

## APPROVAL FOR DEVIATION FROM NORMAL PROCUREMENT PROCESSES

**FROM: SM MAHLO**

**DATE: 2026/08/24**

**DIVISION: OFFICE OF THE CEO**

**TEL: 014 5974636**

**REF NO:**

**For Procurement Use):**

**SUBJECT:** Request for the approval:

- a deviation from normal procurement procedure to extend the scope of Fepang Protection Group with one month to cover the sites vacated by BaMogale Security Solutions at Far West Region following contract termination.

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### FORWARDED TO YOU FOR:



x Approval



Verification



For Your Records



Information



Action as required



Reading Proof



Other

### 1. PURPOSE:

To request the accounting officer to approve:

A deviation from normal procurement procedure to extend the scope of Fepang Protection Group with one month to cover the sites vacated by BaMogale Security Solutions at Far West Region following contract termination

or.

- a deviation from normal procurement procedure to extend the scope of Fepang Protection Group to cover the sites vacated by BaMogale Security Solutions at Far West Region following contract termination.

## 2. BACKGROUND

Magalies Water appointed BaMogale Security Solution on 24<sup>th</sup> of July 2023 to provide guarding security services at South West Region for a period of 36 months. The contract commenced on 01<sup>st</sup> of August 2023 and was set to lapse on 31 July 2026.

There had been several non-compliance with the contract terms by BaMogale and Magalies Water convened meetings in a quest to remedy the bridges. The meetings were followed by letters requesting the company to rectify the situation with timelines. The first letter (**Annexure A**) was written to the company on 22<sup>nd</sup> of August 2024 raising several non-compliance issues which were addressed after several delays. The second letter (**Annexure B**) was written on 26<sup>th</sup> of November 2025 raising concern in respect of delayed payment of salaries to the employees of BaMogale which had been occurring in the past. The letter was essentially prompted by the incidents that occurred on 03<sup>rd</sup> of November and 26<sup>th</sup> of November wherein security officers of the company staged plant closures at Taung Water Treatment Plant and intimidated Magalies Water employees. The third and final incident occurred on 11<sup>th</sup> of March 2026 at Ganyesa and Morokweng offices as a result of non-payment of salaries and the security officers locked the gates of both offices preventing the employees of Magalies Water from accessing their workplace. The incident resulted in Magalies Water terminating the contract (**Annexure C**) with immediate effect and requesting Fepang Security Group to take over the security functions on an emergency basis. The letter referred to as (**Annexure C**) stated on the last paragraph that should there be a further transgression on the other area whereby the service provider is still having a contract with Magalies Water, similar steps of immediate contract termination will also apply.

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On 14 August 2026, the security officers of Bamogale Security Solutions went on strike and intimidated other security guards to abandon Montshiwa District Office, Mafikeng Regional Office, Lokaleng Pump Station and Boreholes 2 and 3 as well as Borehole 4 due to non-payment of salaries. The matter was brought to the attention of the Security Department and indication was that the striking security officers are moving to other sites to stage similar action with the intention of remove guards from the entire Region.

As an intervention, the Management had to be engaged to verbally give a permission to terminate the contract of BaMogale Security Solution and replace them with another service provider to save the situation. A go ahead was given and a message was communicated to the striking guards to desist from further disruptions as the contract of BaMogale is being terminated effective immediately. The call was heeded and order was restored. The termination letter (**Annexure D**) was issued to the service provider the same day.

BaMogale's original contract had lapsed on 31 July 2026 and the contract that was terminated on 14 August was a two-month extension that was due to lapse on 30 September 2026 (**Annexure E**).

### **3. DISCUSSION**

The affected sites are as follows with a number of guards deployment:

#### **3.1 Mafikeng and Itsoseng Areas**

- (i) Mafikeng Regional Office – 5 Guards (3 X Day & 2 X Night shift).
- (ii) Montshioa District Office – 6 Guards (3X Day & 3 X Night shift).
- (iii) Madibogo House – 4 Guards (2 X Day & 2 X Night shift).
- (iv) Gelukspan Camp – 4 Guards (2 X Day & 2 X Night shift).
- (v) Lokaleng Boster Pump Station -3 Guards (1 X Day & 2 X Night shift).

