enable the Municipality to accomplish the vision: **“A centre for development and service excellence focused on economic development in pursuit of a better life for all”**. In this regard, the 2022/23 municipal budget includes mainly projects regarding maintenance and provision of infrastructure.

Council's **Strategic Objectives** for the next five years remains as follows:














-  Provision of access to all basic services rendered to residents within the available resources.
-  Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives.
-  Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality.
-  Maintaining a financially sustainable and viable Municipality
-  Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area.
-  Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties.

-  Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor

Municipal Five-year Corporate Score Card

Based on the very limited financial resources, capacity, the municipality's 100% Grant dependency for capital projects and current challenges that must be addressed a Five-year scorecard was developed with Key Performance Indicators for the next five financial years. The score card including capital projects will be incorporated in the 5th generation IDP, IDP reviews and Top Layer SDBIP's for 2022/23 until 2026/27.

Key achievements in Service Delivery:

-  Upgrading of Kwezi Sports Ground; project has been completed;
-  Upgrading of Merino Sport Complex - the project is completed;
-  Repair and Refurbishment of Water Infrastructure;
-  Tarring of Rev Swart & Henry Botha Street;
-  Sanitation Project-Covid -19;
-  Water borne sewerage for Britstown, Phase 2 - Proteaville has been completed.
-  Connection of 481 households to the sewer reticulation network in Britstown-phase 3;
-  De Aar 600 (phase 3) servicing of sites;
-  Britstown 848 housing project: the construction of internal civil services;
-  De Aar 353 housing project
-  De Aar 2388 housing project: Site handover date was 22 January 2019; Project completion date is 06 April 2023; Project value of R534, 456 193.88; Construction period will be over period of 48 months.
-  Electrification of 18 houses in Hanover.
-  Upgrading of Stormwater systems- Phase 1&2 are complete only phase 3 that is outstanding.




















More projects implemented during the past five-year period can be viewed under Chapter 2.

The future economic attractions / planning for Emthanjeni area are:





-  Investments - attracting new businesses to Emthanjeni;
-  Promotion of BBBEE etc. SMME/Arts & Craft Village;
-  Renewable Energy / Tourism Hub;
-  De Aar Logistic & Storage Hub;
-  Renewable Energy opportunities
-  Conference Centre;
-  Advantage of National corridors (N1, N10, N12);
-  Washing of Solar PV Panels, Grass Cutting and maintenance, manufacturing of material locally;
-  Preferential procurement (30% commitment on all procurement be localized and report annually);
-  LED Summit & Review of LED Strategy 2018/22;
-  Labour market i.e., unemployment rate (official) 27,1% in 2019;
-  Upgrade of landing strip;
-  Hanover and Britstown sewerage plants;






-  Revitalization of Rail (Wagon Manufacturing Plant, Warehouse Hub);
-  Upgrading of Nature School (Poortjie – Municipal owned);
-  Development of industrial sites (Hanover/ Britstown/De Aar);
-  Urban Renewal Programme (Renewal of Townships – Kgotso Pula Nala Programme);
-  Town House Development;
-  Farming projects: Lucerne, Poultry, Ostrich etc.;
-  Upgrading and maintenance of parks in Emthanjeni;
-  Upgrading of Waste Water Treatment Works;
-  Amusement and Fun Park (Recreational)
-  Fast Charge Station at Britstown and Hanover
-  Van Der Merwe Park Housing Development
-  Rose Park Development (Spar Shopping Centre)
-  Shopping Mall Development
-  N10 Truck Stop Development

Municipal Challenges:

-  Eradication of 90 X Bucket System for Britstown and 30 x Sanitation (UDS Toilets) in Hanover;
-  Housing backlogs increasing e.g., not enough annual allocation to address backlogs;
-  Alignment between all spheres of government for coordinated planning;
-  Co-funding for infrastructure projects (alternative sources to supplement municipal budget);
-  Lack of serviced sites;
-  Roads & storm water backlogs;
-  Audit Opinion;
-  Electricity supply interruptions due to lack of maintenance, vandalism, aging infrastructure and load shedding;
-  Eskom Debt;
-  Vandalism to municipal property;
-  Ageing infrastructure e.g., Electricity and water networks;
-  Increasing of bad debtors remains a threat (poor payment culture for services rendered by consumers);
-  Inability of SMME's to respond to the local economy;
-  Insufficient funding of Municipal projects;
-  Electricity supply for economic development projects;
-  Water interruptions due to ageing infrastructure and loadshedding
-  Outdated Spatial Development Framework
-  Damaged road infrastructure caused by high volume of trucks passing through municipal area;
-  Water challenges at Hanover due to inadequate borehole water supply.

Interventions required:

-  Eradication of Bucket System for Britstown (Bulk & Network) and UDS Toilets for Hanover;
-  Upgrading of Hanover Groundwater Supply;
-  Accelerate the housing project (4391);
-  Funding for conference centre to host big events;

-  Funding for replacement/upgrading of ageing infrastructure (roads, electricity, sewerage, stormwater and water);
-  Funding required for upgrading of gravel roads/streets;
-  Funding for High Mast Lights and implementation of EEDSM programme;
-  Need for extra 2MVA for development in the area;
-  Assistance & funding required for review/develop of the following plans:
 - Water Service Development Plan (Updated)
 - Water Service Master Plan
 - Sewer Master Plan
 - Management Plan to reduce Non-Revenue Water
 - Waste Management Plan
 - Formal Operations and Maintenance Plans for all infrastructure
 - Contract Management Plan
 - Electricity and Roads Master Plan
 - Spatial Development Framework

2022/2023 Budget and Funded Capital projects:

The 2022/2023 budget of the Municipality amounts to R357 557 318 million as total revenue, including capital transfers and contributions, and R357 557 318 million as total expenditure. Financial viability is constrained by consumer priorities in terms of account payments and limited revenue-raising capacity. Capital transfers and contributions amount to R101 182 000 million and are an indication of the Municipality's dependency on grant funding.

The IDP includes a funded Capital projects in the 2022/23 budget as well as a list of 'unfunded needs', most of which are not associated with the mandate of a local municipality.

Funded Projects 2022/23 – 2024/25

Department	Project type	Description of project	Town/ Ward	Funding source	2022/2023	2023/2024	2024/2025	Total Project cost
Infrastructure Services	Water	Development of 12 boreholes in De Aar (Northern scheme)	De Aar	WSIG	R16 000 000,00	R11 675 000,00	R12 200 000,00	R33 658 639,30
Infrastructure Services	Sanitation	Construction of internal Sewer reticulation for Mziwabantu in Britstown	Britstown (Ward 7)	MIG	R10 409 672,76	R 4 898 669,54		R15 308 342,30
Infrastructure Services	Electricity	Installation of High Mast Lighting in De Aar	De Aar, Hanover & Britstown (ALL Wards)	MIG	R 22 765 971,76	R 1711377,24	-	
Infrastructure Services	Sports	Upgrading of Nonzwakazi Sports Ground	DE Aar & Hanover	MIG	R9 500 000,00	R0,00	R0,00	R9 500 000,00
Infrastructure Services	Electricity	Electrification of stands in De Aar	De Aar	INEP	R2 400 000,00	R4 000 000,00	R4 180 000,00	
Infrastructure Services		Projects to be determined		IG (EPWP)	R1 073 000,00			

Table 1: Funded Capital Projects 2022/23 – 2024/25