

SANRAL

SOUTH AFRICAN NATIONAL ROADS AGENCY SOC LTD



Reg.No.1998/009584/30

**BUILDING SOUTH AFRICA
THROUGH BETTER ROADS**

SANRAL

ANNUAL PERFORMANCE PLAN

**for the
financial year
2021/22 – 2023/24**

Republic of South Africa

Tabled in March 2021

SANRAL Annual Performance Plan 2021/22

The Annual Performance Plan 2021/22 for SANRAL is compiled with the latest available information from internal and other sources. Some of this information is unaudited or subject to revision.

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Executive Authority Statement



The South African National Roads Agency SOC Limited (SANRAL) has a mandate to manage the national road network, flowing from legislative and other policy instruments. These are underpinned by the vision of the National Development Plan (NDP), which is to alleviate poverty and reduce inequality, by 2030. The provision of road infrastructure continues to boost economic growth and create jobs. The importance of the national road transport system cannot be understated as it forms the core of the road network enabling mobility, access to economic opportunities, trade and is

critical for supporting economic growth and development. In carrying out this mandate, care is taken to adhere to amongst others the Medium-Term Strategic Framework, as this provides an important planning guide and delivery trajectory.

The year 2020/21 was truly an unprecedented one that saw the accelerated contraction and spread of the Covid-19 pandemic. The impacts of the pandemic have been well documented and has resulted in severe social and economic loss for the country, region and globally. Although the severity of the negative impacts has been more pronounced in developing countries such as ours. Government had to rapidly respond through a variety of measures that included lockdown regulations, stimulus packages to ease the economic impact, increased expenditure and debt to save lives and the economy. In terms of outlook the country now looks to be entering into a second wave and there is no longer room for stimulus support. We draw some comfort in that a vaccine looks to be on the horizon and should mark the start of a precarious recovery. Notwithstanding that extended restrictions to curb the spread and manage infection rate may compromise economic growth efforts thus resulting in some uncertainty over the short term.

Government has announced its Road to Economic Recovery Plan which amongst other places places responsibility on SANRAL as a crucial implementing agent of government to play a significant role in accelerating the implementation of infrastructure projects. SANRAL's long term strategy known as Horizon 2030 in conjunction with its Transformation Policy has demonstrated its alignment with government priorities and the five strategic thrusts elevated by the Department of Transport.

It goes without saying that key themes such as good corporate governance, fiscal discipline, improved audit outcomes, compliance and policy coherence must continue to be reaffirmed in the transport sector.

Major projects completed by SANRAL and launched in the year included the N3 Hammarsdale Interchange and the N4 Pampoen Nek to the R512. It is indeed commendable that projects could be completed given the prevailing circumstances plaguing the country. There are several flagship projects and programmes which SANRAL seeks to roll out over the next financial year and beyond. These will bring much needed economic benefits that include job creation, opportunities for SMMEs, achievement of economic transformation objectives, infrastructure to support economic activity and sustaining the engineering and construction sectors.

SANRAL over the medium term will continue to implement government's plans as informed by the various priorities, policy framework, imperatives and developmental agenda. At the same time government has taken a deliberate posture by prioritising infrastructure investment and transforming the country into a construction site. Recognising that this does require amongst others an enabling environment, law and order, funding, a capable state that is above reproach when it comes to perceptions of corruption and policy certainty. As such the work around the development of a Roads Funding Policy along with the resolution of the GFIP remains a priority. Resolution of these matters amongst others will over the medium term enable SANRAL to accelerate its project roll out, access private finance and quell the negativity in the public arena.

As Executive Authority, I the Minister of Transport endorse this Annual Performance Plan and commit to monitoring the implementation of the Plan and to evaluate performance on an on-going basis, to ensure effective service delivery.



Hon. Fikile A. Mbalula MP
Executive Authority of the SANRAL

Accounting Authority Statement



SANRAL as an agency of the Department of Transport is responsible for the financing, management, control, planning, development, maintenance and rehabilitation of the South African national road network. The role of SANRAL within the country's transport system is significant as the national roads link cities, provinces and economic nodes and enable trade and mobility, which lead to economic

growth. Striving to continuously improve the quality of the road infrastructure and, within its ability, the operating conditions for the user, remain crucial to SANRAL.

The past year 2020/21 for SANRAL has not been without its challenges for SANRAL, and the outbreak of Covid-19, in particular has had a devastating impact on SANRAL's programmes and projects. Management must be commended for confronting the pandemic through very proactive counter measures. This included inter alia, developing a risk management plan, communication with and education of staff, formation of a Covid-19 Task team, the institution of ICT solutions to enable easier work from home, identification of high risk staff for which additional health and safety measures were implemented, and the development of Standard Operating Procedures as and when required. Due to the critical service played by the network Routine Road Maintenance operations were permitted during the initial hard Level 5 Lockdown. However, the hard lockdown also meant restricted travel, a curfew, and the suspension of construction works which negatively affected the rollout of our projects. The traffic reduction on the toll network resulted in revenue loss for the portfolio, estimated at R650 million. Similarly for most if not all road authorities globally that imposed hard lockdowns traffic numbers took a while to return to pre-pandemic levels. SANRAL was given an opportunity to therefore revise its initial key performance indicator targets as communicated by the Department of Planning,

Monitoring and Evaluation due to the impact of the pandemic. Key highlights for the year included the completion and launch of the N3 Hammarsdale Interchange and the N4 Pampoen Nek to R512 projects.

Looking ahead in addition to implementing its mandate, SANRAL will need to play its role in the Road to Economic Recovery as articulated by government. The implementation of road infrastructure projects is now extremely critical for the agency. However, this can only be optimised through an accord with South Africans and all stakeholders taking accountability for their roles in project delivery. SANRAL continues to experience civil unrest in the form of project disruptions due to a desperate demand for jobs and opportunities. In many cases SANRAL is the only implementer of projects in the affected areas at the time; and the combination of the economic downturn, exacerbated by the adverse effects of the pandemic, leads to unsustainable expectations for opportunities from the project. We also note that the country is experiencing a second Covid-19 wave, which means counter measures from government to flatten the curve. Some of these counter measures, while necessary, could result in a worst-case scenario where SANRAL is required to suspend projects, thus inadvertently impacting on performance. Planning under such conditions therefore means an element of uncertainty becomes that much more pronounced.

It goes without saying that key themes such as good corporate governance, fiscal discipline, improved audit outcomes, compliance and policy coherence must continue to be reaffirmed within the Agency. SANRAL, as a crucial implementing agent of government, plays a significant role given its strategic road infrastructure build programme to be rolled out over the medium term.

Critical high-level challenges that continue to plague SANRAL include the reduced rate of revenue collection from the Gauteng Freeway Improvement Project (GFIP) e-toll scheme. This continues to place a significant strain on SANRAL's toll portfolio and may impact the Agency's status as a going concern. The need to resolve GFIP funding and find a sustainable road infrastructure financing mechanism is overdue, as our government has itself acknowledged. This matter has been elevated to the highest political level and SANRAL has, in consultation with the Department of

Transport, explored several options. We are grateful for the Minister's leadership in this respect and look forward, in the immediate future, to policy certainty in this regard, and under which SANRAL can continue to discharge its mandate and deliver on its Strategic Plan.



Themba Mhambi

Chairperson

Accounting Authority of SANRAL

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

- Was developed by the Management of SANRAL, overseen by the Board and under the guidance of Hon. F.A. Mbalula MP
- Takes into account all the relevant policies, legislation and other mandates for which SANRAL is responsible.
- Accurately reflects the Outputs which SANRAL will endeavour to achieve over the period 2021/22.

Mr Thabiso Malahleha
Head of Strategy



Mr. Adolph Tomes
Acting Business Operations Executive




Mr. Louw Kannemeyer
Engineering Executive



Ms Inge Mulder
Chief Financial Officer



Mr. Skhumbuzo Macozoma
Chief Executive Officer




Mr Themba Mhambi
Accounting Authority - Chairperson, Board



28 January 2021

Approved by:
Hon. Fikile A. Mbalula MP



Part A: Our Mandate

1. Updates to the relevant legislative and policy mandates

The South African National Roads Agency Limited and National Roads Act, No 7 of 1998 Section 2(1) reads as follows *There will be a national roads agency for the Republic for the purpose of taking charge of the financing, management, control, planning, development, maintenance and rehabilitation of the of the South African national roads system.*

SANRAL has been established as an independent, statutory company in terms of the South African National Roads Agency Limited and National Roads Act, No 7 of 1998, as amended (SANRAL Act) to inter alia, manage, improve, maintain the national road network – both toll and non-toll roads – as well as finance the toll roads. SANRAL currently manages a network of 22 253 km of roads throughout South Africa.

In terms of the SANRAL Act, SANRAL needs to produce a Strategic Plan for five years (Section 35).

SANRAL is a Schedule 3A public entity in terms of the Public Finance Management Act, No 1 of 1999 (PFMA).

2. Updates to Institutional Policies and Strategies

SANRAL subscribes to a suite of institutional policies and strategies which seek to not only support the implementation of its mandate but also align itself with government priorities and objectives. These include the following:

- SANRAL Act
- Road Infrastructure Strategic Framework of South Africa (RISFSA)
- National Development Plan
- Medium Term Strategic Framework
- NDP 5 Year Implementation Plan
- Budget Prioritisation Framework
- National Spatial Development Framework
- National Transport Master Plan
- Horizon 2030 long term strategy
- Transformation Policy
- Board Approved Policies
- Applicable legislative prescripts that include PFMA, PAJA, PPPFA, King Code 4, Constitution, Companies Act, Protocol for Corporate Governance for Public Entities

SANRAL's long term strategy Horizon 2030 articulates the long-term vision and perspective of the agency and contributes to the National Development Plan objectives. Horizon 2030 has ten strategic objectives which align with the seven APEX Priorities and the three NDP pillars.

NDP Pillars	APEX Priorities	Strategic Objectives
<p>1. Driving a strong and inclusive economy</p>	<p>P2. Economic Transformation and job creation</p>	<p>SO 2. Provide and manage a safe national road network (primary avenues of mobility) to enable and contribute to economic growth and social development.</p> <p>SO 4. Democratised the provision of the road network - Broad-Based Black Economic Empowerment and transformation.</p> <p>SO 7. Pursue adequate Government funding to sustainably operate and maintain the national road network. In addition, explore, develop and implement a diversified funding strategy and exploit opportunities for the use of private finance and own revenue.</p>
<p>2. Building and strengthening the Capabilities of South Africans</p>	<p>P3. Education, skills and health P4. Consolidating the social wage through reliable and quality basic services P5. Spatial integration, human settlements and local government P6. Social cohesion and safe communities</p>	<p>SO 3. Utilise the primary road network system to spatially transform SA (integrated cities, accessible resources, services, facilities and locations).</p> <p>SO 5. Ensure relevance and grow the footprint and impact of SANRAL by:</p> <ul style="list-style-type: none"> • Positively Impacting on communities

		<p>where we work</p> <ul style="list-style-type: none"> • Build co-operative relationships with other road authorities and departments for effective delivery • Develop the capability and capacity of other roads authorities • Enhance job creation. <p>SO 6. Utilise technology, research and innovation to advance the provision, operation and management of the national road system (meet road user needs).</p> <p>SO 10. Ensure sustainability in the provision of roads inclusive of safety, the environment, resources efficiency, good corporate citizenship and governance.</p>
<p>3. Achieving a more Capable State</p>	<p>P1. A capable, ethical and developmental state P7. A better Africa and world</p>	<p>SO 1. Improve SANRAL's reputation.</p> <p>SO 5. Ensure relevance and grow the footprint and impact of SANRAL by:</p> <ul style="list-style-type: none"> • Positively Impacting on communities where we work • Build co-operative relationships with other road authorities and departments for effective delivery

		<ul style="list-style-type: none"> • Develop the capability and capacity of other roads authorities • Enhance job creation. <p>SO 8. Lead and/or contribute to South Africa's regional integration objectives and obligations through infrastructure development, human capital, technical know-how and skills development.</p> <p>SO 9. Pursue global interests and develop a strong commercial business case</p>
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3. Updates to Relevant Court Rulings

The nature of SANRAL's operations in the engineering and construction sector, the economic downturn, impact of Covid-19 and the regulatory reforms in procurement are factors that contribute to a prevalence of legal challenges. Undoubtedly the pressure for economic opportunities in a depressed economic climate means that there could be an increase in litigation matters in the realm of procurement for example aggrieved bidders. There is also an occurrence or theme where contractors withdraw from site and argue community unrest. They would then lodge an urgent application barring SANRAL from claiming the guarantees from insurers. Such cases will be challenged, and a legal process initiated.

