

Request Details

PR No: 10252303 Type: ZCET - Contract Extension RQ
Cost Centre: 1407 - Strategic Alignment (NEWS OPERATIONS: NEWS OPERATIONS)
Vendor: 113473 - TRAFFICNET (PTY) LTD
Description: contract extension 4600001482
Contract No: 4600001482 Practitioner: 933 - BIANCA NOMAZWE NYAMENDE
Amount: 223,800.00 ZAR

BACKGROUND

The current traffic reporting contract is due to expire on 31 May 2026.

Any delay in finalising and readvertising the tender process will directly impact the continuity of traffic reporting services which is critical for our public service mandate to provide to news bulletins and current affairs programmes, as the existing contract arrangement will have lapsed.

TrafficNet, in association with Tracker, is South Africa's largest and most comprehensive supplier of traffic and travel news. It combines incident reporting with real-time speed data, including live and/or recorded voice, audio-visual and Internet-based traffic reports and information.

TrafficNet has provided News with breaking, developing, accurate and credible traffic news every weekday, including protest-related news countrywide that often becomes the top story/stories of the day. The News teams that have predominantly used Traffic Net's services are SABC2 News Current Affairs with live voice reports, 13 other Radio Current Affairs teams as well as Morning Live on SABC2 with audio-visual live reports and graphics. All these teams have full editorial control over the content they require and use from TrafficNet, including form and style

REASON

The Supply Chain Management process to appoint a Traffic Report Service Provider for News was initiated in February 2026 in line with procurement requirements and governance processes. The process was meant to secure a compliant, cost-effective, and sustainable service provider to continue delivering real-time traffic reports and travel information.

A competitive tender process was undertaken; however, the process yielded only one responsive bid. The pricing submitted by the bidder significantly exceeded the available budget of R2 000 000.00. The quote received was R6 752 400.00 which is above established cost benchmarks for the service. The division is unable to proceed with the award as it would not represent a financially viable or cost-effective outcome

Owing to the tender outcome, additional time is required to readvertise the tender to secure a compliant and financially sustainable long-term solution. The requested extension will provide the necessary continuity of service while the revised procurement process is undertaken.

SCOPE OF WORK

TrafficNet has consistently provided a reliable and effective traffic reporting service. The service enhances SABC News programming by delivering accurate and relevant traffic information that assists viewers and listeners in making informed decisions regarding their daily travel activities. The continuity of this service remains important in supporting the SABC's public service mandate and maintaining audience trust.

COST EFFECTIVENESS

The Finance department was consulted, and the availability of budget was confirmed.

1 June 2026 # 30 November 2026

R257 370.00 including VAT

LEGAL IMPLICATIONS

None.

RISK & MITIGATIONS

Traffic reporting and related travel news remain a critical component of SABC News' content offering and continue to attract strong audience interest across platforms. The service enhances the relevance and competitiveness of news and current affairs programming by providing timely and practical information to audiences. Failure to approve the

requested extension may result in an interruption of this service, which could negatively impact audience retention, weaken the SABC's competitive position within the broadcast and media space, and potentially drive audiences to alternative broadcasters and digital media platforms offering similar services.

The requested extension is therefore proposed as a temporary and controlled measure to ensure continuity of service while the procurement process is concluded in accordance with governance and compliance requirements.

RECOMMENDATION

Based on the motivation provided above, it is recommended that:

The Head of SCM Governance, Compliance and Support approves the request to extend the current contract 4600001482 with TrafficNet for provision of traffic news report and travel information for a period of six (6) months, starting from 01 June 2026 to 30 November 2026 at a total cost of R257 370.00 including VAT.

The Head of SCM Governance, Compliance and Support duly sign the letter of intent.

Legal Services draft the addendum to this effect.

NATURE OF DEVIATION

Urgent

VENDOR SELECTION

TrafficNet has consistently provided a reliable and effective traffic reporting service. The service enhances SABC News programming by delivering accurate and relevant traffic information that assists viewers and listeners in making informed decisions regarding their daily travel activities. The continuity of this service remains important in supporting the SABC's public service mandate and maintaining audience trust. The request for a six-month contract extension is driven by operational necessity and financial considerations. .

PERIOD

1 June 2026 # 30 November 2026

PURPOSE

The purpose of this submission is to seek approval to extend the current

with TrafficNet for the provision of traffic news report and travel information for a period of six (6) months, starting from 01 June 2026 to 30 November 2026 at an amount R257 370.00 including VAT.

The total value of the requested extension is R257 370.00 including VAT, bringing the total contract value to R1 713 270.00 VAT inclusive. The original contract value is R1 455 900.00 VAT inclusive.

APPROVERS AND REVIEWERS

Date Actioned	User Name	Actioned By Full Name
18.05.2026	PHELEN	NTOMBFUTHI EMELDA PHELE
18.05.2026	URENDC	DEIDRE CLARE UREN
18.05.2026	MTHEMBUMS	MICHAEL SENZOSENKOSI MTHEMBU
21.05.2026	MTHEMBUMS	MICHAEL SENZOSENKOSI MTHEMBU