

Bhisho to pay R80m after epic legal battle

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The Eastern Cape government has reached the end of a long and tortuous legal road and must finally fork out more than R80m in damages and interest to an East London firm of architects that rendered no service whatsoever.

After some 16 years of staggering government and legal blunders, the Supreme Court of Appeal (SCA) has unequivocally dismissed the provincial public works department's application for special leave to appeal against a judgment that ruled that the government must pay out the massive damages award

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to Ikamva Architects.

Through no fault of its own, the firm was never given the opportunity to earn one cent of the money. The interest on the initial R44m damages award to Ikamva Architects in 2012 has doubled and the legal fees will be massive after the provincial public works department opted to continue to fight a case the courts had made abundantly clear it could never win.

The SCA has now added its voice to this.

SCA judge Azhar Cachalia and acting judge Jannie Eksteen ruled: "The application for special leave is dismissed with costs on the grounds that the re-

quirements for special leave have not been satisfied."

Both the health and public works departments received a drubbing for what the courts termed their serial defaulting, recklessness and repeated failure to comply with court orders. It all began in 2003 when public works appointed Ikamva as its architectural consultants to oversee the R1.3bn Frere Hospital upgrade.

The department signed an agreement with Ikamva.

But, bizarrely, shortly after being appointed by public works, the work was again advertised and another firm of architects was appointed to do

the same work. Ikamva said in court papers that this constituted a repudiation of the agreement and sued the department for R44m in damages that it said it had suffered as a result. This is the profit Ikamva said it would have enjoyed had the department not unlawfully repudiated the contract.

The public works department admitted its blunder, but claimed the agreement was invalid because it had no power to enter into it in the first place.

Public works spokeswoman Vuyokazi Mbanjwa said the health and public works department had still to discuss the SCA decision.