# NATIONAL ASSEMBLY

**FOR WRITTENREPLY**

**QUESTION NO. 1858**

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**(INTERNAL QUESTION PAPER NO. 32)**

**Mr M Tshwaku (EFF) to ask the Minister of Health:**

What happened to the R3,5 million that his department allocated to refurbish the Laetitia Bam Day Hospital in Port Elizabeth?

###### NW2258E

**REPLY:**

According to the Eastern Cape Department of Health, of the allocated budget to the Project, 4 (four) payment certificates were processed and paid to the contractor appointed (Ikhono Projects) which amounted to a total of R461,520.40, with a retention of R24,290.54 still held back by the Eastern Cape Department of Health.

Due to the Contractor initiating a termination of the contract, as a result of late payments, and thereafter vacating the site, the remaining budget was re-prioritized by the Eastern Cape Department of Health to fund other Projects within the project portfolio. This re-prioritized budget would be re-allocated in the following financial year once a new contractor has been procured or an alternative resolution being arrived upon between the two parties (the Department and Ikhono Projects).

END.