ASJV vs SANRAL: Mtentu Bridge project on the N2 Wild Coast

- The termination of the Mtentu Bridge contract by the contractor resulted in a litigation process that is currently underway. This has led to significant delays because of the litigation process and the need to restart the tender process.
- SANRAL deemed this termination by the contractor citing on force majeure to be unlawful, leading to abandonment of site and efforts by the contractor to call upon performance guarantees and retention.
- SANRAL opposed and succeeded in dismissing the appeal by ASJV.
- The Supreme Court of Appeal (SCA) found in favour of SANRAL and the matter has been closed. Appeal abandoned considering SCA judgement.

- The local JV partner is continuing to pursue without prejudice discussion around assets.
- Going forward SANRAL has called upon its retention and performance guarantees from Lombard that was secured by ASJV for the project.

Ikusasa JV (Gijima) vs SANRAL

- Application was launched against SANRAL on 02 November 2020 regarding the non-responsiveness of its tender bids following a due diligence process.
- Matter was set down for hearing on 17 November 2020.

Kusa Kokutsha vs SANRAL and Phambili JV

- Interdict application brought by the bidder for the cancelled GFIP ORT tender, seeking to restrain and interdict SANRAL from evaluating and awarding on the current tender.
- Matter heard in November and awaiting judgement.

Strategic Planning Requirements

The Strategic Plan (2020-2025) was developed as per the Department of Planning, Monitoring and Evaluation Revised Framework for Strategic Plans and Annual Performance Plans, Guidelines for the Implementation of the Revised Framework for Strategic and Annual Performance Plans as released by Department of Planning, Monitoring and Evaluation circulated through Circular 01 of 2018 dated October 2018. National Treasury Instruction Note No.05 of 2019/20 repeals the National Treasury Instruction Note 33 for the implementation of the Framework for Strategic Plans and Annual Performance Plans (2010) and gives legal effect for the implementation of the Revised Framework for Strategic Plans and Annual Performance Plans (2019). Accompanying the Revised Framework is the Guidelines for Implementation of the Revised Framework for Strategic Plans and Annual Performance Plans. These two must be implemented in conjunction.

The Public Finance Management Act No.1 of 1999 outlines strategic planning requirements for Schedule 3A entities.

SANRAL is registered in terms of the Companies Act, No 71 of 2008 under Registration number 1998/009584/30.

This document must be read in conjunction with SANRAL's approved budget for 2021/22, the Performance Agreement (Shareholder Compact) with the Executive Authority and the Strategic Plan for 2020/21 – 2024/25.

The South African government, represented by the Minister of Transport, is the sole shareholder and owner of SANRAL.

This Strategic Plan has been developed in terms of the Revised Framework for Strategic Plans and Annual Performance Plans: Policy and Procedures which still should be reviewed and approved by the Board. The formulation of the SANRAL Strategic Plan was guided by the following Government policies:

The 1996 White Paper on National Transport Policy

The White Paper sets out Government's transport policy and is the "basis for transport to play a more strategic role in social development and economic growth". The White Paper's vision is to *"provide safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable"*.

The White Paper sets out several goals, including the following:

1. To support the goals of the Reconstruction and Development Programme for meeting basic needs, growing the economy, developing human resources, and democratizing decision making;
2. to enable customers requiring transport for people or goods to access the transport system in ways which best satisfy their chosen criteria;
3. to improve the safety, security, reliability, quality, and speed of transporting goods and people;
4. to improve South Africa's competitiveness and that of its transport infrastructure and operations through greater effectiveness and efficiency to better meet the needs of different customer groups, both locally and globally;
5. to invest in infrastructure or transport systems in ways which satisfy social, economic, strategic investment criteria; and
6. to achieve the above objectives in a manner which is economically and environmentally sustainable and minimizes negative side effects.

Insofar as the funding of road infrastructure is concerned, the White Paper states the following:

"The primary road network should preferably be financed through a dedicated levy on fuel and toll charges. Innovative ways of securing finance for the development of road infrastructure will be explored. These include Build-Operate-Transfer (BOT) or Fund-Rehabilitate-Operate-Maintain (FROM) contracts which enable Government to obtain financing from private sources rather than spending taxpayers' money."

The work to revise the White Paper by the Department of Transport is underway and the Revised White Paper will be submitted to Parliament for further consultation.

The 2006 Road Infrastructure Strategic Framework for South Africa (RISFSA)

The Road Infrastructure Strategic Framework for South Africa is intended to be an embodiment of road policy in South Africa and a blueprint for roads development, planning and provision by all road authorities. It contains the principles that are embodied in sector and government level policies that seek to bridge the economic divide through the integration of the first and second economies i.e. emphasizing the

need to maintain good quality strategic economic road infrastructure while elevating the profile of social infrastructure, promoting the integration of transport planning with broader economic and social spatial and land use planning and maximizing skills development and employment creation potential - while ensuring sustainability and harmony with the environment.

The document also acknowledges the funding gap that persists in the road infrastructure sector and calls for the appropriate use of the tolling/'user-pay' tool to enable the provision of road infrastructure and capacity upgrades.

The Department of Transport has been developing the Road Infrastructure Policy as a replacement and this is at an advanced stage of development.

7 APEX Priorities

Priority 1: Capable, Ethical and Developmental State

Priority 2: Economic Transformation and Job Creation

Priority 3: Education, Skills and Health

Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services

Priority 5: Spatial Integration, Human Settlements and Local Government

Priority 6: Social Cohesion and Safer Communities

Priority 7: A Better Africa and World

Medium Term Strategic Framework (MTSF)

The Medium-Term Strategic Framework (MTSF) 2019 – 2024 which is the second five-year implementation phase of the NDP, is reflected in SANRAL's Strategic Plan 2020/21 – 2024/25. This Plan is aligned to the MTSF, not only by timeframe, but also in terms of pillars, priorities and strategic objectives. The MTSF 2019-2024 serves as the implementation plan and monitoring framework for achieving the NDP 2030 priorities. The MTSF 2019-2024 has 7 priorities, 81 Outcomes, 337 interventions and 561 indicators.

National Development Plan (NDP) 2030

The NDP 2030 is the blueprint for tackling South Africa's challenges and articulates the long-term vision for the country. The vision of the NDP is that by 2030, investments in the transport sector will ensure that it serves as a key driver in empowering South Africa and its People, enabling:

- Improved access to economic opportunities, social spaces and services by bridging geographic distances affordably, reliability and safely;

- Economic development, by supporting the movements of goods from points of production to where they are consumed, facilitating regional and international trade; and
- Greater mobility of people and goods through transport alternatives that support minimized environmental harm.

The key focal points of the NDP are as follows:

- The development potential of SOEs in advancing national objectives through providing economic and social infrastructure in a way that is equitable and cost-effective which can contribute to growth, regional integration and addressing spatial inequalities. This includes efficient investment, operation and maintenance.
- SOEs need to be efficient, financially sound and well governed, delivering high quality and reliable services at a cost that enables South Africa to be globally competitive. SOEs should have a sound business model, where they are consistently able to recover their operating costs and provide for capital replacement and expansion.
- SOE governance structures need to be clarified and simplified to ensure clear lines of accountability. There should be stable management in place

In addition, the Plan recognises “the issue of lack of infrastructure maintenance by all society (government, private big business and every individual of South Africa). We South Africans do not look after our assets very well; we have a mindset of buying or building new things all the time instead of maintaining what we have. We must change this mentality, whereby we see government, private business and every individual adopting a renewed mindset in looking after the infrastructure we currently have”. SANRAL’s philosophy has always been to maintain its assets first and only then allocate funds towards upgrades or new infrastructure.

The Plan expressly indicates that in the long term, users must pay the bulk of the costs for economic infrastructure, with due protection for poor households. The role of Government and the fiscus is to provide the requisite guarantees so that the costs can be amortised over time, thereby smoothing the price path. The State must also put in place appropriate regulatory and governance frameworks so that the infrastructure is operated efficiently, and tariffs can be set at appropriate levels. For infrastructure that generates financial returns, debt raised to build facilities should be on the balance sheets of state-owned enterprises or private companies that do the work. Guarantees should be used selectively to lower the cost of capital and to secure long-term finance. Subsidies to poor households should be as direct and as transparent as possible

In addition, the Plan recognises that public infrastructure investment in the transport, energy and water sectors must take place at 10 percent of gross domestic product (GDP). Moreover, it is recognised that this should be financed through tariffs, public-private partnerships, taxes and loans.

Table: NDP Final and Intermediate Targets

Measures		Baseline	Target 2024	Target 2030
Growth	GDP Growth	0.8%	2%-3%	5.4%
Unemployment	Formal Rate	27.6%	20%-24%	6%
Employment	Number Employed	16.3million	18.3-19.3million	23.8million
Investment	% GDP	18%	23%	30%
Inequality	Gini Coefficient	0.68	0.66	0.60
Poverty	Food Poverty	24.7%	20%	0%
	Lower Bound	39.8%	28%	0%

Source: NDP 2030 and StatsSA

Notes (1) Baseline are as follows: Unemployment Q1:2019; growth 2018; inequality and poverty 2015/16

Part B: Our Strategic Focus

1. Updated Situational Analysis

Strategic Focus

SANRAL's strategic focus over the medium term in line with Horizon 2030 range across the four pillars.

The four pillars are outlined below:

- Roads
- Road Safety
- Mobility
- Stakeholder Engagement

Priority focus areas and strategic themes include the following:

- Review of network growth and a focus on sustainability
- Implement Public Transport enabled national road infrastructure
- Development and implementation of an Integrated Funding Model
- Internal reconfiguration to deliver on Horizon 2030
- Deliver on government's Transformation objectives by ensuring inclusive participation in SANRAL projects by emerging contractors, professionals and suppliers through the implementation of a new Transformation policy
- Demonstrate relevance of SANRAL to communities and enhancement of the Community Development Programme by implementing the strategy
- Implement the deliverables as outlined in Horizon 2030 and focus on strengthening the pillars of the agency
- Review the SANRAL mandate
- Following internal approval begin consultations for the 2030 National Roads Plans
- Generate internal revenue through implementation of the Business Development Strategy

SANRAL will be focussing on the above and various initiatives to deliver on Horizon 2030.

Statistics and key metrics

Outlined below are relevant statistics for the South African road network.

Table 1: Total South African Road Network (2020)

Authority	Paved	Gravel	Total
SANRAL	22 253	0	22 253
Provinces - 9	46 509	226 273	272 821
Metros - 8	51 682	14 461	66 143
Municipalities	37 680	219 223	256 903
Total	158 124	459 957	618 081
Un-Proclaimed (Estimate)		131 919	131 919
Estimated Total	158 124	591 876	750 000

Un-proclaimed roads are those not formally gazetted by any authority.

Table 2: SANRAL network length per province

Province	SANRAL Region	Length (km)
Eastern Cape	Southern Region	4952
Free State	Eastern Region	1582
Gauteng	Northern Region	846
Kwazulu-Natal	Eastern Region	1321
Limpopo	Northern Region	3649
Mpumalanga	Northern Region	2478
North West	Northern Region	2503
Northern Cape	Western Region	3457
Western Cape	Western Region	1465
	Total (Centre Line km)	22253

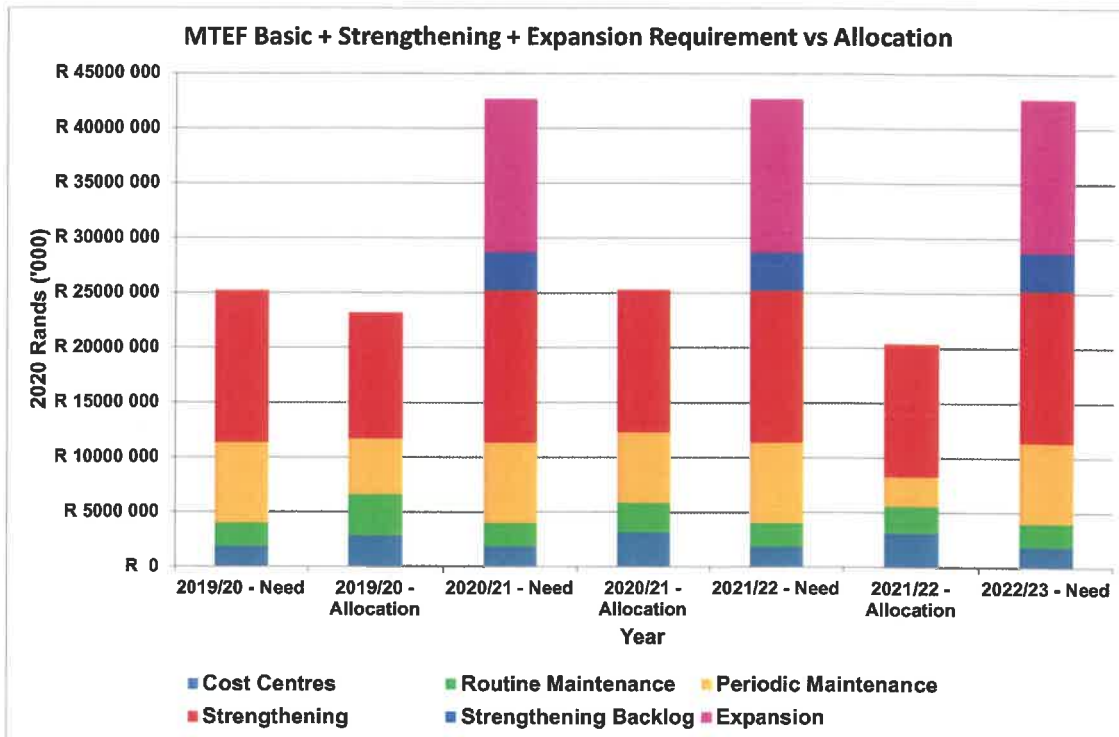
Table 3: SANRAL Network

Description	Non-Toll (Fiscus)	Agency Toll	PPP	Total
Dual Carriageway	817	557	519	1 893
4 Lane Undivided	30	302	231	562
2 Lane Undivided	18 453	823	521	19 758

2 Lane Single	19 301	1 681	1 271	22 253
Total	86.7%	7%	6%	

The 2952 km length of the toll network is 13.3% of the SANRAL network and 0.5% of the total country network.

