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ATTENTION: Mr Muhammad Haaziq Fakier

Western Cape Government
Department of Local Government
Waldorf Building, 8th Floor, 80 St Georges Mall
CAPE TOWN
8001

Dear Project Manager

PROGRAMME NAME: EMERGENCY MUNICIPAL LOADSHEDDING RELIEF GRANT

REPORTING PERIOD: August 2023

REPORT NUMBER: 006/2023

PROJECT NAME(S): Swellendam – Supply and Delivery of Emergency Generators

SUMMARY OF APPROVED SCOPE OF WORK PER PROJECT

The scope of the project entails the procurement and installation of back-up generators for critical water and wastewater infrastructure in the municipalities. The following locations are relevant:

- Barrydale Water Treatment Works – 80kVA
- Barrydale Booster Pump into an internal network (Middle reservoir) – 80kVA
- Barrydale Booster Pump from Sewerage Sump to WWTW – 30kVA
- Buffeljagsrivier Booster Pump from Sewerage Sump to WWTW 30 kVA
- Buffelsjagsrivier Water Treatment Works – 30kVA
- Suurbraak Booster Pump from source to WTW – 50kVA
- Swellendam Water Treatment Works – 80 kVA with trailer

PROCURED OR INSTALLED ASSET LOCATION(S)

The bidding prices were higher than estimated, hence the following location will receive installed generators:





- Barrydale Booster Pump from Sewerage Sump to WWTW – 30kVA (**upsized to 50 kVA**)
- Buffelsjagsrivier Water Treatment Works – 30kVA

The municipality adapted the procurement strategy to “**2 x 80 kVA with trailer,**” in order to rotate between the following locations:

- Barrydale Water Treatment Works – 80kVA
- Barrydale Booster Pump into an internal network (Middle reservoir) – 80kVA
- Buffeljagsrivier Booster Pump from Sewerage Sump to WWTW 30 kVA
- Suurbraak Booster Pump from source to WTW – 50kVA
- Swellendam Water Treatment Works – 80 kVA with trailer

The procurement of the generators is completed. The delivery of the two static generators were done to 23 Lind Street in June 2023. The “generator on trailer” generators were delivered to the SCM stores in Swellendam in August 2023.

The GPS coordinates and photographic evidence of corresponding asset will be provided after installation.

Site Name	Asset Name	GPS Location	Photograph
Barrydale Booster Pump from Sewerage Sump to WWTW – 50kVA	Barrydale WWTW Generator	-34.02862530075274, 20.43877472883627 (23 Lind Street – Stores)	
Buffelsjagsrivier Water Treatment Works – 30kVA	Buffeljagsrivier WTW Generator	-34.02862530075274, 20.43877472883627 (23 Lind Street)	
Various sites – as prioritised by Management (Generator on Trailer)	Swellendam Mobile Gen 001	-34.02862530075274, 20.43877472883627 (23 Lind Street)	
Various sites – as prioritised by Management (Generator on Trailer)	Swellendam Mobile Gen 002	-34.02862530075274, 20.43877472883627 (23 Lind Street)	

PROCURED ASSET INFORMATION

All relevant purchase orders, invoices, delivery notes & asset register number as annexures to be provided when the procurement of the generator were concluded.

Site Name	Purchase Order No.	Invoice No.	Delivery Note No.	Asset Register Number
Barrydale Booster Pump from Sewerage Sump to WWTW – 50kVA	115105	TAXINV-1000269	SI1000269	17307
Buffelsjagsrivier Water Treatment Works – 30kVA	115105	TAXINV-1000269	SI1000269	17307
Various sites – as prioritised by Management (Generator on Trailer) - 80 kVA	115105	TAXINV-1000278		17619
Various sites – as prioritised by Management (Generator on Trailer) - 80 kVA	115105	TAXINV-1000278		17622

OVERALL PROGRESS TO DATE

Tender - SMT 37/22/23_Supply and delivery of 3-phase silent diesel generators - was appointed to SA Professional Group of Companies on 18 April 2023. The purchase order was issued on 11 May 2023.

Delivery of the above-mentioned generators (4) were concluded.

