

**MINISTRY FOR HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.:2034**

**DATE OF PUBLICATION: 30 JUNE 2017**

**Mr M S Malatsi (DA) to ask the Minister of Human Settlements:**

(a)What total expenditure did each provincial department of human settlements incur on legal fees over (i) contractual disputes with contractors and (ii) labour disputes with departmental officials in the 2016-17 financial year and (b) what are the (i) full details and (ii) final outcomes in each case? **NW2249E**

**REPLY:**

The information provided by the provinces in response to the Honourable Member’s question is provided below:

**Eastern Cape:**

| **(i)Contractual Disputes With Contractors**  **Expenditure Incurred on Legal Fees** | **(i)Contractual Disputes With Contractors** | **Final Outcomes In Each Case** | **(ii) Labour Disputes With Departmental Officials In 2016/17 Financial Year** | **(i) Full Details** | **(ii) Final Outcomes In Each Case** |
| --- | --- | --- | --- | --- | --- |
| 1 105 773 | The dispute was about the services rendered. | The Department settled the amount as per court order and the matter has been finalized. | value of R276159.00 | Unfair Dismissal | Case was dismissed in favour of the employer |
| 490 530 | Plaintiff claimed after rendering services to the Department without a valid extension to the agreement with the Department on the Mayfield Phase 2 project. | The Department settled the amount as per court order. The contract ended 18 May 2017 and extension of time was requested | value of R33832.80 | Unfair Dismissal | Case in progress |
| 955 737 | Plaintiff is suing the Department for professional services rendered on the Motherwell project. Plaintiff left site but claimed to be paid for services rendered as it is claimed that they suspended services due to the conduct of the Department and therefore be paid for the time they could have spent on the project. | The parties are exchanging pleadings. The contract ended 23 March 2013 | - | - | - |
| 2 280 301 | The contractor is suing the Department for work done and completed in terms of a cession entered into with a contractor, contracted to the Department on the Lubala 94 project. | Matter pending before court. | - | - | - |
| 400 338 | The contractor is suing the Department for services rendered on the Gardening and Greening project. There is a dispute on the value of the services rendered and the contractor has failed to submit documentation proving their claim. | The matter is pending before court. | - | - | - |
| 4 287 111 | The dispute was about the installation of services in the Bethelsdorp Phase C project. | But the matter has been finalised and the department settled.  The contract extended up to 31st March 2018 | - | - | - |
| 147 247 | The Department entered into an agreement with the contractor for construction services on the All Saints 700 Inkwenkwezi Project. The contractor contracted a number of subcontractors in the project without the knowledge of the Department.  The claim is a dispute for non-payment of the subcontractors. | The matter still in court.  An extended contract ended 11 February 2016 | - | - | - |

**Free State:**

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| **(I)Contractual Disputes With Contractors** | **(Ii) Labour Disputes With Departmental Officials In 2016/17 Financial Year** | **(I) Full Details** | **(Ii) Final Outcomes In Each Case** |
| Contractor vs the provincial Department of Human Settlements | None | Dispute is as a result of a breach of contract by the Contractor that led to the Department terminating the contract for poor performance and poor workmanship. | A plea has been filled and the case is pending in court. |
| Contractor vs the provincial Department of Human Settlements |  | Matter is a contractual dispute over a cession agreement that the parties cancelled. | Province has filed a plea and the matter is set down for trial for the 21, 22 and 24th November 2017. |
| Contractor vs the provincial Department of Human Settlements |  | Dispute arose as a result of a breach of contract by the Contractor, which led to the Department terminating the contract, based on failure to perform in terms of the contract. | Case was withdrawn by the Applicant. |
| Total Legal Costs Paid during 2016/17 financial year is R 164 487.00. | |  |  |

**Mpumalanga Province**

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| **Expenditure Incurred On Legal Fees** | **(i)Contractual Disputes with contractors** | **Final Outcomes In Each Case** | **(ii) Labour Disputes With Departmental Officials In 2016/17 Financial Year** | **(i)Full Details** | **(ii) Final Outcomes In Each Case** |
| R926 216.47 | The Attorneys were appointed to represent the Department against matters involving four contractors. | Two matters are still being processed and the other two have been finalised | R407 586.00 | The matter is between the Department and two employees | Both matters are still being processed |

**North West**

| **(i)Contractual Disputes with contractors** | **(ii) Labour disputes with departmental officials in 2016/17 financial year** | **(i) Full details** | **(ii) Final outcomes in each case** |
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| N/A | The Department of Local Government and Human Settlements in North West and an employee | The case is about a nullified appointment | The matter is still before the labour court |
| N/A | The Department of Local Government and Human Settlements in North West and an employee | Unfair dismissal claim | The matter is still before the labour court |
| N/A | The Department of Local Government and Human Settlements in North West and an employee | Level of grading dispute in terms of Resolution 3 of 1999 | The matter is still before the labour court |
| N/A | The Department of Local Government and Human Settlements in North West and an employee | Unfair dismissal claim | The matter is still before the labour court |

**KwaZulu-Natal**

(a)(i) None

(ii)None

(b)(i)None

(ii)None

**Limpopo Province**

(a)(i) None

(ii)None

(b)(i)None

(ii)None

**Northern Cape**

(a)(i) None

(ii)None

(b)(i)None

(ii)None

**Western Cape**

(a)(i) None

(ii)None

(b)(i)None

(ii)None

**Gauteng Province**

The information is being collated and it will be provided once the process has been finalised.