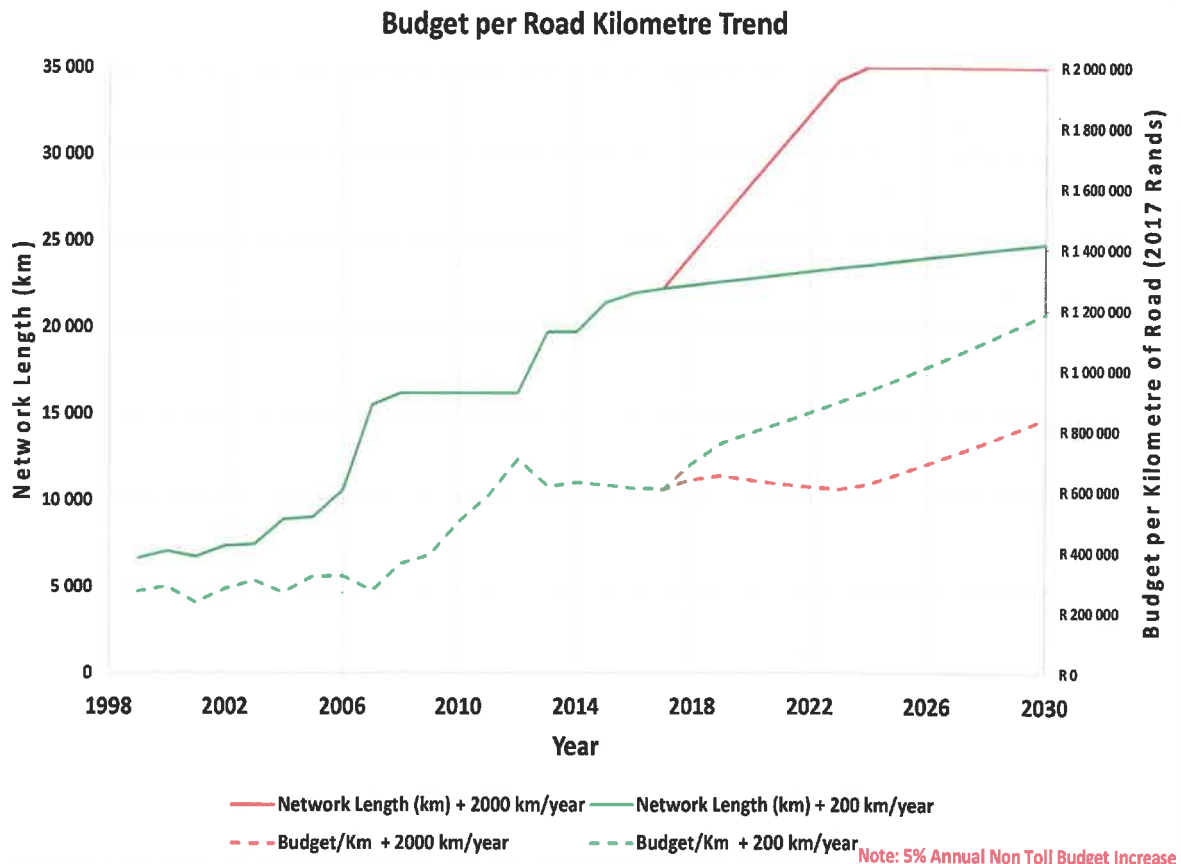
SANRAL Budget Need against Allocation



1. The current projected MTEF allocations will enable SANRAL to address the basic budget requirements required to sustain the network, but not to address the strengthening backlog or expansion requirements of the current network under its jurisdiction, no network increase assumed.
2. To address the basic requirements, strengthening backlog as well as expansion requirement of its current network SANRAL will require minimum of R42.7 billion per year over next 10 years, should the option of toll funding no longer be available (provided SANRAL network length remains unchanged).
3. Not doing expansions will result in increased congestion and associated increased road user costs on parts of the network. Mobility is one of the most fundamental and important characteristics of economic activity as it satisfies the basic need of going from one location to the other, a need shared by passengers and freight. Apart from the direct cost of the congestion on the economy (hours lost, productivity and vehicle operating costs), the social impact of congestion on society is probably the biggest concern.

Road Network Management

SANRAL has reached a stage where it needs to take rational and prudent decisions regarding network growth, the provision of support to other road authorities and the incorporation of roads from other spheres of Government. The following graph demonstrates how SANRAL has reached a “fiscal cliff” in balancing network growth against insufficient funds per kilometre required to maintain the Overall Condition Index (OCI) of the network to an acceptable level.



Horizon 2030 proposes a review of the proposed road transfers from provinces to SANRAL if SANRAL’s budget is not commensurately increased, from the original additional 15 000km to only 3 000km. The Agency does not have the financial and human capital capacity to take over the management of such a large network of roads. This new approach is of critical importance because previous road transfers were often done without the necessary budget transfers from the relevant road authorities. Subsequent additional budget allocations from National Treasury have not adequately met the life cycle cost requirements of the transferred roads.

A reduction in the kilometres of roads earmarked for transfer will result in a more sustainable national road network of 25 000km with an increased budget per/km, as indicated in the graph above. The mechanism to identify and sign off the additional 3 000km will be coordinated by the Department of Transport and SANRAL through the MinMec structure.

However, there is acknowledgement of an emerging policy perspective that seeks to expand the national road network under SANRAL to 50 000km. This is informed by the acknowledgment of the performance SANRAL has achieved over the last 20 years. Also acknowledging the prevailing challenges faced by other road authorities in effectively managing their networks. There is an emerging consensus for any road approved for transfer to SANRAL this would have to be done with new funding allocations. There should also be a parallel process of determining a long-term solution for road infrastructure financing which will assist in providing funding for such a national road network expansion.

Policy determination is the responsibility of the competent national department. In the case of SANRAL transport policy is the preserve of Department of Transport and National Treasury is the custodian of fiscal policy. As stated, there are several policies scheduled for revision or new policy development. SANRAL has through Horizon 2030 demonstrated the value and reaffirmed the role of private finance. However, the GFIP experience necessitates the development of a Road Funding policy. This would be a Department of Transport led process and there is an urgent need to clarify the way forward with regards to the GFIP and ensuring policy certainty.

Government's focus on governance is demonstrated through the NDP Pillar Achieving a more capable state and the roadmap articulated through the MTSF Priority 1 A capable, ethical and developmental state. In the MTSF government has prioritised the reduction of corruption; fruitless and wasteful expenditure; and the need to strengthen governance at SOEs.

Although not exhaustive Policies at various stages of development would include:

- Revised White Paper of National Transport Policy
- Road Infrastructure Policy
- Economic Regulation of Transport Bill

Other national department whose policies would have an impact on SANRAL would include but not limited to:

- Department of Trade and Industry
- National Treasury
- Department of Environmental Affairs
- Department of Water, Sanitation and Human Settlements
- Department of Minerals, Resources and Energy
- Department of Labour

SANRAL continues to advance and prioritise inclusivity for the targeted groups that include women, youth and people with disabilities where appropriate. Contract Participation Goal (CPG) targets for women, youth and people with disabilities are applied. SANRAL also complies with the PPPFA which specifies the subcontracting of women and youth. The SANRAL Transformation Policy and the Procurement Strategy draw extensively on the PPPFA and the potential for procurement of targeted groups within the legal framework.

Skills Development Programme is made up of scholarships, bursaries, internships and graduates placed at the Technical Excellence Academy (TEA). All of which prioritise the identified groups for inclusion.

SANRAL's strategic challenges as articulated in Horizon 2030 are the following:

- Understanding and improving the nation's perception of SANRAL
- Engaging South Africans on the concept of adequate funding of roads and convincing road users that roads are not 'free'
- Maximising job opportunities
- Sustaining the quality of the condition of the national road network
- Standardising processes and systems across all SANRAL regional offices
- Consulting with stakeholders in a timely and appropriate manner
- Influencing road user behaviour to be more compliant to road traffic laws
- Dealing with limiting and restrictive legislation

Our desired performance is hampered by internal capacity constraints because of a lack of resources. The misalignment of current operational requirements and existing internal capacity has results in operational gaps, pressure on staff, compromised ability to Also considering the changes in the SANRAL operating environment that include the Supply Chain Reforms These issues are being addressed by the current Operating Model Review.

2. External Environment Analysis

The outcome of the PESTLE exercise for SANRAL is outlined below.

PESTLE – POLITICAL

- Government policy – the NDP Emerging Trends:
 - Increased scrutiny on SANRAL's procurement processes and project allocation.
 - Land – availability and utilisation of land owned by SANRAL.
 - Potential takeovers of SANRAL projects by job seekers or militants.
- Government terms and potential for change
 - Elections and political trends.
 - Internal political dynamics and trends – e.g. a toll road running through a specific province and a Premier making decisions that contradict approved/endorsed policy.
- Trading policies – international trade relations.
- “New nationalism” – global trends impacting on trade and aid.
- Funding grants and funding models.
 - Infrastructure funding models that might change in terms of Government/Treasury policies.
- Stakeholder engagement
 - Shareholders might hold positive or negative views on SANRAL
 - Impact of lobbying and pressure groups and the media.
- Policies needed to refine SANRAL's operations:
 - Need for comprehensive policy on tolling.
- Ethics and Governance.
- Supply Chain Management (SCM) – intention of policy versus reality of implementation
- Corruption issues – perceptions about corruption and collusion within both public and private sectors.
- Bureaucracy
 - Governance of network must take into account and mitigate the inconsistencies and rapid changes that lead to delays in the implementation of projects.

PESTLE – ECONOMIC

- Micro-economic factors: construction input prices (South African Forum of Civil Engineering (SAFCEC) index.
- Macro-economic factors: local indicators; consumers
 - Current and forecasted GDP growth
 - Unemployment rate might lead to social instability
 - Rise in prime interest rate as an indicator of ability of consumers to service debt

- The inflation rate as measured by CPI as an indicator of purchasing power of consumers
- Business confidence levels are a proxy for future growth potential and labour absorption.
- Rating agencies are critical to SANRAL's toll portfolio. Their assessments impact on the Agency's ability to tap the capital markets and influence the yield pricing on financial instruments.
- Transport, Funding and Budget Indicators
 - Levies on fuel place increased pressure on household transport budgets
 - Wesbank Mobility Index to monitor the vehicle monthly spend, including tolls
 - The National Household Travel Survey (NHTS) as an indicator for how and why people travel.
- The opportunity cost of deferred maintenance of road infrastructure and critical works has a significant negative impact on SANRAL as well as road users. Deterioration in the Overall Condition Index (OCI) leads to increased road user costs, accelerated depreciation of the national road asset value, increased cost of road transport and economic efficiency losses.

