**MEDIA STATEMENT**

**NO VALUE FOR MONEY WITH R1 BILLION REVAMP OF 1 MILITARY HOSPITAL**

**Parliament, Friday, 3 September 2021 –**The Joint Standing Committee on Defence is extremely concerned by the unending repair and maintenance programme (Ramp) of the first floor of 1 Military Hospital in Tshwane. The committee’s concerns are based on the cost implications involved, with over R1 billion already expended as well as the cost of medical outsourcing, which are depleting an already-constrained budget.

As a result, the committee has requested to be furnished with a forensic report commissioned by the former Chief of the South African National Defence Force and progress so far in implementing the recommendations of that report. “We find it extremely problematic that the Ramp that started in 2005/2006 financial year is yet to be concluded. It seems that the project is turning into a milking cow with no end in sight, which negatively affects the fiscus,” said Mr Elleck Nchabeleng, the Co-Chairperson of the committee.

While the committee welcomes the intentions to use the Defence Works Formation to finalise the project, the uncertainty in relation to the funding and the projected 29 months to complete the project is disquieting,

The committee is also concerned by the escalating cost paid by the department for medical outsourcing as a result of the stalled project. The committee was informed that between 2016/17 and 2019/20 financial years the department spent R138.7 million, R177.8 million, R130.3 million and R182.4 million respectively. The committee’s concerns are heightened by the cost escalations, on one hand by construction and on the other the cost of medical outsourcing.

“The 1 Military Hospital lost its accreditation as level 4 hospital by the African Union and United Nations to support external and international peace-keeping operations, largely due to the non-completion of the repair and maintenance work commissioned in 2006. What is concerning is that we can’t satisfactorily point to the value we have received from the expenditure so far,” said Mr Cyril Xaba, the Co-Chairperson of the committee.

The committee resolved to revisit the 1 Military Hospital to get to the bottom of the matter and ensure accountability. This will include receiving a detailed breakdown of the expenditure thus far, consequence management against officials and companies involved in wrong doing and a way forward.

Meanwhile, the committee is disappointed that a whistle-blower that lodged allegations of corruption against the former Minister of Defence and Military Veterans, Ms Nosiviwe Mapisa-Nqakula, has sent the committee from pillar to post trying to get to the bottom of the complaint. The members were unanimous that the allegations made are serious and the committee had taken time to initiate an investigation on the matter, but the non-commitment to share information with the committee made the process futile.

The committee had requested an affidavit to initiate the process of investigating the matter and the whistle-blower has refused to comply. The committee views all corruption allegations in a serious light, but is also of the view that allegations should be backed by credible information in support of the allegations. The committee cautioned against spurious allegations because of the potential damage they might have on an alleged offender.

The committee has resolved that the matter is closed, as there is nothing that the committee can work on.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CO-CHAIRPERSONS OF THE JOINT STANDING COMMITTEE ON DEFENCE, MR CYRIL XABA AND MR MAMAGASE NCHABELENG**