



Reference number: RCS/C.6

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CAPE TOWN  
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## TREASURY CIRCULAR NO. 44 OF 2018 (SUPPLEMENTARY 3 OF 2023)

THE PREMIER

THE MINISTER OF AGRICULTURE

THE MINISTER OF CULTURAL AFFAIRS AND SPORT

THE MINISTER OF EDUCATION

THE MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES

THE MINISTER OF HEALTH

THE MINISTER OF INFRASTRUCTURE

THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

THE MINISTER OF MOBILITY

THE MINISTER OF POLICE OVERSIGHT AND COMMUNITY SAFETY

THE MINISTER OF SOCIAL DEVELOPMENT

THE SPEAKER: PROVINCIAL PARLIAMENT

THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

THE EXECUTIVE AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (MINISTER A BREDELL)

THE EXECUTIVE AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: WESTERN CAPE HERITAGE (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: CASIDRA (MINISTER IH MEYER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (MINISTER R ALLEN)

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (DR H MALILA)

THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R ADAMS)

THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (MR D SAVAGE)

THE ACCOUNTING OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (ADV. Y PILLAY)

THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR B WALTERS)

THE ACCOUNTING OFFICER: VOTE 6: HEALTH AND WELLNESS (DR K CLOETE)

THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)

THE ACCOUNTING OFFICER: VOTE 8: MOBILITY (MR K REINECKE)

THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR G GERBER)

THE ACCOUNTING OFFICER: VOTE 10: INFRASTRUCTURE (MS J GOOCH)

THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (DR M SEBOPETSA)

THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR V DUBE)

THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR G REDMAN)

THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (MR G PAULSE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR D BASSON)

THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)

THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MS A SMIT)

THE CHIEF FINANCIAL OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (MR M FRIZLAR)

THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)

THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH AND WELLNESS (MR S KAYE)

THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)

THE CHIEF FINANCIAL OFFICER: VOTE 8: MOBILITY (MR F DE WET)

THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR RT MOSOME)

THE CHIEF FINANCIAL OFFICER: VOTE 10: INFRASTRUCTURE (ADV. C SMITH)

THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)

THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)

THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)

THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MS B SEWLALL-SINGH)

For information

THE ACCOUNTING AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MR D LAKAY)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (PROF. D HENDRICKS)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR D GREEN)  
 THE ACCOUNTING AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MR H METTLER) (ACTING)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MS J MOLELEKI)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MS J MOLELEKI)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE HERITAGE (MR M DLAMUKA)  
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 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MS W STANDER)  
 THE CHIEF EXECUTIVE OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MS K BEUKES)  
 THE CHIEF EXECUTIVE OFFICER: CASIDRA (DR K DU PLESSIS)  
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MR S GEORGE)  
 THE CHIEF EXECUTIVE OFFICER: ATLANTIS SPECIAL ECONOMIC ZONE (MR P VOGES)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MS Z SIWA)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR M BHAYAT)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR S GCWABE)  
 THE CHIEF FINANCIAL OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MR H BONESCHANS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMITTEE (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MR S ADAMS) (ACTING)  
 THE CHIEF FINANCIAL OFFICER: ATLANTIS SPECIAL ECONOMIC ZONE (MS W SAIB)  
 THE DIRECTOR: GOVERNMENT MOTOR TRANSPORT (MR R WIGGILL)  
 THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR D SAVAGE)  
 THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (VACANT)  
 THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MS J GANTANA)  
 THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS S ROBINSON)  
 THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS A PICK)  
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR S KENYON)  
 THE CHIEF DIRECTOR: ASSET MANAGEMENT (MR I SMITH)  
 THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)  
 THE CHIEF FINANCIAL OFFICER (MS A SMIT)  
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (MR R BRUETON)  
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR P PIENAAR)  
 THE DIRECTOR: FINANCIAL GOVERNANCE (MS M VAN NIEKERK)  
 THE DIRECTOR: FISCAL POLICY (MR M BOOYSEN)  
 THE DIRECTOR: INFRASTRUCTURE (MS S VAN BREDA) (ACTING)  
 THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR F SALIE)  
 THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MS N RINQUEST)  
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR T NTSHINGILA)  
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR I TSIE)  
 THE DIRECTOR: LOCAL GOVERNMENT MFMA COORDINATION (MR D CRONJE)  
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS L SALLIES) (ACTING)  
 THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MS A ABOO)  
 THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS T VAN DE RHEEDE)  
 THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS M NICHOLAS)  
 THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)  
 THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)  
 THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)  
 THE PROVINCIAL AUDITOR  
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT  
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