PESTLE – SOCIAL

- South Africa's population totals 55.6 million. Young people – under the age of 35 – make up 66.35% of the total population. There are close to 16 million people under the age of 24 who are future job seekers.
- Migration to urban areas will put pressure on public transport system and road infrastructure.
- Walking remains a preferred mode of transport – more than 12.3 million people under the age of 24 are walking to school.
- Perceptions of civil society on governmental services have a major impact on future projects and operations.
- Influence of the church as a stakeholder.
- Public perceptions are shaped by uninformed and antagonistic media. Need for more pro-active and stronger presence in consumer media, scholarly journals and social media platforms.

PESTLE – TECHNOLOGY

- Growing capabilities of cyber-crime pose security threats to organisations requiring high levels of security and safety. Requires mitigation through the improvement of advanced security capabilities.
- Rapid development of technology is affecting the business. Research & Development must become part of organisational culture and technology be updated quicker to sustain IT and meet customer expectations.
- Mobile first approach. Mobility must be entrenched in the solutions architecture as most people use phones for internet access.
- Systems must be designed and developed with the user in mind to enable user participation in the development process.
- Critical services and complementary supporting systems identified by business

processes and strategies inform technology requirements.

PESTLE – LEGAL

- SANRAL functions as a state-owned entity with the government as sole shareholder. Its actions are governed by two primary pieces of legislation:
 - The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
 - SANRAL Act, 1998 (Act No. 7 of 1998).
- Legislation pertaining to corporate governance and compliance to public sector financial regulations:
 - Public Finance Management Act, 1999 (Act No. 1 of 1999)
 - Treasury Regulations and Practice Notes
 - Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000)
 - PPPFA Regulations
 - BBBEE Act and Codes of Good Practice.
- Legislation pertaining to environmental management:
 - National Environmental Management Act (Act No. 107 of 1998)
 - National Environmental Management: Biodiversity Act (Act No. 10 of 2004)
 - National Water Act (Act No. 36 of 1998)
 - Mineral and Petroleum Resources Development Act (Act No. 28 of 2002)
 - National Forestry Act (Act No. 84 of 1998)
 - National Heritage Resources Act (Act No. 25 of 1999).
- Legislation pertaining to human resource management:
 - Labour Relations Act (Act No. 66 of 1995)
 - Basic Conditions of Employment Act (Act No. 75 of 1997)
 - The Employment Equity Act (Act No. 55 of 1998)
 - Skills Development Act (Act No. 97 of 1998)
 - Employment Services Act (Act No. 4 of 2014).
- Legislation pertaining to information management:
 - Promotion of Access to Information Act (Act No. 2 of 2000)
 - Promotion of Administrative Justice Act (Act No. 3 of 2000)
 - Protection of Personal Information Act (Act No. 4 of 2013)
 - Prevention and Combating of Corrupt Activities Act (Act No. 12 of 2004).
- The legislative and regulatory environment is not inherently problematic. However, the issue is compliance with such legislation and regulations. Difficulties in implementing legislative requirements cannot be used as a tool to attack the usefulness or necessity of such legislation. There could be merit in an argument that there are duplications and overlaps and, in some instances, over regulation.
- Possible mitigation includes:
 - Training
 - Proposing amendments and submitting comments when new legislation is published for public comments
 - Keeping up with the latest case laws
 - Proposing amendments to existing legislation that have an impact on SANRAL's business

- Being proactive instead of reactive in approach.

PESTLE – Environment

- Ever-changing regulatory environment.
- Increased need for resource efficiency and reduction of harmful emissions, are crucial for continued road infrastructure development and maintenance.
- The impact of climate change is evident in drought conditions, more acute flooding and pressure on road drainage systems.
- Reduction in carbon footprint required.

3. Internal Environment

During the internal and external consultation process that preceded the drafting of the SANRAL 2030 Strategy the organisation conducted an extensive SWOT analysis and the following factors were identified.

In addition, Horizon 2030 also articulates several strategic opportunities for SANRAL to leverage. This is due to SANRAL's access to specialised skills, resources and technology that can be harnessed and strengthened to increase the probability of success. These include the following:

- Harness existing professional skills and support the growth of new skills
- Grow and transform the industry
- Use technology and innovation to improve capacity, mobility and road safety
- Ensure sustainability of industry through a consistent pipeline of projects
- Maximise return on SANRAL's assets – business development
- Pursue resource efficiency

However, there are some notable capacity gaps which would need to also be addressed which include the following:

- SANRAL needs to ensure that salaries and bonuses are market related to attract and retain the required skills. Thereby avoiding a skills flight and taking into cognisance the prevailing economic realities the country faces.
- Procurement processes also need to be strengthened and this acknowledges the NDP pillar and APEX priority of building a capable and ethical state; strengthening governance in all areas of the organisation.

INTERNAL	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Corporate governance is of high standard as reflected in successive Auditor General reports • Expertise in road design, building, maintenance & management • Qualified, high-skilled, experienced professional team • Investment in internal and external skills development in technical and non-technical fields • International & national skills transfer through universities, conferences, scholarly articles and research • Advanced technology used in asset management, ITIS, Freeway Management System (FMS), NETSAFE (Road Safety) • Community development philosophy and programme • Good roads and a strong asset base. 	<ul style="list-style-type: none"> • Need for a more effective internal communications & marketing strategy • External communications & marketing strategy must be adapted to meet changing environment within which SANRAL operates • Skewed human resource planning, allocation, development, utilisation and lack of career path opportunities; ageing staff • Current organisational structure (flat) does not adequately map out the relationship between Head Office and Regions • Office infrastructure at Head Office, Northern and Eastern Regions does not support growth. • Inadequate IT infrastructure (hardware) • Lack of standardised policies, procedures and procurement methods • Lack of fully resourced Supply Chain Management (SCM) unit. • Network governance (stakeholder management & participation) needs to be elevated.

EXTERNAL	
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Expanding the community development programme by embracing a new focus and philosophy • Organisation has outgrown its existing operating model/organisational structure • Proactively engaging with stakeholders to understand their needs and collaboratively develop solutions, including through social media. • Transformation of the industry (focus on black-, youth- and women-owned companies) through SANRAL's procedures, policies, utilisation of 	<ul style="list-style-type: none"> • Delays in resolving GFIP matter negatively impact on SANRAL liquidity and expansion and maintenance of the road network • Possible downgrade in the credit rating / drying up the investor appetite to fund SANRAL • Deterioration in quality of the national road infrastructure due to inadequate maintenance budget • Pockets of provincial political and civil society resistance to SANRAL projects & user-pay principle

<p>legislation and financial investment focusing on youth development</p> <ul style="list-style-type: none"> • Improving network governance to influence and support an integrated transport approach. • Leveraging rapid technological developments to facilitate safe and efficient transport, including the provision of the national road network. • Stimulating regional and local economic development through the provision of key road infrastructure, key economic links and integrated transport solutions to promote seamless mobility. 	<ul style="list-style-type: none"> • Pressure from external business forums & environmental lobby groups hampers strategy and delivery of core business • Operating in an unstable social environment due to inequality in job opportunities on project level and access to education & training • Inability to positively influence road user behaviour (road safety) • Reliance on the fiscus as primary income source • Threats to cyber security SANRAL IT and unauthorised access to e-tag user information, etc. • Corruption and collusion between construction companies.
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Part C: Measuring Our Performance

1. SANRAL Programme Performance Information

1.1 Programme 1: Road Asset Infrastructure Management

1.1.1 Purpose: The programme exists to maintain the national road network

1.2 Sub-Programme: CAPEX and OPEX

1.2.1 Purpose: Implementation of engineering and construction projects to maintain the network.

1.1 Programme 2: Administration

1.2.2 Purpose: The programme exists to fund operational costs and other related.

1.3 Sub-Programme: Overheads, property management, other support functions that include Company Secretariat.

2 Outcome, outputs, performance indicators and targets

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Optimally maintained national road network	Management of road network	Percentage of Smooth Travel Exposure (STE) KPI 1.1	96.73%	96.43%	95.89%	≥ 95%	≥ 95%	≥ 95%	
	Management of road network	Percentage of Low Rut Exposure (LRE) KPI 1.2	99.47%	99.46%	98.78%	≥ 95%	≥ 95%	≥ 95%	
	Management of road network	Percentage of High Texture Exposure (HTE) KPI 1.3	99.22%	99.11%	98.78%	≥ 95%	≥ 95%	≥ 95%	
	Management of road network	Percentage of Bridge Condition Exposure (BCE)	92.81%	92.93%	93.49%	≥ 90%	≥ 90%	≥ 90%	

Outcome	Outputs	Output Indicator	Annual Targets										
			Audited / Actual Performance			Estimated Performance	MTEF Period						
			2017/18	2018/19	2019/20		2021/22	2022/23	2023/24				
		KPI 1.4											
	Maintenance of national road network	Routine Maintenance km KPI 1.5	22197	22214 km	22 207km	22253km	22253	22253	22253				22253
	Maintenance of national road network	Network resurfaced km KPI 1.6	1891	1631 km	191.73km	150km (COVID Target)	1000	1200	1200				1200
	Maintenance of national road network	Road Strengthened, Improved and New (CAPEX) km KPI 1.7	575	601 km	151.63km	125km (COVID Target)	600	800	800				800
	Transformation of the industry	Percentage of RRM (Routine Road Maintenance) expenditure performed by black owned	76%	75%	82.1%	75%	>75%	>75%	>75%				>75%

Outcome	Outputs	Output Indicator	Annual Targets							
			Audited / Actual Performance		Estimated Performance	MTEF Period				
			2017/18	2018/19		2019/20	2021/22	2022/23	2023/24	
		SMMEs and Contractors (Based on black ownership of main contractor) KPI 1.8	50%	48.8%	50.8%	60%	>60%	>60%	>60%	
	Transformation of the industry	Percentage of Non RRM (Routine Road Maintenance) expenditure performed by black owned SMMEs and Contractors (Based on black ownership of main contractor) KPI 1.9								

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2017/18	2018/19		2019/20	2021/22	2022/23	2023/24
Transformation of the industry	Number of SMMEs working for SANRAL KPI 1.10	1833	1886	1 933	1200 (COVID Target)	2000	2200	2200	
				Black = 1422: 73.6%					Non-Black 511: 26.4%
Community Development Project	Number of Community development infrastructure projects in construction and/or completed KPI 1.11	24 projects in construction	29 projects in construction	6 projects in construction	12 projects in construction	18 projects in construction and/or completed	28 projects in construction and/or completed	28 projects in construction and/or completed	

Note: KPI 1.1 – 1.4 SANRAL measures up to 90% of the network due to maintenance activities ie ring roads/half width construction/Stop Go trafficked lanes cannot be measured, as a result sections under maintenance cannot be surveyed. Based on SANRAL's current maintenance activities about 10% of the network is not measurable, which is the reason for the 90% upper target.

Note: 1.5 The length of the SANRAL road network is subject to continuous amendment (increase or decrease) during a financial year due to the publication of various declaration gazettes by the Minister of Transport. As these amendments are also approved by the Minister of Transport, their impact on network length (increase or decrease) will be reflected in the quarterly targets and actuals.

Note: 1.5, 1.6 and 1.7 – As in SANRAL Roadworks Classification document and under construction

Note: 1.8 and 1.9: As in SANRAL roadworks classification

Note 1.8, 1.9 and 2.1: Beneficiary data is based on unskilled and semi-skilled. There may be cases where skilled is included.

Note: 1.10: The number includes SMMEs counted more than once when providing services on different project types (routine maintenance, special maintenance, strengthening, toll and non-toll projects). The total number of unique SMMEs is XX.

Note 1.11: Includes all CD Projects in construction and/or completed during the financial year.

Note: 2020/21 FY from quarter 2 targets for KPI 1.6; 1.7 and 1.10 were revised due to impacts of COVID-19. The revision window presented an opportunity to update KPI 1.5.

Category	Number (Instances)
Black EME	
Black QSE	
Non-Black EME	
Non-Black QSE	
Non-Compliant	
Total	

*Exempted micro-enterprises, which are entities with an annual turnover of R10m or less.