OVERALL EXPENDITURE TO DATE

Expenditure to date:

Amount Received: R1 360 000.00 (incl VAT)
Invoices Received to Date: R480 987.50 (incl VAT) - Paid
Planned Expenditure: R1 274 487.50 (incl VAT)
Surplus: R85 512.50 (incl VAT)

% Expenditure to Date: 35%

PROGRAMME CHART AND CASHFLOW PROJECTIONS

Expenditure June 2023:	R480 987.50 (incl VAT).
Expenditure August 2023:	R0.00
Planned Expenditure September 2023:	R793 500.00 (incl VAT)

Rollover for R793 500.00 (incl VAT) was approved by Western Cape Provincial Treasury. Delivery of the two mobile units has been concluded. The finalisation of the procurement/payments is in process.



ANTICIPATED RISKS AND CHALLENGES

There was financial risk to the municipality, due to the commitment that is in place with the Service Provider. The order was already in process, before the close of the financial year, hence it could not be cancelled, nor suspended until a rollover process is approved.

MITIGATING ACTIONS

The Western Cape Provincial Treasury did in principle approve the rollover on 17 August 2023. The municipality to confirm the rollover approval in a budget adjustment process.

Municipality	Swellendam Municipality
The department responsible for the project	Infrastructure Services
Responsible person	Mr. Salman Herbst
Email address	sherbst@swellendam.gov.za
Telephone number	028-51 48552
The department responsible for reporting	Financial Services
Responsible person	Mr. Johan de Jager
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Document Control	Approved By	Reviewed By	Compiled By
Revision: Version 004	Name: W. Treurnicht	Name: G. Botha	Name: S. Herbst
Date: 07/07/2023	Signature: 	Signature:	Signature: 

Yours Sincerely,

Signature of Municipal Manager

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Date: 6 September 2023

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PROJECT NAME(S): Swellendam – Supply and Delivery of Emergency Generators – August 2023



Reference number: PTR 16/1/18/1

Private Bag X9165
CAPE TOWN
8000

Enquiries: Mr Lihle Balasana

The Municipal Manager
Swellendam Municipality
PO Box 20
SWELLENDAM
6740

For attention: Ms A Vorster

OUTCOME FOR ROLL-OVER OF UNSPENT PROVINCIAL CONDITIONAL GRANTS FOR THE 2022/23 FINANCIAL YEAR

Your letter dated 14 July 2023 refers.

The Western Cape Provincial Treasury has in principle granted approval, in terms of Section 10(2) of the Western Cape Appropriation Act, 2022 (Act No. 2 of 2022) and Western Cape Adjustment Appropriation Act, 2022 (Act No. 3 of 2022), to roll-over the unspent amounts of R795 354 for Informal Settlement Upgrading Partnership Grant: Provinces (Beneficiaries), R5 226 316.63 for Provincial Contribution Towards the Acceleration of Housing Delivery and R879 012.50 Emergency Municipal Load-Shedding Relief Grant.

The approved roll-over amounts **must** be fully spent by 30 June 2024 as no further roll-over will be allowed should there be unspent funds remaining at 30 June 2024.

The Municipality **must** provide the final unspent amounts for the above-mentioned conditional grants when the 2022/23 Annual Financial Statements have been audited. The approvals granted to the Municipality will be reviewed again once the audited 2022/23 Annual Financial Statements have been received and may be withdrawn if anomalies are identified.

The roll-over application for Title Deeds Restoration Grant did not meet the criteria for the infrastructure related conditional grants. It will be considered during the 31 August 2023 deadline.

Provincial Treasury advises the Municipality to adjust grant income projections for these grants according to Section 28 of the Municipal Finance Management Act (Act No. 56 of 2003) by passing a municipal adjustment budget. Please note the requirements of regulation 23(1) of the Municipal Budget and Reporting Regulations (Government Gazette No. 32141 dated 17 April 2009) which provides for timeframes by which a municipal council should pass an adjustment budget.

The Provincial Treasury together with the relevant provincial departments will continue to monitor the spending of provincial conditional grants allocated to the Municipality. The Municipality must ensure that all the funds that have been **approved** to be rolled over are reflected in Table SC7(2) of the C-Schedule and are fully spent during the 2023/24 financial year.

Steven Kenyon Digitally signed by
Steven Kenyon
Date: 2023.08.17
22:16:05 +02'00'

MR STEVEN KENYON
CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE

CC: The Head of Department: Provincial Treasury
The Head of Department: Department of Infrastructure
The Head of Department: Department of Local Government
The Chief Financial Officer: Swellendam Municipality