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#### MEDIA STATEMENT

#### SIX CONTRACTORS BLACKLISTED WITH MORE LIKELY TO FOLLOW AS KZN PUBLIC WORKS AND INFRASTRUCTURE TIGHTENS SCREWS

Today, the MEC for the Department of Public Works and Infrastructure in KwaZulu-Natal, Martin Meyer, announced that so far six contractors have been blacklisted by the department. This means the contractors will not be doing work for KZN Public Works and Infrastructure through its clients in the near future.

Of the six blacklisted contractors, four are contracted to projects belonging to the provincial Department of Education and two to the provincial Department of Health with reasons for blacklisting including:

- Site abandonment
- Lack of adequate on-site human resources
- Substandard workmanship
- Poor cashflow management
- Poor project scoping and costing

For the longest time shortcomings by incompetent contractors have been draining KZN Public Works and Infrastructure of hundreds of millions of Rands as new contractors would have been brought to complete projects, which results in a costly knock-on effect of money and delays.

It has also emerged that some contractors take up work while fully aware of their shortcomings and incapabilities simply because they would still get paid and there was no consequence prior. This is their modus operandi from project to project.

In some instances, contractors would bid for a project only to rely on subcontractors to carry out the work in its entirety.

# "Dodgy contractors, be warned. The days of doing substandard work, getting paid for it and getting away with no accountability are over!", MEC Meyer has sternly warned.

In bringing accountability to dodgy contractors KZN Public Works and Infrastructure will institute section 23.4 of the PFMA, (Provincial Finance Management Act).

As such, also, the PFMA SCM Instruction No 03 of 2021/2022 (6.1), confers powers to the Accounting Officer as follows:

6.1 The AO/AA must, in writing, notify a person of -

(a) the intention to restrict the person from doing business with the state;

(b) the grounds for the restriction;

(c) the intended period of restriction, which may not exceed ten years; and

(d) the right to make representations within 14 days as to why the person should not be restricted.

As a means of fairness, KZN Public Works and Infrastructure will allow contractors to give their reasons on why the department should not implement the restriction, often referred to as blacklisting. An appeals process is also afforded to them.

## "Contractors remain important players and such we see them as our equal and we are ready to help wherever we can", said MEC Meyer.

KZN Public Works prides itself in the dedication that has been shown by those contractors who have been equal to the task and delivered needed services to the satisfaction of the taxpayers and the department.

The department also continues to invest in the strengthening relations with contractors and as such the Contractors Imbizo roadshow which has covered the length and breadth of KZN is one of the ways to directly meet with and engage contractors.

The roadshow also brings along with it various expert stakeholders in the areas of finance, taxes, accreditation and registration, among others, to help contractors become more compliant. In implementing contractor feedback KZN Public Works and Infrastructure now advertises all tenders of all sizes online and site meetings are now done via virtual hybrid, saving contractors time and money while making opportunities equally accessible to all.

To assist our contractors KZN Public Works and Infrastructure continues to encourage existing and new contractors to make the most of our open-door policy so that they can be afforded the assistance required.

However, to those who still want to see the department as a means to make a quick buck they must be prepared to cement their fate with accountability.

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