** Qualifying small enterprises with an annual turnover of between R10m and R50m

Reporting requirements as per NDB

Output Indicator/Key Performance Indicator (KPI)	Non-Toll	Toll
Road Strengthened, Improved and New (CAPEX) km KPI 1.7		

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Smooth Travel Exposure (STE)	≥ 95%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
Low Rut Exposure (LRE)	≥ 95%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
High Texture Exposure (HTE)	≥ 95%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
Bridge Condition Exposure (BCE)	≥ 90%	≥ 90%	≥ 90%	≥ 90%	≥ 90%
Routine Maintenance km	22253km	22253km	22253km	22253km	22253km
Network resurfaced km	1000km				1000km
Road Strengthened, Improved and New (CAPEX) km	600km				600km
Percentage of RRM (Routine Road Maintenance) expenditure performed by black owned SMMEs and Contractors (Based on black ownership of main contractor)	>75%	65%	70%	70%	75%

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Percentage of Non RRM (Routine Road Maintenance) expenditure performed by black owned SMMIEs and Contractors (Based on black ownership of main contractor)	>60%	50%	55%	55%	60%
Number of SMMIEs working for SANRAL	2000	1600	1800	1900	2000
Community development infrastructure projects	18 projects in construction and/or completed				18 projects in construction and/or completed

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Jobs created on projects (Full Time Equivalent)	Creation of jobs KPI 2.1	Jobs created on project (full-time equivalent) KPI 2.1	15299 Male = 75.9% Female = 24.1% Youth = 56.8%	12913 Male = 74.6% Female = 25.4% Youth = 55.23%	8575 Female 26.4% Male 73.6% Youth 52.2%	6000 (COVID Target)	10000	12000	14000

Outcome	Output	Output Indicator	Annual Targets								
			Audited / Actual Performance		Estimated Performance	MTEF Period					
			2017/18	2018/19		2019/20	2020/21	2021/22	2022/23	2023/24	

Note 2.1: Beneficiary data is based on unskilled and semi-skilled. There may be cases where skilled is included.

Note: 2.1 refers to Full Time Equivalents and calculation based on actual hours worked.

Note: 2020/21 FY from quarter 2 target for KPI 2.1 was revised due to impacts of COVID-19.

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Jobs created on projects (Full Time Equivalent)	10 000	7 000	8 000	9 000	10 000

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2017/18	2018/19		2019/20	2020/21	2021/22	2022/23
Creating	Provision of	Number of	198	165	157	80	150	175	175

Outcome	Output	Output Indicator	Annual Targets									
			Audited / Actual Performance			Estimated Performance	MTEF Period					
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24		
delivery capacity for the country	Internships	internships (Practical experience for under-graduate studies) KPI 3.1		Female=38% Male=62%	46% female learners; 54% male.	(COVID Target)						
	Provision of Bursaries	Number of external bursaries (tertiary) KPI 3.2	161	151 Female=27.8% Male=72.2%	138 Female = 32% Male = 68%	100 (COVID Target)	135	135	135			
	Provision of Scholarships	Number of scholarships KPI 3.3	203	220 Female=64.09% Male=35.91%	230 Female = 68% Male = 32%	220	220	220	220	220		

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of internships (Practical experience for under-graduate studies)	150	75	100	125	150
Number of external bursaries	135				135

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
(tertiary)					
Number of scholarships	220				220

Note: 2020/21 FY from quarter 2 targets for KPI 3.1 and 3.2 were revised due to impact of COVID-19.

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Safer Roads	Provision and management of safe road infrastructure	Number of pedestrian hazardous locations investigated, and solutions proposed: Identify, Investigate and Propose Remedial Measures for 12 Pedestrian Hazardous Locations	12 Pedestrian Hazardous Locations identified, investigated and remedial measures proposed.	12 locations hazardous to pedestrians identified and investigated. Remedial measures proposed.	14 locations hazardous to pedestrians identified and investigated. Remedial measures proposed.	Identify, investigate and propose remedial measures at twelve pedestrian hazardous locations per year	Identify, investigate and propose remedial measures at twelve pedestrian hazardous locations per year	Identify, investigate and propose remedial measures at twelve pedestrian hazardous locations per year	Identify, investigate and propose remedial measures at twelve pedestrian hazardous locations per year

Annual Targets											
Outcome	Output	Output Indicator	Audited / Actual Performance				MTEF Period				
			Estimated Performance								
			2017/18	2018/19	2019/20	2020/21		2021/22	2022/23	2023/24	
		KPI 4.1									
	Provision and management of safe road infrastructure	Number of Road Safety Audits conducted: KPI 4.2	8 Road Safety Audits have been completed	10 Road Safety Audits Completed	9 Road Safety Audits Completed	12 Road Safety Audits Completed	12 Road Safety Audits Completed	12 Road Safety Audits Completed	12 Road Safety Audits Completed	12 Road Safety Audits Completed	12 Road Safety Audits Completed
	Improved Public Road Safety Education and Awareness	Number of sites: Road safety education and awareness programmes at selected educational sites in a 5km radius of the national network and/or linked to SANRAL construction projects	25 sites	39 sites	75 sites	30 sites	30 sites	30 sites	30 sites	30 sites	30 sites

Outcome	Output	Output Indicator	Annual Targets							
			Audited / Actual Performance		Estimated Performance	MTEF Period				
			2017/18	2018/19		2019/20	2021/22	2022/23	2023/24	
		KPI 4.3								

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of pedestrian hazardous locations investigated, and solutions proposed:	Identify, investigate and propose remedial measures at twelve pedestrian hazardous locations per year		Twelve pedestrian hazardous locations:		Twelve pedestrian hazardous locations:
Identify, Investigate and Propose Remedial Measures for 12 Pedestrian Hazardous Locations			Investigation: 50%		Proposal of Remedial measures: 100%.
Number of road safety audits conducted:	12 Road Safety Audits Completed		Twelve (12) or more projects where 50% Progress: Commencement of Procurement Process for Road Safety Auditor, which includes making financial provision for RSA Audit as part of Engineering Services Tender Document is attained.		Twelve (12) or more projects where 100% Completion: Completion of Road Safety Audit Report by Road Safety Auditor is attained.
Conduct Road Safety Audits on 12 or more projects.					
Number of sites:	30 sites		15 sites		30 sites
Road safety education and					

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
awareness programmes at selected educational sites in a 5km radius of the national network and/or linked to SANRAL construction projects					

Outcome	Output	Output Indicator	Annual Targets							
			Audited / Actual Performance		Estimated Performance	MTEF Period				
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Improved SANRAL reputation	Improvement and management of reputation	Number of positive messages in national/regional media (print, broadcast or online) per month KPI 5.1	Achieved with at least an average of 21 positive stories per month on various mediums.	Achieved with at least an average of 37 positive stories profiled per month on various mediums	Profiled approximately 23 positive messages per month in national, regional and community media through various mediums	Profile at least twelve positive messages in national/regional media (print, broadcast or online) per month (COVID Target)	Profile at least fifteen positive messages in national/regional media (print, broadcast or online) per month	Profile at least fifteen positive messages in national/regional media (print, broadcast or online) per month	Profile at least fifteen positive messages in national/regional media (print, broadcast or online) per month	Profile at least fifteen positive messages in national/regional media (print, broadcast or online) per month
Constructive engagement with	Number of Stakeholder engagement	62 round table discussions/stakeholder	39 round table discussions/stakeholder	26 round table session were	Hold six round table discussions	Hold 60 round table discussions with	Hold 60 round table discussions with	Hold 60 round table discussions	Hold 60 round table discussions	

Annual Targets								
Outcome	Output	Output Indicator	Audited / Actual Performance			Estimated Performance		
			2017/18	2018/19	2019/20	2020/21		
			2021/22	2022/23	2023/24			
	stakeholders	sessions/roundtables KPI 5.2	engagements were held	engagement sessions were held	hosted in the year.	with stakeholders (COVID Target)	stakeholders	with stakeholders

Note: 2020/21 FY from quarter 2 targets for KPI 5.1 and 5.2 were revised due to impacts of COVID-19.

Note: KPI 5.2 Stakeholder Engagement Sessions include Taking SANRAL to the People and Information Sharing Sessions.

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
		Profile at least 15 positive messages in national/ regional media (print, broadcast or online) per month	Profile at least 15 positive messages in national/ regional media (print, broadcast or online) per month	Profile at least 15 positive messages in national/ regional media (print, broadcast or online) per month	Profile at least 15 positive messages in national/ regional media (print, broadcast or online) per month
Number of Stakeholder engagement sessions/round tables	60	15	15	15	15

Governance Indicators Table

Performance Outcome	Output	Output Indicator	Annual Targets					
			Audited / Actual Performance		Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Leadership, Governance and Accountability								
Improved governance and strengthened control environment	Adequacy of responses to Parliament questions	Percentage responses to Parliament questions within stipulated timelines	-	-	-	100% responses to Parliament questions	100% responses to Parliament questions	100% responses to Parliament questions
	Resolution of reported incidents of corruption	Percentage resolution of reported incidents of corruption	-	-	-	85% resolution of reported incidents of corruption	85% resolution of reported incidents of corruption	85% resolution of reported incidents of corruption
	Functionality of ethics structures and adequate capacity	Ethics committees established and operationalized	-	-	-	The Board's Social Ethics and Transformation Committee oversees ethics policies and implementation across the organisation. Aspects of ethics management are operationalized by all functions within SANRAL	A structure dedicated to ethics management will be established within SANRAL	Ethics principles will be operationalized in a co-ordinated manner across the organisation

Performance Outcome	Output	Output Indicator	Annual Targets									
			Audited / Actual Performance				Estimated Performance	MTEF Period				
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
							but with key deliverables for the Risk, SCM and the Company Secretariat functions.					
	Implementation of action plan to address audit findings	Percentage implementation of action plans to address audit findings	Annual Progress Report on the implementation of action plan to address audit findings	Annual Progress Report on the implementation of action plan to address audit findings	Annual Progress Report on the implementation of action plan to address audit findings	100% implementation of action plans to address audit findings	100% implementation of action plans to address audit findings	100% implementation of action plans to address audit findings	100% implementation of action plans to address audit findings	100% implementation of action plans to address audit findings	100% implementation of action plans to address audit findings	100% implementation of action plans to address audit findings
	Maintain zero qualified audits	Regulatory Audit Outcome by the Auditor-General of South Africa (AGSA)	Unqualified Audit Report with findings	Unqualified Audit Report with findings	Unqualified Audit Report with findings	Unqualified Audit Report with no findings affecting the audit report	Unqualified Audit Report with no findings affecting the audit report	Unqualified Audit Report with no findings affecting the audit report	Unqualified Audit Report with no findings affecting the audit report	Unqualified Audit Report with no findings affecting the audit report	Unqualified Audit Report with no findings affecting the audit report	Unqualified Audit Report with no findings affecting the audit report
	Elimination of wasteful and fruitless	Percentage reduction of cases of	-	-	-	-	100% reduction of cases of	100% reduction of cases of	100% reduction of cases of	100% reduction of cases of	100% reduction of cases of	100% reduction of cases of

Annual Targets								
Performance Outcome	Output	Output Indicator	Audited / Actual Performance		Estimated Performance	MTEF Period		
			2017/18	2018/19		2019/20	2020/21	2021/22
	expenditure	wasteful and fruitless expenditure				wasteful and fruitless expenditure	wasteful and fruitless expenditure	wasteful and fruitless expenditure
	Reduction of irregular expenditure	Percentage reduction of cases of irregular expenditure	-	-	-	50% reduction of cases of irregular expenditure	50% reduction of cases of irregular expenditure	50% reduction of cases of irregular expenditure
	Compliance to 30-day payment requirement	Percentage compliance to 30-day payment requirement	-	-	-	100% compliance	100% compliance	100% compliance

Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Leadership, Governance and Accountability					
Percentage responses to Parliament questions within stipulated timelines	100% responses to Parliament questions	-	Bi-Annual Report on the status of responses to Parliamentary questions	-	Annual Report on the status of responses to Parliamentary questions
Percentage resolution of reported incidents of corruption	85% resolution of reported incidents of corruption	-	-	-	Annual Report on steps taken to ensure resolution of reported incidents of corruption
Ethics committees established and operationalized	Operations of departmental ethics committees monitored	-	Bi-Annual Report on the status and operations of ethics committees in the	-	Annual Report on the status and operations of ethics committees in the

Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Percentage implementation of action plans to address audit findings	100% implementation of action plans to address audit findings	-	-	Develop action plans to address audit findings raised by the AGSA for the 2020/21 financial year	Annual Report on the implementation of action plan to address audit findings raised by the AGSA for the 2020/21 financial year.
Regulatory Audit Outcome by the Auditor-General of South Africa (AGSA)	Maintain zero qualified audit	-	-	-	Annual Report on efforts taken to achieve an unqualified audit report with no significant findings.
Percentage reduction of cases of wasteful and fruitless expenditure	100% reduction of cases of wasteful and fruitless expenditure	-	Bi-Annual Report on steps taken to reduce wasteful and fruitless expenditure in SANRAL.	-	Annual Report on steps taken to reduce wasteful and fruitless expenditure in the Department.
Percentage reduction of cases of irregular expenditure	50% reduction of cases of irregular expenditure	-	Bi-Annual Report on steps taken to reduce irregular expenditure in SANRAL	-	Annual Report on steps taken to reduce irregular expenditure in the Department.
Percentage compliance to 30-day payment requirement	100% compliance to 30-day payment requirement	-	Bi-Annual Report on steps taken to ensure compliance to the 30-day payment requirement.	-	Annual Report on steps taken to ensure compliance to the 30-day payment requirement