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- (vi) Itsoseng Reservoir – 3 Guards (1 X Day & 2 X Night shift).
- (vii) Signal Hill Reservoirs 4 Guards (2 X Day & 2 X Night shift).
- (viii) Mafikeng Water Treatment Works- 4 Guards (2 X Day & 2 X Night shift).
- (ix) Mmabatho Raw Water Pump Station - 4 Guards (2 X Day & 2 X Night shift).
- (x) Mmabatho Water Treatment Works - 6 Guards (3 X Day & 3 X Night shift)
- (xi) Boreholes Two & Three – 3 X Guards (1 X Day & 2 Night Shift)
- (xii) Borehole 4 -3 Guards (1 X Day & 2 Night Shift)
- (xiii) Jansberry Camp Borehole - 4(2 X Day & 2 Night Shift)
- (xiv) Mafikeng Unit 3 house – 2 (1 X Day & 1 Night Shift)

A total security complement of 55 Grade C Guards deployment for Mafikeng and Itsoseng Areas.

### **3.2 Lehurutshe and Tswasa Scheme Areas**

- (i) Lehurutshe Local Office – 4 Guards (2 X Day & 2 X Night shift).
- (ii) Dinokana Water Treatment Works – 3 Guards (1 X Day & 2 X Night shift).
- (iii) Dinokana Reservoirs – 3 Guards (1 X Day & 2 X Night shift).
- (iv) Sehujuwane Water Treatment Works – 3 Guards (1 X Day & 2 X Night shift).
- (v) Sehujuwane Intermediate Booster Pump -3 Guards (1 X Day & 2 X Night shift).
- (vi) Tswasa Water Scheme Local Office – 4 Guards (2 X Day & 2 X Night shift).
- (vii) Molatedi Dam -5 Guards (2 X Day & 3 X Night shift).
- (viii) Nine N4 Boreholes- 6 guards (3 X Day & 3 X Night Shift)

A total security complement of 31 Grade C Guards is deployed for Lehurutshe Region.

The required deployment at all the Far West Region sites is 86 Grade C Guards, 2 Grade B Mobile Supervisors for day shift and 2 Grade B Mobile Supervisors for night shift, two vehicles for mobile supervisors dayshift and two

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for nightshift and two site patrol vehicles for Tswasa Scheme and Molatedi Dam.

### 3.3 Withdrawal and subsequent reinstatement of rural water scheme sites

On a BAC meeting of 29 July 2026 in which BaMogale Security Solutions contract for Far West was extended for two months (**Annexure E**), the same contract that was later terminated on 14 August, the committee requested that the sites connected to rural water schemes be removed from the approved list. The affected sites were N4 bore holes at Lehurutshe, Bore holes 2 & 3 as well as Bore hole 4 at Mafikeng. The sites were removed as indicated on the submission named Annexure E.

Before the withdrawal, Magalies Water notified the Municipality in a letter (**Annexure F**) about the intention. The Municipality wrote a letter in response to the withdrawal and requested that the services be reinstated with an undertaking to reimburse Magalies Water in relation to the associated costs (**Annexure G**). The reinstatement was limited to up until 31 August with further extension depending on further direction from the Municipality. Magalies Water agreed to the request as per the attached letter (**Annexure H**), hence the sites were introduced in this submission.

4 The value of this Deviation request?

☐ R0 – R500k

☐ R500k – R1 Million

x ☒ more than R1 Million

5 Previous history of deviations related to this vendor:

| DEVIATION NUMBER | DATE  | VALUE |
|------------------|-------|-------|
| None             |       |       |
|                  |       |       |
|                  | TOTAL |       |

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## 6. REASON FOR THE DEVIATION REQUEST

☐ CASE OF EMERGENCY (Lack of Planning does not constitute an emergency)

☐ SOLE PROVIDER

☒ IMPRACTICAL (strip and quote)

☐ OTHER

## 7. The appointment of Fepang Protection Group on a 30 days contract

The contract termination of Bamogale result in a vacuum that needed to be filled immediately on an emergency basis. Fepang Security was appointed by Magalies Water on a 15-month contract for a period of 01<sup>st</sup> of June 2025 to 30<sup>th</sup> of September 2026 (Annexure M).

### 7.1 Reasons for the appoint of Fepang Protection Group ahead of other security companies in possession of valid contracts with Magalies Water

Fepang Protection Group's rates are low as compared to other Magalies Water security service provider (TNG and Wenzile Phapha) rates and that will be outlined below on the Financial Implication section of the submission.

## 8. FINANCIAL IMPLICATIONS

### 8.1 The approved rates for Fepang Protection Group for the current variation contract

The following are the rates that are approved on a current contract and will be used for the extension of the scope:

Table 1: Cost for a 30-day (01-30 September 2026) deployment for guarding security services required for Far West Region calculated by using the rates quoted for the existing contract of Fepang Protection Group

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| Personnel                                                    | Grade         | Area                                                                                                 | Rate per shift | Rate for 30 days (01 September – 30 September) 30 days                                                                                                                              | Amount for 30 days (01 September – 30 September) 30 days         | Total Amount   |
|--------------------------------------------------------------|---------------|------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------|
| Security Guard                                               | Armed Grade C | Far West Region                                                                                      | R 681.07       | R681.07 X 30= R20 430.30                                                                                                                                                            | R 20 430.30 X 86 (day & night) = R 1 757,005.80                  | R 1 757,005.80 |
| Security Supervisor                                          | Grade B       | Far West Region                                                                                      | R724.5         | R 724.50 X30= R 21 735.00                                                                                                                                                           | R 21 735.00 X 4 (2-day Supervisor & 2-night shift) = R 86 940.00 | R 86 940.00    |
| Cost of two way radios                                       |               | A radio cost R50 per month. It is R1.66 per day. R1.66 X 30 days = R 49.80                           |                |                                                                                                                                                                                     |                                                                  | R 49.80        |
| Firearm costs                                                |               | Firearm cost is R500.00 each per month. 10 firearms are required per month= R500.00 X 10 = R 5000.00 |                |                                                                                                                                                                                     |                                                                  | R 5000.00      |
| Vehicles cost                                                |               | Mobile Supervisor vehicle R 17 250.00 per month for two vehicles (one per 24 hour rate)              |                |                                                                                                                                                                                     |                                                                  | R 34 500.00    |
| Site patrol vehicles cost                                    |               | One for Tswasa Scheme and one for Molatedl Dam at R17 250.00 each per month                          |                |                                                                                                                                                                                     |                                                                  | R34 500.00     |
| Grand total for a 30 days (01-30 September 2026) extension = |               |                                                                                                      |                | R 1 757, 005.80 Grade C guards + R 86 940.00 Grade B Supervisors + R 69 000.00 Vehicles (mobile and site patrol) + 5000.00 firearms + R49.80 radios cost= R 1 952, 494.70 (VAT Inc) |                                                                  |                |

## WENZILE PHAPHAMA COST BREAKDOWN

Table 2: Cost for a 30-day (01-30 September 2026) deployment for guarding security services required for Far West Region calculated by using the rates quoted for the existing contract of Wenzile Phaphama

| Personnel      | Grade         | Area            | Rate per shift                       | Rate for 30 days (01 September – 30 September) 30 days                | Amount for 30 days (01 September – 30 September) 30 days                                  | Total Amount   |
|----------------|---------------|-----------------|--------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|----------------|
| Security Guard | Armed Grade C | Far West Region | R922.22 (Day)<br><br>R968.33 (Night) | R922.22(Day) X 30= R27 666.60<br><br>R968.33(Night) X 30 = R29 049.90 | R 27 666.60 X 43 day = R 1 189, 663.80<br><br>& R 29 049.90 X 43 night) = R 1 249, 145.70 | R 2 631 137.75 |

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|--------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Security Supervisor                              | Armed Grade B | Far West Region                                                                                                                                                                                                       | R1003.58 (Day)<br>R1080.66 (Night) | R1003.58 X 30 = 107.40<br>R1080.66 (Night) X 30 = R32 419.80 | R 107.40 (Day) X 2 = R 60 214.80 +<br>R32 419.80 (Night) X 2 = R64 839.60                                                                                                         | R 125 054.40                 |
| Cost of two-way radios                           |               | A radio cost R573.85 per month. It is R19.13 per day.<br>R19.13 X 22 X 30 days = R 12 645.60<br><br>A radio cost R573.85 per month. It is R19.13 per night.<br>R19.13 X 22 X 30 days = R 12 645.60                    |                                    |                                                              |                                                                                                                                                                                   | R 12 645.60 X 2 = R25 291.20 |
| Firearm costs                                    |               | Firearm cost is R26.44 per day shift and R26.44 per night shift. 10 firearms are required per day= R264.40 X 30-day shifts= R7 932.00<br>10 firearms are required per night = R R264.40 X 30-night shifts= R 7 932.00 |                                    |                                                              |                                                                                                                                                                                   | R 7 932.00 X 2= R 15 864.00  |
| Mobile Supervisor Vehicles cost                  |               | Mobile Supervisor vehicle is R 13 126.53 per month. R 13 126.53 X 4 vehicles = R 52 506.12                                                                                                                            |                                    |                                                              |                                                                                                                                                                                   | R 52 506.12                  |
| Site patrol vehicles for Tswasa and Molatedi Dam |               | Mobile Supervisor vehicle is R 13 126.53 per month. R 13 126.53 X 4 vehicles = R 52 506.12                                                                                                                            |                                    |                                                              |                                                                                                                                                                                   | R 52 506.12                  |
| Grand total for 01-30 September 2026 extension = |               |                                                                                                                                                                                                                       |                                    |                                                              | R 2 631 137.75 Grade C guards + R 70 864.16 Grade B Supervisors + R 125 054.40 vehicles + R15 864.00 firearms + R25 291.20 radios cost= R 2 902,359.59 + 15% VAT = R 3 337 713.52 |                              |

### COST BREAKDOWN OF TNG

Table 3: Cost for a 30-day (01-30 September 2026) deployment for guarding security services required for Far West Region calculated by using the rates quoted for the existing contract of Tihomphanang Business Enterprise

| Personnel           | Grade         | Area            | Rate per shift                   | Rate for 30 days (01 September – 30 September) 30 days            | Amount for 30 days (01 September – 30 September) 30 days                       | Total Amount    |
|---------------------|---------------|-----------------|----------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------|
| Security Guard      | Armed Grade C | Far West Region | R657.78(Day)<br>R677.51 (Night)  | R657.78 (Day) X 30= R19 733.40<br>R677.51(Night) X 30= R20 325.30 | R 19 733.40 X 43 day = R848 536.20<br>& R20 325.30 X 43 night) = R 873, 987.90 | R 1 722, 524.20 |
| Security Supervisor | Armed Grade B | Far West Region | R778.31 (Day)<br>R801.66 (Night) | R778.31 X 30 = R23 349.30<br>R801.66(Night) X 30= R 24 049.80     | R23 349.30 (Day) X 2 = R46 698.60<br>& R24 049.80 X 2 = R48 099.60             | R 94 798.20     |

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|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cost of two-way radios                           | A radio cost R335.00 per month. It is R11.16 per day.<br>R11.16 X 22 X 30 days = R 7 365.60<br><br>A radio cost R335.00 per month. It is R11.16 per night.<br>R11.16 X 22 X 30 days = R 7 365.60 | R 7 365.60 X 2= R14 731.20                                                                                                                                                         |
| Firearm costs                                    | Firearm are charged at R0                                                                                                                                                                        | R0                                                                                                                                                                                 |
| Mobile Vehicles cost                             | Mobile Supervisor vehicle is R 5000 per month day and<br>R5000.00 per month night. R 5000.00 X 4 = R20 000.00                                                                                    | R 20 000.00                                                                                                                                                                        |
| Site Vehicles for Tswasa and<br>Motatedi Dam     | R5000 each per month X 2 = R10 000.00                                                                                                                                                            | R 10 000.00                                                                                                                                                                        |
| Grand total for 01-30 September 2026 extension = |                                                                                                                                                                                                  | R 1 722, 524.20 Grade C guards + R 94 798.20<br>Grade B Supervisors + R 30 000.00 Vehicles +<br>R0 firearms + R14 731.20 radio's cost= R1<br>862,053.60 + 15% VAT = R2 141, 361.64 |

The above cost breakdown indicates the following:

