



**MINISTRY OF COMMUNICATIONS
REPUBLIC OF SOUTH AFRICA**

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Tshedimoseetso House, 1035 Francis Baard Street, Tshedimoseetso House, Pretoria, 1000

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO.: 1462

Ms V van Dyk (DA) to ask the Minister of Communications:

- (1) With regard to a certain contract (name furnished), (a) what was the initial budget allocated for the outsourcing of the service to redesign the SA Broadcasting Corporation's (SABC) website, (b) why did the service need to be outsourced and (c) how many staffers are employed in the SABC's IT division;
- (2) whether a tender process was followed to appoint the specified company; if not, why not; if so, what are the relevant details of the tender process that was followed;
- (3) (a) who did the shortlisting, (b) who decided to appoint the specified company to provide this service, (c) what was the total value amount of the contract tendered, (d) what total amount has been paid to the specified company to date and (e) what was the quality of work delivered by the specified company?

NW1604E

REPLY

According to the SABC:

- (1) (a) an amount of R 4 550 000 excluding VAT was budgeted for redesign of the SABC seven websites, (b) due to lack of skills and requisite expertise, (c) the business unit (BIT) currently employes five (5) technical and development resources who have to develop and maintain/support 26 websites of the SABC.

- (2) an unsolicited proposal was received from the service provider and the entity was appointed through deviation in line with the SABC Supply Chain Management Policy.
- (3) there was no shortlisting, the appointment was endorsed by the three executive directors, the contract value amount to R4 550 000 excluding VAT, an amount of R4 550 000 excluding VAT has been paid to date, the New Metro FM website bears reference.



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NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO.: 1463

Ms L V James (DA) to ask the Minister of Communications:

- (1) With regard to the Imagine Communications Landmark radio booking system contract, (a) what was the initial budget allocated for the outsourcing of the SA Broadcasting Corporation's (SABC) radio booking system, (b) why did the service need to be outsourced and (c) how many staffers are employed in the SABC's radio division;
- (2) whether a tender process was followed to appoint the specified company; if not, why not; if so, what are the relevant details of the tender process that was followed;
- (3) (a) who did the shortlisting, (b) who decided to appoint the specified company to provide this service, (c) what are the full details of the processes followed to appoint the specified company, (d) what was the total value amount of the contract tendered, (e) what total amount has been paid to the company to date and (f) what was the quality of work delivered by the company? NW1605E

REPLY

According to the SABC:

- (1) (a) R7.3 million were budget for Imagine Communications Landmark booking system (Radio and TV) for over a three year period, (b) the service was not outsourced, (c) 126 Radio Sales staffers have been employed of which 58 are

employed at Head Office and 68 employed at Provincial Offices across South Africa.

(2) and (3) Not fully compliant, Bid Evaluation Committee (BEC) did the shortlisting, made recommendation to Bid Adjudication Committee (BAC), the process followed include; drafting of business case, budget recommendation and approval by the business unit, approval of the business case by the Group Executive Committee, tender publication, shortlisting by Bid Evaluation Committee, evaluation by Bid Adjudication Committee and then awarding. Value and amount paid is R7.3 million, however, after Radio Implementation and in line with SABC procurement and governance structures, R4.7m was approved for Radio Landmark Licence Fee and Maintenance as part of a three-year agreement with Imagine Communications (formerly Harris) from January 2017 to December 2019.

Imagine Communications has delivered the output, benefits derived by SABC Radio Sales to date are that previously-identified significant "revenue leakages" have been addressed, and that broadcast accuracy for radio advertisements has increased to more than 90%.