4 Explanation of planned performance over the medium-term period

The below outlines how each programme and sub-programmes will contribute towards achieving the NDP priorities:

Programme: Road Asset Infrastructure Management	
Output	Link to Outcome and Impact
Management of road network	Survey vehicle collects road condition data which together with traffic data is used to calculate the OCI. Maintaining an OCI of 70 or above directly equates to having an optimally maintained national road network.
Maintenance of national road network Sub-Programme: OPEX Sub-programme: CAPEX	CAPEX and OPEX works on the network as informed by the Asset Management System ensure that the network subject to adequate budget is optimally maintained as per the target OCI.
Transformation of the industry Sub Programme: CAPEX Sub-Programme: OPEX	CAPEX and OPEX works are procured in line with government legislation and objectives which includes transformation. Monitoring transformation performance at project level supports the outcome of having a transformed industry.
Community Development Project Sub-Programme: Community Development	Community Development Projects have a range of potential benefits which can serve to support multiple outcomes. Community Development Projects enable skills development and training thereby transforming industry and creating employment. Community Development Projects can enhance safety for users thereby contributing to safer roads. Community Development Projects has the potential to improve SANRAL's reputation due to their direct proximity to communities.
Creation of jobs Sub-programme: OPEX Sub-programme: CAPEX	CAPEX and OPEX works are procured in line with government legislation and objectives which includes employment creation. Jobs created by SANRAL's expenditure at project level are

	monitored and reported.
Provision and management of safe road infrastructure	Ensuring a safer road network requires a multi-level proactive approach. At the level of infrastructure road safety audits and hazardous location reports enables implementation of remedial measure subject to budget availability. This will then influence the network's Equivalent Accident Number per vehicle kilometre travelled metric as per desired target.

Programme: Administration	
Output	Link to Outcome and Impact
Provision of Internships	Internships serve to augment creating delivery capacity for the country. These give work opportunities to graduates in fulfilment of their post school qualifications.
Provision of Bursaries	In creating delivery capacity for the country, the outcome indicator is the number of candidate professionals that exit the Technical Excellence Academy (TEA) and will go on to work towards professional registration. There is a pipeline for TEA candidate professionals completing all phases of the training programme and one stage of this is awarding bursaries to qualifying school leavers for university studies. Graduates then enter the TEA as candidate professionals.
Provision of Scholarships	In creating delivery capacity for the country, the outcome indicator is the number of scholarships awarded. There is a pipeline for TEA candidate professionals completing all phases of the training programme. The first stage of this is awarding bursaries to qualifying school leavers for university studies. Successful matriculants who qualify and elect to participate in the bursary programme are then put through to the next stage towards becoming graduates.
Improved Public Road Safety Education and Awareness	Ensuring a safer road network requires a multi-level proactive approach. One of the avenues is conducting road safety education and awareness

	programmes. This then complements the safer roads outcome by educating the road user while at another level infrastructure is safely engineered.
Improvement and management of reputation	Positive media messaging across various platform seeks to raise awareness and inform the public on SANRAL's mandate and interventions. This directly seeks to support the outcome of improving SANRAL's reputation.
Constructive engagement with stakeholders	Stakeholder engagement sessions are a platform to raise awareness and inform targeted stakeholders about SANRAL's plans, programmes, consultation on planned projects, interventions, build relations and mitigate potential disquiet. These platforms in certain cases enable informal social compacts to be reached in principle and the building of trust. They also afford an opportunity to demonstrate SANRAL's commitment to government objectives. This directly seeks to support the outcome of improving SANRAL's reputation. With the indicator being Brand Equity as a measured metric.

- *A portion of the non-toll road CAPEX budget for 2021/22 -23/24 will be funded through a loan agreement between the National Treasury and the National Development Bank. These funds will be transferred to National Treasury based on the achievement by SANRAL of KPI 1.7 (Road strengthened, Improved and New CAPEX) km for non-toll roads. The targets for 2021/22 as outlined in the APP has been approved by the Minister of Transport.*
- *Achieved performance indicator reports will be submitted to the NDB as required. (The alternate monitoring tool for non-toll road performance)*

Horizon 2030 identifies several enablers which are required for SANRAL to deliver on government's objectives as outlined in the NDP and these are as follows:

- Human resources and critical skills that are effectively recruited and remunerated in line with the Employment Equity Plan and a clear succession strategy.
- Information and Communication Technology (ICT) that is informed by the business strategy and responsive to a dynamic and rapidly changing environment.

- Legislation and regulation that impacts on the company should be monitored on an ongoing basis, streamlined with relevant authorities and inputs provided on possible reviews/amendments.
- Resource efficiency requires optimal utilisation of resources and steps would include sustainable road material use, conservation of non-renewables; reduction of carbon footprint; focussing on smart procurement and managing industry monopolies.
- Ethics is a vital element of SANRAL's business, and the Agency adheres to the highest standards of corporate governance.
- Supply Chain Management (SCM) functions is critical for SANRAL's procurement and the objectives would include ensuring compliance to sound practices, engaging with suppliers and impact assessment of practices.
- Transformation framework and policy aims to ensure that across the range of SANRAL's activities government objectives with regards to transformation are incorporated.
- Funding is a key enabler that enables the delivery of the Agency's mandate, as such SANRAL will promote an Integrated Funding Model that includes public tax-based funding, private finance and own revenue generation whilst constantly seeking new funding streams.

5 Programme Resource Considerations

OVERVIEW OF 2021/2022 BUDGET AND MTEF ESTIMATES

South African National Roads Agency expenditure trends and estimates by Programme/objective/ activity

	2017/18		2018/19		2019/20		2020/21		2017/18-2020/21		Medium-term estimate			Expenditure/ total: Average (%)	
	Audited outcome	Budget estimate	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Average growth rate (%)	Expenditure/ total: Average (%)	2021/22	2022/23	2023/24	Average growth rate (%)	2020/21 - 2023/24
R thousand															
Administration	4 711 058		2 726 911	2 867 959	2 651 557	2 867 959	2 032 602	2 032 602	-15,2%	18,0%	3 016 993	3 161 183	3 321 222	5,0%	9,6%
Roads asset infrastructure management	14 149 578		13 337 387	20 032 602	12 500 927	20 032 602	22 900 561	20 032 602	12,3%	82,0%	35 395 048	32 333 162	32 786 719	17,8%	90,4%
Total expense	18 860 636		16 064 298	22 900 561	15 152 484	22 900 561	22 900 561	22 900 561	6,7%	100,0%	38 412 041	35 494 345	36 107 941	16,4%	100,0%

Statement of financial performance	2020/21		2017/18-2020/21		2021/22		Medium-term estimate			Expenditure/ total: Average (%)	
	Budget estimate	Approved budget	Outcome/ Budget Average %	Average growth rate (%)	Expenditure/ total: Average (%)	2021/22	2022/23	2023/24	Average growth rate (%)	2020/21 - 2023/24	
R thousand											
Revenue											
Tax revenue											
Non-tax revenue	6 063 537	6 063 537	99,3%	-6,2%	35,7%	6 183 300	6 556 695	7 010 348	5,0%	30,7%	
Sale of goods and services other than capital assets	5 005 241	5 005 241	93,5%	-4,3%	27,1%	5 125 004	5 498 399	5 904 429	5,7%	25,6%	
of which:											
Administrative fees											

<i>Sales by market establishment</i>	4 585 424	4 585 424	4 585 424	96,6%	-5,2%	25,9%	4 663 205	5 022 746	5 407 372	5,6%	23,4%
Other sales	419 817	419 817	419 817	56,3%	9,9%	1,2%	461 799	475 653	497 057	5,8%	2,2%
Other non-tax revenue	1 058 296	1 058 296	1 058 296	124,0%	-13,7%	8,6%	1 058 296	1 058 296	1 105 919	1,5%	5,1%
Interest, dividends and rent on land	1 000 000	1 000 000	1 000 000	95,4%	-3,1%	5,6%	1 000 000	1 000 000	1 045 000	1,5%	4,8%
Transfers received	13 633 386	13 633 386	13 633 386	77,0%	7,1%	64,3%	14 178 722	14 856 861	15 525 419	4,4%	69,3%
Tax benefit	-	-	-	-	-	-	-	-	-	-	-
Outside shareholders interest	-	-	-	-	-	-	-	-	-	-	-
Total revenue	19 696 923	19 696 923	19 696 923	83,6%	2,2%	100,0%	20 362 022	21 413 556	22 535 767	4,6%	100,0%
Expenses											
Current expenses	22 900 561	22 900 561	22 900 561	63,5%	6,7%	100,0%	38 412 041	35 494 345	36 107 941	16,4%	100,0%
Compensation of employees	627 237	627 237	627 237	97,3%	26,2%	2,5%	633 708	748 440	820 717	9,4%	2,2%
Goods and services	14 847 414	14 847 414	14 847 414	50,3%	10,9%	54,5%	30 027 643	26 819 835	26 750 513	21,7%	73,2%
Depreciation	4 059 743	4 059 743	4 059 743	100,3%	7,2%	20,7%	4 384 523	4 559 904	4 765 099	5,5%	13,8%
Interest, dividends and rent on land	3 366 167	3 366 167	3 366 167	89,7%	-8,2%	22,3%	3 366 167	3 366 167	3 771 612	3,9%	10,8%
Transfers and subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Tax payment	-	-	-	-	-	-	-	-	-	-	-
Outside shareholders interest	-	-	-	-	-	-	-	-	-	-	-
Total expenses	22 900 561	22 900 561	22 900 561	63,5%	6,7%	100,0%	38 412 041	35 494 345	36 107 941	16,4%	100,0%
Surplus/(Deficit)	(3 203 637)	(3 203 637)	(3 203 637)		97,1%		(18 050 019)	(14 080 790)	(13 572 173)	61,8%	

THE SOUTH AFRICAN NATIONAL ROADS AGENCY LTD
OPERATING SUMMARY (NON TOLL) - Version 3
BUDGET (R'000)

