



public works & roads

Department:
Public Works and Roads
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

Government refuses to pay R114m for a 10km road...

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The construction of a 10km tar road in Molelema and Matsheng villages, North West, has been halted for more than a year now as the government disputes that it should fork out R114 million for the project.

Transport Minister Fikile Mbalula has revealed that the project to tar the gravel road will remain on hold until a court delivers its ruling.

Replying to written parliamentary questions, Mbalula said the government sought to appeal an adjudication outcome that found it liable to pay R114m to Botong Nkolele Joint Venture, contracted in 2019 for the project.

The joint venture was awarded the contract to construct the road for R65m. This amount was based on its bid, which was the lowest of 24 bidding construction groups.

Of the 24 tendering groups, 20 placed their bids well over R100m. The highest bid was R190.5m, while the second highest was R168.6m.

Botong Nkolele was due to start the construction on February 17, 2020 and complete it by January 2021. But just 58% of the project was done.

Detailing the background of the dispute, Mbalula said: "Prior to the awarding of the tender, the contractor confirmed in writing that it would be able to complete the work within the tendered scope, price and time frame.

"Immediately after commencement of the project, the contractor demanded an additional amount of R49m.

"This would have increased the project value from R 65 018m to R114m with a variance of R49m, which constitutes an increment of 77%

Ends

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