## **EXTENSION OF FRAMEWORK AGREEMENT FOR THE PROVISION OF TRANSVERSAL SECURITY CONTRACTS FOR THE WESTERN CAPE GOVERNMENT**

### **1. PURPOSE**

- 1.1 The purpose of this circular is to inform institutions of the extension of the transversal security services framework agreement for Western Cape institutions for a further 9 months from 1 July 2023 to 31 March 2024.

## **2. BACKGROUND AND MOTIVATION**

- 2.1 The Provincial Treasury administratively activated the relevant clause in the Security Framework Agreement (SFA) allowing for the extension of the framework agreement period from 1 April 2022 until 31 March 2023, due to the pending legal matter with one of our suppliers and the delays in handing down judgment by the court. This extension was done with the same terms and conditions, which included all services as provided by the framework in urban and rural areas. The request was supported by the Transversal Bid Adjudication Committee and was approved by the Head Official: Provincial Treasury, as the delegated authority, on 23 September 2021.
- 2.2 Treasury Circular No. 44 of 2018 (Supplementary 2 of 2022) provided feedback regarding the legal matter concerned. Judgment was finally handed down on 1 July 2022. As indicated in Treasury Circular No. 44 of 2018 (Supplementary 1 of 2023), the Court has been approached for leave to appeal the judgment, in terms of patent challengeable flaws and as advised by counsel in the matter. The High Court dismissed the application for leave to appeal on 14 April 2023. On 15 May 2023, the Provincial Treasury lodged a petition for leave to appeal against the afore-mentioned refusal at the Supreme Court of Appeal (SCA). It is understood that the matter will likely only be heard towards the end of the first quarter or early in the second quarter of 2024.
- 2.3 The process to renew the current security framework agreement commenced in 2021 and the bid closed on 15 December 2022. The bid evaluation process commenced in January 2023 with the Transversal Bid Evaluation Committee (TBEC) having numerous meetings to evaluate the significant number of bids received. The TBEC identified areas of risk which would adversely impact the award and it was recommended that the bid be cancelled and re-advertised. A recommendation to this effect will be made to the Transversal Bid Adjudication Committee (TBAC) for consideration and submission to the Head of Treasury, as the delegated authority for approval.
- 2.4 Due to technical reasons in convening the TBAC for the cancellation of the new SFA bid and looming deadline in terms of the expiry of the existing framework on 30 June 2023, it was deemed prudent to further extend the existing framework to mitigate the increased risk to departments that are participating in the SFA, as institutions would have to assess their own needs and risk exposure, determine the best way forward and take necessary action before the expiry of their contracts on 30 June 2023.

## **3. REQUEST**

- 3.1 Departments are requested to evaluate the risks facing their current security contracts at institutions expiring on 30 June 2023 and determine the most prudent option to ensure the continuation of their service needs up until 31 March 2024. The options to be considered are:
- a) to extend their existing contracts to 31 March 2024 at the same terms and conditions via the institution's SCM processes and delegations;
  - b) to invite a new contract from the current framework for the period ending 31 March 2024; and
  - c) to utilise emergency delegations where needs are deemed urgent, meeting the requirements of an emergency as defined in departmental accounting officer's system.
- 3.2 In terms of the expansion/extension of services exceeding the R15 million (including VAT) 15%; such cases must be reported to the Provincial Treasury and the Auditor-General within ten (10) working days after the Accounting Officer has granted approval for the expansion.
- 3.3 Institutions are required to note and adhere to the content of this circular and engage with the Provincial Treasury as and when required.

- 3.4 Departments must keep a record of all decisions as evidence of the decision-making process.
- 3.5 The Provincial Treasury will communicate further on the developments as it relates to the new security framework.

**DAVID SAVAGE**  
**HEAD OFFICIAL: PROVINCIAL TREASURY**