



**MINISTRY
PUBLIC WORKS AND INFRASTRUCTURE
REPUBLIC OF SOUTH AFRICA**

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NATIONAL COUNCIL OF PROVINCES

WRITTEN REPLY

QUESTION NUMBER:	654 [CW751E]
INTERNAL QUESTION PAPER NO.:	31 of 2022
DATE OF PUBLICATION:	02 SEPTEMBER 2022
DATE OF REPLY:	14 OCTOBER 2022

654. Mr G Michalakakis (Free State: DA) asked the Minister of Public Works and Infrastructure:

Renovations at Odendaalsrus Police Station

- (1) (a) When did the renovations at the Odendaalsrus Police Station start, (b) what are the (i) names of the contractors that worked on the project, (ii) time frames that they were on site and (iii) reasons for the termination of the contracts, (c) how much was paid in advance before the work commenced and (d) what total amount was paid for work that (i) has been done and (ii) still be required;
- (2) whether she will provide a copy of service level agreements in this regard; if not, why not; if so, when;
- (3) (a) which budget was used to fund such renovations, (b) what is the current (i) status and (ii) budget of such project and (c) when will such project be completed;
- (4) whether any actions have been taken against the contractor that is responsible for the ceiling which collapsed on the head of an employee of the SA Police Service; if not, why not; if so, (a) what actions and (b) what are the further relevant details? **CW751E**

REPLY:

The Minister of Public Works and Infrastructure

I was informed as follows:

1(a) When did the renovation at the Odendaalrus Police Station start;

- The project was handed over to the Development Bank of South Africa ("DBSA") as an Implementing Agent. The renovations started on the 17 May 2018.

1(b)(i) What are the names of the Contractors that worked on the project;

- The name of the contractor is Metroprojects Developments PTY Ltd ("Metroprojects").

1(b)(ii) What are the timeframes that they were on site;

- Metroprojects was on site from 17 May 2018 until June 2021.

1(b)(iii) What are the reasons for termination of the contract;

- The circumstances that led to the dispute arose from delayed payments to the Principal Agent. The Consultant reduced their presence on site. The Payment issue was subsequently resolved on 8 September 2021, however the Contractor remained on site until around June 2021. Metroprojects was behind schedule when payment disputes arose.
- In August 2021, the Metroprojects submitted to DBSA a Standing Time Claim for the duration of the project where works could not continue on-site. While these matters were being evaluated in terms of the provision of the Contract. The Consultants instructed Metroprojects to resume with works onsite, once all the OHS requirements were met, including the reissuing of the Construction Permit by the Department of Labour which was issued on 22 September 2021.
- On the 26 September 2021 Metroprojects issued DBSA with the notice of termination due to the following reasons:

- ❖ Secession of works
 - ❖ Failure to have certificates certified on time every month and
 - ❖ Failure to pay the Standing Time Claim
- Negotiations commenced between DBSA and Metroprojects to set aside the termination, while the claim was being attended by the NDPWI. Initially, Metroprojects agreed to set aside the termination until December 2021, this was further extended to 28 February 2022. During this time, DBSA submitted the claims with recommendations to the NDPWI for consideration after they were adjudicated by the Principal Agent for an initial payment of about R1.9 million while other activities were being reviewed, but they were rejected. Metroprojects' condition was for moneys to be paid in advance before work commenced. This was also one of the circumstances which made NDPWI, to allow DBSA to accept the termination notice from the Contractor.

1(c) how much was paid in advance before the work commenced;

- No advance payments were made.

1 (d)(i) what total amount was paid for work done to date;

- R56 576 778.89 (including Vat) was paid to Metroprojects, for work done.

1(d)(ii) what total amount is still be required;

- R20 510 619.21 will still be required

(2) Whether she will provide a copy of service level agreements in this regard; if not, why not; if so, when;

- A copy of the Service Level Agreement is hereby attached as, Annexure A.

(3)(a) Which budget was used to fund such renovations;

- The Planned Maintenance Budget was used to fund the project

3(b)(i) What is the current status;

- The current status is 64% of work was done at the time of work stoppage.

3(b)(ii) What is the current budget of such project;

- The current of such project is R 77 087 398.10

3(c) When will such project be completed;

- The final delivery is anticipated to be on 17 February 2024.

(4) Whether any actions have been taken against the contractor that is responsible for the ceiling which collapsed on the head of an employee of the SA Police Service; if not, why not; if so, (a) what actions and (b) what are the further relevant details?

- In July 2022, the Department of Labour and Employment issued a prohibition notice on site and closed the Police Station due to the absence of running water, falling ceilings, hazardous electrical cables, and the poor condition of the Temporary CSC Office. At this time the Contractor had vacated site and DBSA were finalising the interim final account following the termination. The site was under construction and had not been handed over to SAPS for full occupation.
- An action plan was developed to address the prohibition notice. The activities were immediately attended to by DBSA to restore the building's OHS condition. However, the first floor has no electricity. In the interim, DBSA has embarked on a

process to procure the services of an Electrical Contractor to restore power on the first floor and provide the security services while the processes of putting a replacement Contractor on site are ongoing.

MS. P DE LILLE, MP
MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE
DATE: