

REQUEST FOR EX POST FACTO APPROVAL

FROM: SM MAHLO**DATE: 2026/03/18****DIVISION: OFFICE OF THE CEO****TEL: 014 5974636****REF NO:****For Procurement Use):****SUBJECT:** Request for the ex post facto approval for:

- emergency appointment of Fepang Protection Group deployed at Maquassi Hill Local Municipality to cover the sites vacated by BaMogale Security Solutions at South West Region following contract termination.

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 the ex post facto:

- emergency appointment of Fepang Protection Group deployed at Maquassi Hill Local Municipality to cover the sites vacated by BaMogale Security Solutions at South West Region following contract termination.

2. BACKGROUND

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

There has been several non-compliance incidents 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 22nd of August 2024 raising several non-compliance issues which were addressed after several delays. The second letter (**Annexure B**) was written on 26th 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 03rd of November and 26th 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 11th 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 Protection Group to take over the security functions on an emergency basis.

3. DISCUSSION

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

- (i) Taung Water Treatment Plant- 8 Guards (4 day & 4 Night shift).
- (ii) Bloemhof Reservoir - 4 Guards (2 X Day & 2 X Night shift).
- (iii) Bloemhof Intake - 4 Guards (2 X Day & 2 X Night shift).
- (iv) Hartswater Office- 7 Guards (3 X Day shift & 4X Night shift).
- (v) Ganyesa Office- 4 Guards (2 X Day & 2 X Night shift).
- (vi) Morokweng Office- 4 Guards (2 X Day & 2 X Night shift).
- (vii) Leeudoring Stad Booster Pump Station 4 Guards (2 Day & 2 Night shift).
- (viii) 2 X Area Supervisors (1 X Grade A Day & 1 X Grade B Night Shift and 1 X Grade A Manager for Day Shift only) 3 X Patrol Vehicles.

A Total security complement of 35 Grade C guards and 3 Grade A supervisors is deployed at the above areas.

- The value of this Deviation request?

☐ R0 – R500k ☐ R500k – R1 Million x ☒ more than R1 Million

- Previous history of deviations related to this vendor:

DEVIATION NUMBER	DATE	VALUE
None		
	TOTAL	

4. REASON FOR THE DEVIATION REQUEST

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

☐ IMPRACTICAL (strip and quote)

x ☒ OTHER

4.1 The appointment of Fepang Protection Group on a 20 day contract

The contract termination of Bamogale resulted in a vacuum that needed to be filled immediately on an emergency basis. Fepang Protection Group was appointed by Magalies Water on a 15-month contract for a period of 01st of June 2025 to 30th of October 2026 (**Annexure D**) in the same area of South West where BaMogale Security Solution was appointed.

4.2 Reasons for the appointment of Fepang Protection Group on emergency basis ahead of other security companies in possession of valid guarding security contracts with Magalies Water

Fepang Protection Group is currently servicing Maquassi Hills Municipality sites which falls within the geographical area of South West Region, the same area in which Bamogale's terminated contract was based. By appointing Fepang Protection Group, Magalies Water will be saving on costs as the same mobile supervisor currently operating at Maquassi Hills will be used to service Leeudoringstad and Bloemhof areas sites. As a result, instead of appointing two mobile supervisors per shift to service the entire Region, Magalies Water will appoint one supervisor per shift to cover the entire area due to the usage of the existing resources of Fepang Protection Group currently servicing Maquassi Hills.

Further to the above advantage, Fepang Protection Group's rates are low as compared to TNG and Wenzile Phaphama rates and that will be outlined below on the Financial Implication section of the submission.

5. FINANCIAL IMPLICATIONS

5.1 The comparison of costs for the required services resulting from the Bamogale Security Solution contract termination

Magalies Water has a valid guarding security contract with three different service providers who are all eligible to be granted an extension of scope to cover for the required services. However, the cost analysis was conducted to determine the service provider who would render the services in the most cost effective manner. The instrument used to conduct the cost comparison is the pricing schedules (**Annexures F, G &H**) of the existing contracts of the companies. It then emerged that Fepang Protection Group has the lowest cost compared to Wenzile Phaphama and Thlomphanang Business Enterprise.

The outcome of comparison is as follows:

- (i) Cost for contract of 12 March to 30 April 2026 for Wenzile Phaphama – R 879 105.79.
- (ii) Cost for extension of 12 March to 30 April 2026 for TNG – R 629 524.53.
- (iii) Cost for extension of 12 March to 30 April 2026 Fepang Protection Group – R 538 738.42.

As illustrated above, Fepang Protection Group is the most cost effective option as compared to its competitors.

6. 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.

7. LEGAL IMPLICATIONS

7.1 Deviation from normal procurement procedures

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

8. 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.

9. CONTACT PERSON

SM Mahlo
Chief Security Officer
Cell: 078 249 0968

10. 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 - Copy of Section 16.A6.4 of the Treasury Regulations issued in terms of Public Finance Management Act, 1999

Annexure F - TNG Pricing Schedule

Annexure G – Fepang Price Schedule

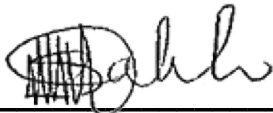
Annexure H – Wenzile Price Schedule

11. RECOMMENDATION:

It is recommended that the Chief Executive Officer approves the ex post facto:

extension of the scope of Fepang Protection Group's contract for an additional four months 20 days at a cost of **R 538 738.42**, effective from 12 March – 30 April 2026.

SUBMITTED BY:



MR SIMON MAHLO
CHIEF SECURITY OFFICER

18 MARCH 2026
DATE

12. RECOMMENDATION STATUS

	NAME	SIGNATURE	DATE
SUPPORTED BY BAC MEMBER			
SUPPORTED BY BAC MEMBER			
SUPPORTED BY BAC MEMBER			
SUPPORTED BY BAC MEMBER			
SUPPORTED BY BAC MEMBER			
SUPPORTED BY BAC MEMBER			

APPROVAL STATUS

	NAME	SIGNATURE	DATE
APPROVED: CHIEF EXECUTIVE	O NTHUTANG		