DESCRIPTION	2020/2021			Forecast vs Actual	2021/2022			2022/2023			2023/2024		
	Budget	Forecast	Actual 8 Dec 2020		Budget	Budget	Budget	Budget	Budget	Budget			
TREASURY ALLOCATION	21 177 224	20 400 264	15 339 028	5 061 236	21 558 612	21 221 339	21 221 339	21 221 339	21 221 339	21 221 339	21 221 339	21 221 339	
OTHER INCOME	98 823	89 028	40 324	48 704	36 147	241 647	241 647	241 647	241 647	241 647	241 647	241 647	
Sundry Income	947	24 923	25 579	(656)	947	947	947	947	947	947	947	947	
Land sales and Rental Income	74 273	10 406	14 745	(4 339)	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	
Interest Received - Net	8 403	21 358	-	21 358	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	
Joint Venture Contributions	15 200	32 341	-	32 341	15 200	220 700	220 700	220 700	220 700	220 700	220 700	220 700	
TOTAL INCOME	21 276 047	20 489 292	15 379 352	5 109 940	21 594 759	21 462 986	21 462 986	21 462 986	21 462 986	21 462 986	21 462 986	21 462 986	
GFIP NEW DISPENSATION ALLOCATION	550 516	3 130 062	3 130 062	-	3 163 066	664 436	664 436	664 436	664 436	664 436	664 436	664 436	
OPERATING EXPENDITURE	10 988 865	4 804 287	2 429 465	2 374 822	14 853 496	13 492 143	13 492 143	13 492 143	13 492 143	13 492 143	13 492 143	13 492 143	
Employee Costs	523 140	442 101	260 559	181 542	633 708	748 440	748 440	748 440	748 440	748 440	748 440	748 440	
Administrative Support	881 812	608 847	324 305	284 542	910 260	968 723	968 723	968 723	968 723	968 723	968 723	968 723	
Technical Support	424 979	197 686	100 135	97 551	569 078	528 050	528 050	528 050	528 050	528 050	528 050	528 050	
Property Management	417 945	305 229	139 811	165 418	561 717	608 777	608 777	608 777	608 777	608 777	608 777	608 777	
Ad Hoc Maintenance	336 867	169 996	66 365	103 632	574 241	475 399	475 399	475 399	475 399	475 399	475 399	475 399	
Routine Operations	3 429 687	2 135 326	1 282 619	852 706	3 411 721	2 103 592	2 103 592	2 103 592	2 103 592	2 103 592	2 103 592	2 103 592	
Periodic Maintenance	3 019 784	499 380	77 917	421 462	4 665 616	4 565 616	4 565 616	4 565 616	4 565 616	4 565 616	4 565 616	4 565 616	
Special Maintenance	1 954 652	445 723	177 754	267 968	3 571 228	3 503 545	3 503 545	3 503 545	3 503 545	3 503 545	3 503 545	3 503 545	
CAPITAL EXPENDITURE	11 712 750	2 879 742	1 374 833	1 504 909	16 886 522	18 640 670	18 640 670	18 640 670	18 640 670	18 640 670	18 640 670	18 640 670	
Sundry Capital Expenditure	194 605	133 891	14 915	118 976	425 388	347 086	347 086	347 086	347 086	347 086	347 086	347 086	
Community Development	776 856	140 805	34 458	106 347	815 203	1 070 410	1 070 410	1 070 410	1 070 410	1 070 410	1 070 410	1 070 410	
Strengthening	1 233 360	332 938	193 363	139 575	1 950 383	1 642 915	1 642 915	1 642 915	1 642 915	1 642 915	1 642 915	1 642 915	
Improvements	5 704 389	1 135 553	497 106	638 447	8 367 390	9 101 775	9 101 775	9 101 775	9 101 775	9 101 775	9 101 775	9 101 775	
New Facilities	3 703 540	1 106 555	618 369	488 186	5 143 159	6 438 483	6 438 483	6 438 483	6 438 483	6 438 483	6 438 483	6 438 483	
Land Acquisition	100 000	30 000	16 622	13 378	185 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	
TOTAL EXPENDITURE [C+D]	22 701 616	7 684 029	3 804 298	3 879 731	31 740 019	32 132 813	32 132 813	32 132 813	32 132 813	32 132 813	32 132 813	32 132 813	
SURPLUS / (DEFICIT) [A - B - C - D]	(1 976 085)	9 675 201	8 444 992	1 230 209	(13 308 326)	(11 334 263)	(11 334 263)	(11 334 263)	(11 334 263)	(11 334 263)	(11 334 263)	(11 334 263)	
Balance Brought Forward	14 973 089	14 973 089	14 973 089		24 648 290	11 339 964	11 339 964	11 339 964	11 339 964	11 339 964	11 339 964	11 339 964	
Balance Carried Forward	12 997 004	24 648 290	23 418 081		11 339 964	5 701	5 701	5 701	5 701	5 701	5 701	5 701	
Committed Funds	7 438 296	5 320 793			7 941 455	6 469 847	6 469 847	6 469 847	6 469 847	6 469 847	6 469 847	6 469 847	

**THE SOUTH AFRICAN NATIONAL ROADS AGENCY SOC LTD
OPERATING SUMMARY (TOLL) Version 3 S3
BUDGET (R'000)**

DESCRIPTION	2020/2021		Forecast vs Actual	2021/2022					2022/2023					2023/2024					2024/2025		2025/Forward	
	Budget	Forecast		Actual as 8 Dec 2020	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget		
TOLL INCOME	4 535 424	4 381 219	2 316 654	4 871 802	5 308 821	5 856 203	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199	6 460 199			
OTHER INCOME	2 705 061	2 732 211	2 732 211	3 101 063	3 134 066	3 167 069	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 200 072	3 233 075		
GFP New Dispensation Allocation	2 705 061	2 705 061	2 705 061	3 100 063	3 133 066	3 166 069	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 199 072	3 232 075		
Sundry Income	-	-	26 758	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Landsales and Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Interest Received - Net	-	392	392	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000		
TOTAL INCOME (A)	7 240 485	7 113 430	5 048 865	7 972 865	8 442 887	9 023 272	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 660 271	9 693 274		
OPERATING EXPENDITURE (B)	5 000 803	3 345 031	1 706 010	5 404 578	5 642 674	4 419 781	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	3 330 110	2 760 774		
Salaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Administrative Support	105 106	118 554	80 534	151 538	163 991	164 633	381 134	381 134	381 134	381 134	381 134	381 134	381 134	381 134	381 134	381 134	381 134	381 134	381 134	73 972		
Technical Support	346 443	537 882	138 037	102 352	92 852	93 252	93 752	93 752	93 752	93 752	93 752	93 752	93 752	93 752	93 752	93 752	93 752	93 752	93 752	85 552		
Property Management	45 000	45 000	34 939	10 061	76 249	80 061	84 064	84 064	84 064	84 064	84 064	84 064	84 064	84 064	84 064	84 064	84 064	84 064	84 064	85 552		
Ad Hoc Maintenance	36 204	21 301	16 711	4 590	123 820	68 264	67 600	93 257	93 257	93 257	93 257	93 257	93 257	93 257	93 257	93 257	93 257	93 257	93 257	-		
Routine Operations	3 588 872	2 576 255	1 435 242	3 697 809	3 333 598	3 002 520	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 411 564	2 592 519		
MP	743 421	39 326	193	1 087 883	1 587 469	927 160	260 338	260 338	260 338	260 338	260 338	260 338	260 338	260 338	260 338	260 338	260 338	260 338	260 338	1 731		
MS	175 757	6 713	353	168 758	320 251	84 554	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	7 000		
CAPITAL EXPENDITURE (C)	1 414 771	564 765	295 131	1 343 042	6 396 600	11 035 769	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	10 690 793	3 793 513		
Sundry Capital Expenditure	186 542	-	-	343 342	175 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342	70 342		
Community Development	77 399	800	800	20 660	82 189	53 333	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000		
Site Development	46 515	8 460	646	49 020	383 400	1 739 436	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	1 651 421	372 900		
Improvements	561 917	239 485	139 440	129 098	2 029 128	2 682 178	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	2 415 045	1 047 878		
New Facilities	532 398	286 021	155 045	130 976	785 922	3 711 542	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	6 485 480	2 277 393		
Land Acquisition	10 000	30 000	-	15 000	15 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000		
FINANCE CHARGES (D)	4 003 221	4 003 221	1 635 369	3 366 167	3 366 167	3 771 612	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	3 778 524	4 154 809		
TOTAL EXPENDITURE [B+C+D]	10 418 795	7 913 017	3 636 510	10 113 787	15 405 440	19 227 162	17 799 427	17 799 427	17 799 427	17 799 427	19 227 162	17 799 427	17 799 427	17 799 427	17 799 427	17 799 427	17 799 427	17 799 427	17 799 427	10 709 096		
SURPLUS / (DEFICIT) [A - B - C - D]	(3 178 311)	(799 587)	1 412 355	(2 940 509)	(6 962 554)	(10 203 890)	(8 139 156)	(8 139 156)	(8 139 156)	(8 139 156)	(10 203 890)	(8 139 156)	(8 139 156)	(8 139 156)	(8 139 156)	(8 139 156)	(8 139 156)	(8 139 156)	(8 139 156)	(1 015 822)		
BORROWING REQUIREMENT	3 178 311	799 587	(1 412 355)	2 940 509	6 962 554	10 203 890	8 139 156	8 139 156	8 139 156	8 139 156	10 203 890	8 139 156	8 139 156	8 139 156	8 139 156	8 139 156	8 139 156	8 139 156	8 139 156	1 015 822		
Balance Carried Forward	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Committed Funds	2 505 009	2 955 488	-	1 903 905	1 599 385	1 780 989	1 305 819	1 305 819	1 305 819	1 305 819	1 780 989	1 305 819	1 305 819	1 305 819	1 305 819	1 305 819	1 305 819	1 305 819	1 305 819	760 129		

6 Updated Key Risks

OUTCOME	KEY RISK	RISK MITIGATION
Optimally maintained National road network	Incorporation of poorly maintained provincial roads Insufficient budget	Process to be followed to ensure roads are suitable candidate for incorporation Roads to be transferred with sustainable and long-term funding
Jobs created on projects (Full Time Equivalent)	Budget reduction Insufficient projects in construction phase	Advanced planning and budget prioritisation
Creating delivery capacity for the country	Insufficient carrying capacity and resources for candidate professional at the TEA Additional mentors, coaches and supervisors required	Development of TEA Strategy and Business Plan to guide ramp up Ramp up resources to fill the skills shortfall and capacity constraints
Safer Roads	Incorporation of poorly maintained provincial roads and challenges in addressing deficiencies Insufficient budget to undertake required works Development beyond SANRAL's control can influence the index Traffic growth will also negatively impact the index.	Process to be followed to ensure roads are suitable candidate for incorporation Roads to be transferred with sustainable and long-term funding
Improved SANRAL reputation	Budget availability Not having service provider in place COVID-19 impacts ability to gather crowds and engage	Interaction with Finance Division and feedback to secure budget

	people	
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7 Public Entities

Not Applicable

8. Infrastructure Projects

No.	Project Name	Programme	Project Description	Outputs	Project start date	Project completion date	Total Estimated cost	Current year Expenditure
	N2 Amanzimtoti to Umdloti	N2 Corridor Upgrade with packages (SIP 2)	Upgrading		2018	2029	R10 billion	
	N3 Durban to Pmb	N3 Corridor Upgrade with packages (SIP 2)	Upgrading		2017	2029	R20 billion (subject to funding availability)	
	R573 Moloto Road	Moloto Road Upgrade (SIP 1)	Upgrading and improvement		2017	2024	R4 billion	
	N2 Wild Coast	N2 Wild Coast Build. Road and major bridges (SIP 3). Multiple packages	Greenfields project with major bridges and construction of 112km of new roads		2016	2026	R11 billion	
	N1 Huguenot Tunnel (CAPEX)	Full lining, draining, ventilation, firefighting system and road works for	Full lining, draining, ventilation, firefighting system and road works.		2022	2025	R2.4 billion	

		the new bore (Southern)							
N2 Strand		New construction between Broadlands to Sir Lowry's Plan	Greenfields construction of 13km with major interchanges		2023	2026		R3 billion	
N1 Kranskop to Polokwane		Upgrade of the corridor with safety improvements. Various packages.	Upgrade with sections and capacity improvements over the corridor. Kranskop to Polokwane (140km)		2023 (Subject to budget)	2028		R4.2 billion	

9. Public-Private Partnerships

PPP	Purpose	Outputs	Current Value of Agreement	End date Agreement
N3TC	Design Build Finance Operate and Maintain	Well maintained road infrastructure	R4.5 billion (CAPEX) R1.8 billion (OPEX)	2029
Bakwena N1 Proefplaas I/C to Bela Bela N4 Doornpoort to Skilpadshok Border Post	Design Build Finance Operate and Maintain	Well maintained road infrastructure	R4.9 billion (OPEX) R6 billion (CAPEX)	2031
TRAC N4 Hans Strydom I/C to Maputo	Design Build Finance Operate and Maintain	Well maintained road infrastructure	R9 billion (CAPEX) R3 billion (OPEX)	2028

Note: Current Value of the Agreement is the CAPEX and OPEX investment remaining for the life of the PPP.

Part D: Technical Indicator Description (TID)

Indicator Title	Smooth Travel Exposure (STE)
Definition	The proportion of travel undertaken each year on roads with roughness (longitudinal surface undulations affecting the wear and operating costs of vehicles, road safety, and the impact of the vehicle on the road through excitation of the vehicle mass), conditions less than the specified level. At least 95% of travel on less than 4.2 m/km roughness
Source of data	SANRAL Road Survey Vehicle reports
Method of Calculation / Assessment	Scientific automated procedure within SANRAL IT IS system
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Higher actual performance than targeted is desirable At least 95% of travel on less than 4.2 m/km roughness
Indicator Responsibility	Network Management Support

Indicator Title	Low Rut Exposure
Definition	The proportion of travel undertaken each year on roads with rut depth (surface depressions that can hold water and cause a vehicle to aquaplane), conditions less than the specified level. To monitor whether roads are providing acceptable travel conditions.
Source of data	SANRAL Road Survey Vehicle reports
Method of Calculation / Assessment	Scientific automated procedure within SANRAL IT IS system
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Higher actual performance than targeted is desirable At least 95% of travel on less than 20 mm rut depth
Indicator Responsibility	Network Management Support

Indicator Title	High Texture Exposure
Definition	The proportion of travel undertaken each year on roads with macro-texture (visual coarseness of the road surface that affects surface friction at high speeds (> 60 km/h) for wet conditions), conditions higher than the specified level. To monitor whether roads are providing acceptable travel conditions.
Source of data	SANRAL Road Survey Vehicle reports
Method of Calculation / Assessment	Scientific automated procedure within SANRAL IT IS system
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Higher actual performance than targeted is desirable At least 95 % of travel on higher than 0.4 mm texture
Indicator Responsibility	Network Management Support

Indicator Title	Bridge Condition Exposure (BCE)
Definition	The proportion of travel undertaken each year over or under bridges with conditions higher than the specified level.

