



Reference number: RCS/C.6

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## TREASURY CIRCULAR NO. 30 /2022

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THE MINISTER OF CULTURAL AFFAIRS AND SPORT

THE MINISTER OF EDUCATION

THE MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES

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## **CHANGE MANAGEMENT STRATEGY FOR THE RENEWAL OF FRAMEWORK AGREEMENT FOR THE PROVISION OF TRANSVERSAL SECURITY SERVICES FOR THE WESTERN CAPE GOVERNMENT (WCG)**

### **1. PURPOSE**

- 1.1 The purpose of this communiqué is to inform accounting officers and accounting authorities of the Change Management Strategy in terms of the renewal of the transversal framework agreement for the provision of security services for the WCG as well as the envisaged implementation plan for departments, provincial public entities that have agreed to participate in the framework contract and suppliers.

## 2. BACKGROUND

- 2.1 The Western Cape Government (WCG), via its Department of Community Safety commissioned an analysis of the security environment at provincial institutions during 2013. The assignment resulted in a security diagnostic being performed by an international security consultancy (ARUP) which incorporated benchmarking with international best practice from the United States of America and the United Kingdom. A diagnostic report and a security strategy that would be transversally applicable to all WCG provincial departments were developed in the process.
- 2.2 Provincial Cabinet adopted the Security Strategy (developed by ARUP) as the WCG Security and Safety Strategy (Resolution 166/2013). The Strategy highlighted the development of a common vision and understanding on how best to manage greater safety and security within the province that is driven by the Department of Community Safety and provincial departments.
- 2.3 The Security Sourcing Strategy was tabled at the Provincial Top Management (PTM) Forum held on 14 June 2016 and the implementation strategy was formally endorsed and adopted for the Province.
- 2.4 The Provincial Treasury undertook in terms of implementation of the sourcing strategy for security, to incrementally issue minimum requirements to be adhered to by provincial departments when procuring security services.
- 2.5 Standardised processes and tools are furthermore envisaged in this regard. The first standardised tool to support greater coherence in the procurement of security services was the establishment of a transversal security framework agreement for the provision of security services in 2017.
- 2.6 The Framework Agreement is in essence a pre-approved list of service providers that meet the requirements of tender and pricing requirements with a broader scope of services to be procured for a certain volume or quantity of services over a specific period and against an agreed sum or rate per item, established via a competitive procurement process.
- 2.7 Its intent was to streamline the procurement of security services from the open market to fulfil WCG strategic objectives, while maintaining transparency, fairness, and equitability in the procurement process. The main objective of the security framework agreement in its current format is to enable the WCG to appoint service providers to execute services over the term of the Framework Agreement on an "instructed basis", within its defined scope.
- 2.8 The framework agreement was originally advertised with a contract period of 1 April 2018 to 31 March 2021. However, due to alignment and change management required, the finalisation of the tender was delayed to a commencement date of 1 April 2019 until 31 March 2022. Treasury Circular No. 44 of 2018 was issued to inform institutions of the implementation of the Framework Agreement for the provision of transversal security services for the WCG for a period of 3 years with the option to extend for one year.
- 2.9 Treasury Circular No. 44/2018 (Supplementary 5 of 2021) was issued to inform institutions that the relevant clause in the Framework Agreement was activated to allow for extension of the period from 1 April 2022 until 31 March 2023. The request was supported by the Transversal Bid Adjudication Committee and was approved by the Head Official: Provincial Treasury, as the delegated authority. Departments were advised that they could extend its existing framework contracts or invite new contracts during this period.

- 2.10 As communicated via Treasury Circular No. 44 of 2018 (Supplement 2 of 2022), the Provincial Treasury is in the process of renewing the Framework Agreement and has had many engagements with key stakeholders over the last couple of months to reflect and to speak to the proposals made by the Provincial Treasury, Department of Community Safety, and departments as key partners in this process to improve the new framework agreement.
- 2.11 It is also critical as identified via the consultation process with stakeholders that the PT and other stakeholders create awareness of the new security framework agreement throughout the process so as to ensure that there is sufficient supplier availability across the WCG service requirements via the new framework agreement and to communicate the ARUP and sourcing strategy more effectively.
- 2.12 This Circular aims to communicate the Change Management Strategy in terms of the renewal of the Framework Agreement which is to be implemented by 1 April 2023.

