

City not legally obliged to continue with KSA contract, judge rules

SHARIKA REGCHAND

MSUNDUZI Municipality is under no legal obligation to continue using its controversial security company Khuse-lani Security and Risk Management (KSA).

This follows a ruling by the Pietermaritzburg high court on Friday by Judge Piet Bezuidenhout.

The judge dismissed an application brought by KSA seeking to declare that it was lawfully appointed to provide security services to the City.

KSA also wanted to interdict the municipality from appointing any other service provider to provide the same security services, except in terms of a new tender and pursuant to the lawful adjudication and implementation of this new tender.

KSA had previously provided security

services to the municipality in terms of two contracts.

One related to the supply of security services, including security officers and VIP security officers at various facilities and public works. It involved the provision of 350 guards, 10 vehicles, 50 firearms and one guard dog.

The contract was awarded in August 2014 and the monthly remuneration from the municipality was about R3,5 million.

The other, valued at R5,3 million a month, was awarded in May 2017. It included guarding at ward offices, cable sites, libraries, informal settlements and roving armed security services.

The judge said KSA has been providing security services to the municipality for some years.

By mutual agreement, the parties agreed that all agreements between

them would cease on April 30, 2018.

The judge said that on that day, municipal officials requested KSA to continue providing such services on a month-to-month basis.

On May 9, the municipal manager informed KSA that services rendered would end on May 30. KSA then brought this application.

Bezuidenhout said KSA maintains that the document which it received on April 30 constituted a valid agreement that was entered into between the parties. However, the municipality contends it was an internal document merely containing recommendations to the bid adjudication committee.

The judge said that no final agreement was reached with KSA in terms of the document and in actual fact the letter from the municipal manager indicates that the agreements were only extended

for one month.

He said the municipality had also raised the issue that there was fraudulent conduct by KSA during the previous contract period and that on that basis it was also entitled to cancel this agreement.

“There was also a report by the Special Investigating Unit and an affidavit was filed by them in this application setting out the alleged fraudulent conduct,” he said.

The judge said what first had to be determined was whether there had been a valid agreement or contract entered into between KSA and the municipality on April 30. Only then would it become necessary to consider the issue of the alleged fraud.

Bezuidenhout found in his judgment that there was no valid agreement concluded between the parties on that date,

thus he said it was not necessary (for him) to pursue the issue of fraud.

“The applicant has failed to prove that there was indeed an agreement reached between it and the municipality to continue providing security services on a month-

to-month basis until a new

service provider has been appointed,”

Bezuidenhout said.