- (i) Cost for extension of 01 – 30 September 2026 for Wenzile Phaphama – **R 3 337 713.52 (VAT Inc)**
- (ii) Cost for extension of 01 – 30 September 2026 for TNG – **R2 141, 361.64 (VAT Inc)**
- (iii) Cost for extension of 01 – 30 September 2026 July for Fepang Protection – **R 1 952, 494.70 (VAT Inc)**

## 9. OPTIONS/RISKS

The risk of disapproving this request will result in the assets of the South West Region exposed to crimes such as theft and vandalism which will have a dire implication for the organisation's capacity to deliver on its mandate.

## 10. LEGAL IMPLICATIONS

### 10.1 Deviation from normal procurement procedures

Section 16.A6.4 of the Treasury Regulations issued in terms of Public Finance Management Act (**Annexure I**), 1999 state that *"If in a specific case it is impractical to*

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on.

*invite competitive bids, the accounting officer or accounting authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the accounting officer or accounting authority".* Extension of the short-term security services contract of Fepang Protection Group of scope is a deviation from normal procurement process. The deviation needs to be recorded and approved by the accounting officer in line with the above Treasury Regulations requirement.

## **11. IMPLEMENTATION PLAN / DELIVERABLES**

Once the submission is approved, the Office of the Chief Security Officer will request Supply Chain Management to liaise with the service providers to officially communicate the approved request for the actioning of same.

## **12. CONTACT PERSON**

SM Mahlo  
Chief Security Officer  
Cell: 078 249 0968

## **13. ACCOMPANYING / SUPPORTING DOCUMENTS**

**Annexure A** – First letter to BaMogale Security Solutions

**Annexure B**- Second letter to BaMogale Security Solutions

**Annexure C** – Third letter to BaMogale Security Solutions

**Annexure D** – Appointment letter of Fepang Protection Group

**Annexure E** – Approved contract extension submission

**Annexure F** – Security services withdrawal letter of MW

**Annexure G** – Municipal letter requesting security services reinstatement

**Annexure H** – MW letter agreeing to reinstatement of security services

**Annexure I** - Copy of Section 16.A6.4 of the Treasury Regulations issued in terms

**Annexure J**- TNG Pricing Schedule

**Annexure K** – Fepang Price Schedule

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**Annexure L – Wenzile Price Schedule**

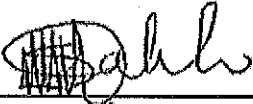
**Annexure M – Fepang original appointment letter**

#### 14. RECOMMENDATIONS:

It is recommended that the Chief Executive Officer approves:

Deviation from normal procurement processes and extend the scope of Fepang Protection Group 's contract for one months at a cost of **R 1 952, 494.70.**

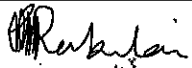
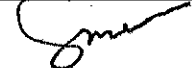
**SUBMITTED BY:**



**MR SIMON MAHLO  
CHIEF SECURITY OFFICER**

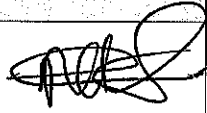
**24 August 2026  
DATE**

#### 15. RECOMMENDATION STATUS

|                         | NAME                  | SIGNATURE                                                                            | DATE           |
|-------------------------|-----------------------|--------------------------------------------------------------------------------------|----------------|
| SUPPORTED BY BAC MEMBER | Mulaudzi Rabelani     |  | 26/August/2026 |
| SUPPORTED BY BAC MEMBER | Matshidiso Tabane     |  | 2026.08.26     |
| SUPPORTED BY BAC MEMBER | Pule Lekone           |  | 26/08/2026     |
| SUPPORTED BY BAC MEMBER | Sibongiseni Mbadamana |  | 26/08/2026     |
| SUPPORTED BY BAC MEMBER |                       |                                                                                      |                |
| SUPPORTED BY BAC MEMBER |                       |                                                                                      |                |

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**16. APPROVAL STATUS**

|                           | NAME        | SIGNATURE                                                                          | DATE       |
|---------------------------|-------------|------------------------------------------------------------------------------------|------------|
| APPROVED: CHIEF EXECUTIVE | O. NTHUTANG |  | 31/08/2026 |

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