



BREEDE VALLEY
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FOR IMMEDIATE RELEASE

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MEDIA RELEASE

BREEDE VALLEY MUNICIPALITY IS NOT RESPONSIBLE FOR THE IMPLEMENTATION AND PERFORMANCE ON THE TRANSHEX PROJECT

WORCESTER

11 DECEMBER 2019

The Transhex Housing Project is implemented by the Department of Human Settlements, whose role it is to appoint and perform project management of contractors, as per their legislative mandate. Thus, all performance, scheduling and budgetary management of housing infrastructure projects fall within their responsibility.

According to the prescribed accounting process after the announcement of the project, the budgetary allocation for this project was transferred to the Breede Valley Municipality as they are regarded as the beneficiary of the Transhex Housing Project.

Breede Valley Municipality was informed via Government Gazette 8181 (26 November 2019) that over R80mil for the Transhex Housing Development Project had to be transferred back to the Department of Human Settlements. The Department formally informed the municipality that the funding allocation for this project was revised from R182 820 000 to R103 320 00 in their mid-year adjustment budget.

The Department of Human Settlements took unforeseen delays into consideration and proceeded with a downward revision of the initial targets, to ensure optimum spend of the infrastructure budget within the financial year. This process of revising cash-flows is often performed so that planned infrastructure budgets are re-distributed and spent upon existing projects to ensure their progress and completion, when necessary.

The Department of Human Settlements have accommodated the time delays in the construction of the Transhex Housing Project, by rescheduling the construction plan. Funding transferred from the project has not been "lost" as it will be re-allocated in the 2020-2021 financial year, when the remaining top structures will be completed in line with the revised construction plan.

Breede Valley Municipality appreciates the candour of the Department of Human Settlements in informing them of the change in planning and will continue to offer their support towards the timeous completion of the Transhex Housing Project.

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