

Western Cape's new Central hospital unveiled with focus on academic services



By [Katja Hamilton](#)

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During the Hospital Association of South Africa's annual conference (HASA2023), Thorpe Koorts, the Director of Infrastructure for the Western Cape Government, made a groundbreaking announcement affirming the ambitious plan for a new Central hospital.



Source: Supplied. Tygerberg Hospital has exceeded its life expectancy by two decades hence the need for a new Central Hospital in the Western Cape.

This visionary healthcare facility is set to take shape on the Tygerberg Campus, strategically located alongside the existing Tygerberg Hospital. It's part of a broader initiative to bring three new hospitals to the Western Cape. The other two hospitals are slated for construction along the Klipfontein Corridor, near the former GF Jooste Hospital site, and in Belhar, opposite the UWC Campus.

Unveiled at the conference held in Century City this week, the new Central hospital, with its construction estimated to cost R5bn (excluding equipment), will be established as part of a public-private partnership (PPP).

"This will be the biggest PPP that we have ever done, and bar the Gautrain, it may be the biggest one in the country," Koorts said.

It marks a new era of medical excellence and innovation in the Western Cape region.

The new 600-900 bed facility will be situated on 18 hectares of land to the west of Tygerberg Hospital, which will remain operational throughout the construction process.

Koorts pointed out that the current Tygerberg Hospital has exceeded its life expectancy by two decades and emphasised the need for a new Central Hospital in the Western Cape. The hospital, while impressive when originally built, has become prohibitively expensive to maintain.

A CSIR study conducted in the early 2000s highlighted its obsolescence.

Koorts said it was decided to redirect the maintenance budget towards partnering with a private entity to fund and construct the new hospital, using the allocated funds for unitary payments, following a financially feasible model.



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Construction of the Central hospital is scheduled to commence in 2026 and conclude by 2030, with commissioning expected by 2031. Afterward, the Western Cape Government will transition services from the old hospital to the new facility, redirecting primary and secondary services to Belhar's new hospital and retaining academic and tertiary services at the Central Hospital.

"The aim is to complete these two hospitals, the Central Hospital and the new Belhar Hospital, in close proximity to streamline the transition process.

"The reason behind restructuring services is to focus on pure academic services, given the presence of three higher learning institutions on-site: Stellenbosch University Medical School, UWC, and CPUT," Koorts said.

Regarding funding requirements, a thorough case study was conducted for Tygerberg via PPP, following national treasury guidelines (PPP recommendation 16). The feasibility study indicated value for money and affordability.

"A private party will be procured to design, construct, finance, and maintain the building over 20 years. The private party will secure its financing for construction, with a capital contribution from the provincial treasury," Koorts said.

"Expenses will be recouped over 20 years through a unitary payment funded from the national budget."

Tier 1 approval was secured from the National Treasury in November 2020.

ABOUT KATJA HAMILTON

Katja is the Finance, Property and Healthcare Editor at Bizcommunity.

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