###### National Assembly

###### Question Number: 843

**843. Mr M S F de Freitas (DA) to ask the Minister of Transport:**

With reference to the reply to question 3558 on 10 November 2017 regarding incomplete train stations, (a) what number of contracting companies have gone into liquidation (i) in the (aa) 2015-16 and (bb) 2016-17 financial years and (ii) since 1 April 2017 to date, (b) what are the implications and cost implications of each project for (i) Prasa and (ii) his department and (c) what mechanisms, processes and procedures are in place to measure the sustainability of contracting companies when appointed and (d)(i) when were the mechanisms, processes and procedures introduced and (ii) what outcomes have been experienced as at the latest specified date for which information is available? NW928E

**Response:**

With reference to the reply to question 3558 on 10 November 2017 regarding incomplete train stations:

1. None of the companies that were contracted to perform work on the stations went into liquidation (i) in the (aa) 2015-16 and (bb) 2016-17 financial years and (ii) since 1 April 2017 to date.
2. There are no additional implications, costs and otherwise, arising for (i) PRASA and (ii) the Department since none of the companies were liquidated.
3. Companies are required to submit financials, undergo bank rating when tendering, and during the contract phase, the company will submit security such as retention and a performance guarantee. In the building environment the contractors are monitored and assessed by an appointed project manager that they meet financial obligations of the contract, e.g. ensuring that the required plant, tool and material is available for the project.
4. (i) It has been an on-going requirement for every project/tender that is issued to the market.

(ii) None, since no contractors have negative outcomes, e.g. liquidation.