### 3. SECURITY FRAMEWORK AGREEMENT PROJECT TIMELINE

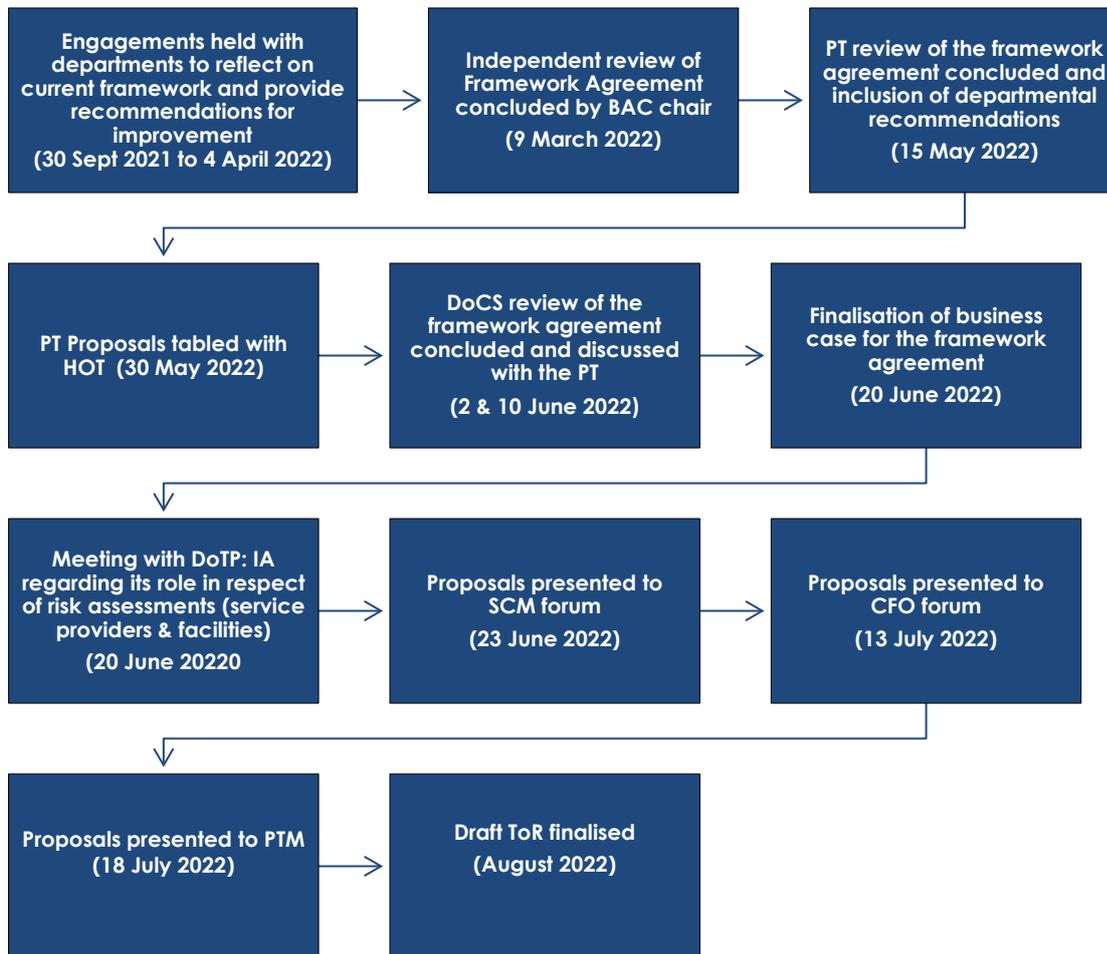
- 3.1 Timeframes in respect of key milestones as it relates to the renewal of the Security Framework Agreement is articulated hereunder. Attention is drawn to the fact that these dates may change in process as required, however it is the intention of the PT to remain with the commencement date of 1 April 2023 unless circumstances exist that requires continuation of the current services to finalise the new process. Timeframes at this point are as follows:



#### 4. CHANGE MANAGEMENT STRATEGY: DEPARTMENTS AND PUBLIC ENTITIES

4.1 The diagram below depicts the progress made by PT to date in preparation for the renewal of the Security Framework Agreement:

**Diagram 1**



4.2 Further engagements will be had with institutions in process as required. It is the intention of the PT to table the final terms of reference as concluded by the bid specification committee at a SCM forum; CFO forum and Provincial Top Management on a date to be determined by Provincial Treasury.

#### 5. CHANGE MANAGEMENT STRATEGY: SUPPLIERS

5.1 One of the lessons learnt during the current process is that a more stringent change management process is required with suppliers because the WCG has changed the way it procures security services as compared to the previous processes followed by institutions and because public entities have also onboarded the process. Hence, to obtain supplier acceptability and to ensure that suppliers sufficiently respond to the WCG requirements, the PT has embarked on an awareness campaign with suppliers upfront to keep suppliers abreast of the process being followed by the WCG.

The following key components of the change management strategy must be noted:

Digital platforms such as the WCG website/ social media platforms will be used to create awareness via brochures; notices etc.

Surveys to be sent to suppliers at various stages in process to obtain information

Briefing session to be held as part of the bidding process via digital platforms to enable a broader reach

Formal communication mechanism to be established with unsuccessful services providers in terms of developmental gaps

Training and capacitation of suppliers via digital platforms such as videos.

External engagements with key stakeholders such as PSIRA and security associations is key to the process

- 5.2 Institutions are also requested to create awareness of the Security Framework Agreement with its current supplier base, particularly those institutions who are not part of the current framework agreement. The brochures and communique can be accessed via the following link to the WCG website: <https://www.westerncape.gov.za/provincial-treasury/tenders/wcg-security-framework>.

## **6. REQUEST**

- 6.1 Accounting officers and accounting authorities must note the content of this Circular and communicate the requirements to officials under their control responsible for the functions depicted in this Circular.

All enquiries in respect of this circular or any other enquiries in respect of procurement must be directed to: [SupplyChainManagement.HDPFMA@westerncape.gov.za](mailto:SupplyChainManagement.HDPFMA@westerncape.gov.za)

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