**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**PARLIAMENTARY QUESTION NO.140**

**DATE OF QUESTION: 10 FEBRUARY 2022**

**DATE OF QUESTION: 24 FEBRUARY 2022**

**Mr W Horn (DA) to ask the Minister of Justice and Correctional Services:**

What (a) is the reason that the building of the new Magistrates Court in Port Shepstone has not been completed and (b) are the details of the cost overrun caused by the delay to finalise the project?

**NW144E**

**REPLY:**

1. Basil Read was appointed in 2014 as the contractor for the construction of the new Port Shepstone Magistrate Court. The site was handed over to the contractor in October 2014 with the initial construction period of 24 months. The contract was terminated following payment disputes and voluntary business rescue of the contractor in 2019.

The Department of Public Works and Infrastructure (DPWI) disputed the terms and conditions that the contractor required for contract cancellation and the matter is in litigation. Part of the dispute is the contract final account, which was prepared by DPWI, that Basil Read is rejecting.

DPWI has since advertised the outstanding scope and it took more than 18 months to appoint the replacement contractor to complete all the outstanding works. The replacement contractor (Musan Trading Enterprise) was appointed, and the site was handed over in September 2021. The project is anticipated to be completed in March 2023.

1. The first contract of Basil Read was awarded at a contract amount of R286 million over 24 months. By the time the contract of Basil Read was terminated, R265 million was already paid to the contractor for work done. Basil Read is further claiming R162 million for the final account, which DPWI is refusing to pay, a matter which is part of the litigation in court.

The second contract was awarded at R95 million over 18 months. The project is anticipated to be completed in March 2023. The new scope includes incomplete (outstanding) works, remedial works, commissioning and snagging.

**END**