

Circular H133 / 2022

TO ALL SMS MEMBERS / CHIEF DIRECTORATES / DIRECTORATES / DISTRICTS / SUB-STRUCTURES /
SUB DISTRICT MANAGERS / FACILITY MANAGERS

WESTERN CAPE GOVERNMENT HEALTH [WCGH] SECURITY CONTRACT MANAGEMENT: IMPLEMENTATION OF PENALTIES FOR SECURITY SERVICE PROVIDER NON-COMPLIANCE

The Sub-Directorate: Security Services has conducted several Security Contract Management Monitoring and Evaluation Assessments at various facilities in line with the WCGH Security Strategy.

The assessments reveal facilities are experiencing ongoing challenges with the implementation of penalties for Security Service Provider Non-Compliance in relation to the signed Security Service Level Agreement (SLA).

This was also a key finding in the 2021/22 Auditor General Security Service Audit.

In light of this, the Sub-Directorate has developed a guideline to assist Security Contract Managers with the implementation of penalties.

The guideline provides further clarity to Security Contract Managers on what constitutes a penalty in relation to the signed Security Service Level Agreement (SLA) and how to correctly implement and manage the penalty process.

The guideline is attached as Annexure A.

Further information on the implementation of penalties for Security Service Provider Non-Compliance in relation to the signed Security Service Level Agreement (SLA) is available on the Sub-directorate: Security Services SharePoint Webpage.

For any queries regarding the Circular colleagues are welcome to contact:

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It will be appreciated if this Circular is shared with Security Contract Managers in your respective components and geographic areas.

Yours sincerely

DR ANWAR KHARWA
DIRECTOR: FACILITIES MANAGEMENT
DATE:

Guideline how and when to Impose a Penalty for Non-Compliance

1. **Service Level Agreement (SLA):** A legal commitment between a service provider (SP) and the Department.
2. **Transgression:** Security Contract Manager detects a noncompliance in terms of the signed SLA.
3. **Notification:** Security Contract Manager immediately or the next working day notifies the SP of the transgression/s in writing via email. If the transgression is not an immediate penalty, then sufficient time must be provided to the SP to remedy the situation. The Security Contract Manager must far as possible include evidence of the transgression e.g., photos / video / CCTV footage / staff reports.
4. **Immediate Penalty:** These transgressions are: absence from premises without proper permission; sleeping on duty; using intoxicating substance / being under the influence of intoxicating substances while on duty; Sexual / verbal harassment; enabling any person to secure stolen property from the premises is an immediate penalty.
5. **Credit Note:** The SP must provide the Department with a credit note equating to the number of transgressions / infringements.
6. **Audi Alterum Partum Rule:** The Department must provide the SP sufficient time to remedy transgression.
7. **Response to transgression:** The Department must identify if the remedial action was satisfactory or unsatisfactory within the specified timeframe.
8. **Penalty Waivered:** The Department, if satisfied with remedial action from the SP can decide to waiver the penalty.
9. **Correspondence:** All correspondence between the Department and the SP must be in writing.
10. **Penalty Calculation Example:**
 - 1% per guard, per transgression of the applicable monthly contract value of the service.

Example:

Total Monthly Contract value: R470,000.00

x1% penalty per transgression

R470,000.00 x1%

= R4,700.00 **per transgression.**



Penalty Process Flow

