



GAUTENG PROVINCE

HEALTH
REPUBLIC OF SOUTH AFRICA

**TO: MS N. NKOMO-RALEHOKO
MEC HEALTH: GAUTENG AND WELLNESS**

**FROM: MR L. A MALOTANA
HEAD OF DEPARTMENT**

DATE: 25 JUNE 2025

**SUBJECT: RESPONSE TO LEGISLATURE QUESTION 5.HL118
WITH REGARDS TO BOITUMELO CLINIC IN EMFULENI.**

5. HL118. With regards to the Boitumelo clinic in Emfuleni, could the MEC please indicate:

(i) when did this project start;

The Brief for the project is dated 20/05/2010

PSP – ADI Consortium appointed in 2013/2014, SLA signed in 2016.

Contractor 01 - NJR Projects appointed on 29/11/2016, Contract No. DID 172/11/2015 for Contract Sum = R69 727 756.01 (incl VAT)

NJR Projects - Site Handover Date = 30/03/2017

NJR Projects – Planned Completion Date = 09/02/2018

Due to community disruptions, works was stopped on site and contractor didn't return to site, rather they chose to terminate the contract by mutual agreement on 30/04/2018 after a series of warnings from the IPM.

Contractor - NJR Projects total paid = R 3 886 307.21

PSP – ADI Consortium total paid = R 9 593 991.35

Contractor 02 – Shomang Construction cc appointed on 02/05/2019, Contract No. DID/40/09/2018 for Contract Sum = R 94 801 343.87 (incl VAT)

Access Date = 24/02/2020

Site Handover Date = 09/03/2020

Planned Completion Date = 08/03/2021

Shomang Construction cc certified & paid = R 6 134 680.53 on 02/2021

Shomang Construction cc certified & unpaid = R 1 129 230.56

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Final Adjudication Award on 25/02/2023 = R 13 714 356.11 (incl VAT and R1 129 230.56 as previously certified.

PSP – ADI Consortium was not paid any fees on contract 02.

The contractor was appointed on the 02nd May 2019. The site was handed over to the contractor on the 24th February 2020. Subsequently the contractor established site and started with the project.

(ii) when was it supposed to be completed;

Contract 01 Planned Completion Date = 09/02/2018

Contract 02 Planned Completion Date = 08/03/2021

The project was scheduled to be completed on the 8th March 2021. (12 months construction period).

(iii) when will it be completed;

The Boitumelo Clinic brief will need to be relooked at since it is 15 years old, therefore the project is in Planning Stage. Currently all projects in planning have been put on hold due to budget constraints.

The contract was terminated due to community interference and unrest.

Currently the project is in planning stage. Projects on infancy planning stages including new Boitumelo Clinic are currently halted due to budget reprioritization.

(iv) why is the construction of the clinic not completed;

Shomang Construction cc contract was cancelled in 21/02/2022 by GDID, however no termination letter was issued as DID-SCM required a court order to terminate the valid contract. This resulted in the Contractor going to arbitration for a resolution on the way forward.

The appointed contractor was terminated due to community interference and unrest. The community prevented the contractor from fulfilling his contractual obligations. Subsequently the contractor and GDID mutually agreed to terminate the contract.

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(v) what was the initial budget for this project;

R1,5 million was allocated for planning of the project in 2015/16. Total of R40 million was allocated in 2015/16 for implementation of the project over the MTEF.

(vi) how much has the department spent to date on the project;

Total paid to date = R 19 614 979.09, based on the ffg,

NJR Projects = R 3 886 307.21

ADI PSP Fees = R 9 593 991.35

Shomang cc = R 6 134 680.53

Total still out-standing = R 13 714 356.11

(vii) who are the service providers that have been appointed on this project; and

PSP - ADI Investments (Project Managers/ Principal Agents, Quantity Surveyors, Electrical Engineers, Mechanical Engineers, Civil/Structural Engineers and Architects.

PSP – GIBB (Occupational Health & Safety Agent)

Contractor 01 – NJR Projects

Contractor 02 - Shomang Construction cc

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(viii) how much has been paid to each service provider?

PSP - ADI Investments = R 9 593 991.35

Contractor 01-NJR Projects = R3 886 307.21

Contractor 02 – Shomang Construction cc = R 6 134 680.53



Mr. S. Khobo

Director: Infrastructure Delivery

Date: 25/06/2025

Supported Not supported/ Supported with amendments



Mr. X. Galada

DDG: Infrastructure Management

Date: 26/06/2025

Supported/not supported/supported with amendments



Mr. L.A. Malotana

Head of Department

Date: 25/06/25

Approved/not approved/ approved with amendments



Ms. N. Nkomo-Ralehoko

MEC: Health

Date: 02/07/2025