	To monitor whether bridges are providing acceptable travel conditions.
Source of data	SANRAL Bridge Inspection every 5 years
Method of Calculation / Assessment	Scientific automated procedure within SANRAL IT IS system
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Higher actual performance than targeted is desirable At least 90 % of travel over or under bridges with OCI (Overall Condition Index) higher than 70
Indicator Responsibility	Network Management Support

Indicator Title	Routine Maintenance km
Definition	The length of network covered with routine road maintenance (as in the Roadworks Classification document) contracts that perform the following preventative activities – grass cutting, clearing drainage structures, crack sealing, pothole repairs, accident damage repairs, litter removal. To provide required preventative maintenance to ensure

	pavement achieves design life.
Source of data	SANRAL RRM Contracts
Method of Calculation / Assessment	Length of Network Under RRM
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	PPPFA and Project CPG Included under Transformation/Empowerment Indicators
Spatial Transformation (where applicable)	Projects can be located across the country's national road network
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% of SANRAL network: 22 253 km
Indicator Responsibility	Network Management Support

Indicator Title	Network resurfaced km
Definition	The length of network resurfaced (as in the Roadworks Classification document) contracts To provide required preventative maintenance to ensure pavement achieves design life.
Source of data	SANRAL Periodic and Special Maintenance Contracts
Method of Calculation /	Length of Network resurfaced under period and special maintenance contracts

Assessment	
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	PPPFA and Project CPG Included under Transformation/Empowerment Indicators
Spatial Transformation (where applicable)	Projects can be located across the country's national road network
Calculation Type	Non- cumulative
Reporting Cycle	Annual
Desired performance	1000 km or more of SANRAL network Higher actual performance than targeted is desirable
Indicator Responsibility	Network Management Support

Indicator Title	Road Strengthening and Improvement (Capex) km
Definition	The proportion of network covered with road strengthening, Improvement and new (as in the Roadworks Classification document) contracts
Source of data	SANRAL Road Strengthening, Improvement and new Contracts
Method of Calculation / Assessment	Length of Network under road strengthening, Improvement and new contracts
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries	Target for Women: PPPFA and project CPG Target for Youth: PPPFA and project CPG

(where applicable)	Target for People with Disabilities: PPPFA and project CPG
Spatial Transformation (where applicable)	Projects could be implemented throughout the country's road network at various sections
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	600 km or more of SANRAL network Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Network Management Support

Indicator Title	Empowerment through RRM projects
Definition	Percentage of RRM expenditure performed by black owned SMMEs and Contractors (Based on black ownership of contractor) To facilitate BBBEE through SANRAL's RRM projects
Source of data	ITIS project information module
Method of Calculation / Assessment	Measure expenditure as in ITIS
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: PPPFA and project CPG Target for Youth: PPPFA and project CPG Target for People with Disabilities: PPPFA and project CPG
Spatial Transformation (where applicable)	Routine Road Maintenance work undertaken throughout the country's national roads.

applicable)	
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	75% or more of RRM expenditure performed by black owned SMMEs and Contractors (Based on black ownership of contractor) Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Development Planner

Indicator Title	Empowerment through non-RRM projects
Definition	Percentage of non-RRM expenditure performed by black owned SMMEs and Contractors (Based on black ownership of contractor) To facilitate BBBEE through SANRAL's RRM projects
Source of data	ITIS project information module
Method of Calculation / Assessment	Measure expenditure as in ITIS
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: PPPFA and project CPG Target for Youth: PPPFA and project CPG Target for People with Disabilities: PPPFA and project CPG
Spatial Transformation (where applicable)	Non-RRM projects implemented throughout the country's national roads.
Calculation Type	Non-cumulative

Reporting Cycle	Quarterly
Desired performance	Achieve 60% or more of non-RRM expenditure performed by black owned SMMEs and Contractors (Based on black ownership of contractor) Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Development Planner

Indicator Title	Number of SMMEs working for SANRAL
Definition	The number of SMMEs working on SANRAL's projects and/or are suppliers at regional offices To measure empowerment opportunities to SMMEs
Source of data	ITIS Report
Method of Calculation / Assessment	Number of SMMEs reported on IT IS system
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: PPPFA and project CPG Target for Youth: PPPFA and project CPG Target for People with Disabilities: PPPFA and project CPG
Spatial Transformation (where applicable)	Projects and services procured throughout the country's national roads network.
Calculation Type	Cumulative in the year
Reporting Cycle	Quarterly
Desired	At least 2000 SMMEs working for SANRAL. Variance allowed:

performance	10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Development Planner

Indicator Title	Community Development (CD) Projects
Definition	The number of CD contracts under construction and those completed in the financial year To measure contribution to the goal of transformation - through road projects in communities requiring development impetus along national roads
Source of data	SANRAL SAP ERP System
Method of Calculation / Assessment	Number of CD projects
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: PPPFA and Project CPG Target for Youth: PPPFA and Project CPG Target for People with Disabilities: PPPFA and Project CPG
Spatial Transformation (where applicable)	Subject to specific areas where CD Projects planned for implemented.
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	At least 18 CD projects must be under construction and those completed in the financial year to be shown separately Actual performance that is higher than targeted performance is desirable

Indicator Responsibility	Community Development Focus Group Champion
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Indicator Title	Job Creation on Projects
Definition	The number of full-time (total hours/1840) jobs created on SANRAL's projects To measure contribution to the goal of job creation
Source of data	ITIS Report
Method of Calculation / Assessment	Number of jobs reported on IT IS system
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: PPPFA and Project CPG Target for Youth: PPPFA and Project CPG Target for People with Disabilities: PPPFA and Project CPG
Spatial Transformation (where applicable)	Projects and services can be procured throughout the country's national road network.
Calculation Type	Cumulative in the year
Reporting Cycle	Quarterly
Desired performance	At least 10 000 jobs created. Variance allowed 10% below and unlimited above Actual performance that is higher or than targeted performance is desirable
Indicator Responsibility	Development Planner

Indicator Title	Number of internships offered on SANRAL projects
Definition	Number of internships offered on SANRAL projects through

	consultants and contractors To measure contribution to the goal of transformation through skills development
Source of data	SANRAL projects
Method of Calculation / Assessment	Number of interns at projects or with consultants
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: PPPFA and Project CPG Target for Youth: PPPFA and Project CPG Target for People with Disabilities: PPPFA and Project CPG
Spatial Transformation (where applicable)	Subject to where projects and internship opportunities are spatially located
Calculation Type	Cumulative in the year
Reporting Cycle	Quarterly
Desired performance	At least 150 active internships during the year. Variance allowed 10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Human Resource Professional

Indicator Title	Number of External Bursaries (Tertiary) awarded by SANRAL
Definition	The number of students (non SANRAL employees) obtaining tertiary education supported by bursaries awarded by SANRAL To measure contribution to the goal of transformation through skills development
Source of data	SANRAL's bursary records

Method of Calculation / Assessment	Number of external bursaries offered
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: EE Plan as guide Target for Youth: EE Plan as guide Target for People with Disabilities: EE Plan as guide
Spatial Transformation (where applicable)	Bursaries are offered to qualifying candidates throughout the country.
Calculation Type	Cumulative in the year
Reporting Cycle	Annual
Desired performance	At least 135 active external bursaries during the year. Variance allowed 10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Human Resource Professional

Indicator Title	Number of Scholarships awarded by SANRAL
Definition	The number of learners supported by scholarships awarded by SANRAL To measure contribution to the goal of transformation through skills development
Source of data	SANRAL's scholarship records
Method of Calculation / Assessment	Number of scholarships offered
Means of	Refer to KPA User Guide

Verification	
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: EE Plan as guide Target for Youth: EE Plan as guide Target for People with Disabilities: EE Plan as guide
Spatial Transformation (where applicable)	Scholarships offered to qualifying candidates throughout the country.
Calculation Type	Cumulative in the year
Reporting Cycle	Annual
Desired performance	At least 220 active scholarships during the year. Variance allowed 10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Human Resource Professional

Indicator Title	Road Safety Measures – Number of Pedestrian Hazardous Locations Investigated and Solutions Proposed
Definition	Identify, investigate and propose remedial measures at 12 pedestrian hazardous locations per year across the network To provide safer road conditions for motorists and/or pedestrians
Source of data	SANRAL network inspections
Method of Calculation / Assessment	Number of Pedestrian Hazardous Locations Investigated and Solutions Proposed
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation	Target for Women: PPPFA and Project CPG

of Beneficiaries (where applicable)	Target for Youth: PPPFA and project CPG Target for People with Disabilities: PPPFA and Project CPG
Spatial Transformation (where applicable)	SANRAL network inspections can be undertaken throughout the country's national road network subject to requirements.
Calculation Type	Cumulative in the year
Reporting Cycle	Bi-annual
Desired performance	Actual higher performance than targeted is desirable 12 pedestrian hazardous locations identified, investigated and remedial measures proposed – approved by SANRAL Road Safety Focus Group
Indicator Responsibility	National Pedestrian Hazardous Location Coordinator

Indicator Title	Road Safety Audits
Definition	Conduct Road Safety Audits on at least 12 projects To provide safer road conditions for motorists and/or pedestrians
Source of data	Record of Road Safety Audits conducted
Method of Calculation / Assessment	Number of audits conducted
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: PPPFA and Project CPG Target for Youth: PPPFA and Project CPG Target for People with Disabilities: PPPFA and Project CPG
Spatial	SANRAL road safety audits can be undertaken throughout the

Transformation (where applicable)	country's national road network subject to requirements.
Calculation Type	Cumulative in the year
Reporting Cycle	Bi-annual
Desired performance	Complete 12 or more Road Safety Audits Reports Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	National Road Safety Audit Coordinator

Indicator Title	Road Safety Education and Awareness
Definition	Road Safety education and awareness programmes at educational districts/sites in a 5km radius of the national roads and/or linked to SANRAL's construction projects. To ensure Road Safety education is proactively provided to learners at a young age to encourage safe road usage and to reduce the accidents and fatalities on the roads of upgrade and/or improvement projects.
Source of data	Reports detailing road safety workshops conducted and reports on awareness activities
Method of Calculation / Assessment	Count number of educational districts visited for workshops
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Target for Women: As per specific sites Target for Youth: As per specific sites Target for People with Disabilities: As per specific sites
Spatial Transformation	Road Safety Education and Awareness Programmes can be run throughout the country dependent on suitable site locations

(where applicable)	on the national road network.
Calculation Type	Cumulative in the year
Reporting Cycle	Bi-annual
Desired performance	Road safety education and awareness programmes at 30 or more educational districts/sites Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Development Planner

Indicator Title	Positive media messages - Promote awareness of SANRAL's mandate and contribution through media
Definition	Promote awareness of SANRAL's mandate and contribution to society through press releases, advertorials, opinion editorials etc. To safeguard and improve SANRAL's reputation through appropriate stakeholder communication
Source of data	Communications department statistics
Method of Calculation / Assessment	Number of communication pieces
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable

Calculation Type	Average
Reporting Cycle	Quarterly
Desired performance	At least fifteen or more positive messages published in national or regional press (print, broadcast or online) every month on average Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Corporate Communications Manager

Indicator Title	Stakeholder Engagement - Promote awareness of SANRAL's mandate and contribution through stakeholder discussion
Definition	Promote awareness of SANRAL's mandate and contribution to society through stakeholder round table discussions (Taking SANRAL to the people and Information Sharing Sessions) To safeguard and improve SANRAL's reputation through appropriate stakeholder communication
Source of data	Communications department statistics
Method of Calculation / Assessment	Number of round table discussions held
Means of Verification	Refer to KPA User Guide
Assumptions	Refer to KPA User Guide
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative in the year

Reporting Cycle	Quarterly
Desired performance	At least 60 round table discussions held annually. Includes formal information sessions and Taking SANRAL to the People. Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Corporate Communications Manager

Governance Indicator (TIDs)

Indicator Title	Adequacy of Responses to Parliament Questions (6.1)
Definition	This indicator intends to measure the response rate in which the Agency responds to parliamentary questions
Source of data	Parliamentary questions sent by the DoT to the Agency
Method of Calculation / Assessment	Quantitative: The time elapsed between receipt of questions from the DoT and the time the responses are sent back
Means of Verification	The responses sent to DoT on the questions
Assumptions	The questions are received timeously to allow adequate time for obtaining the necessary information and drafting a response
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Bi-annually
Desired performance	Quarter 1-4: 100% response to Parliamentary questions received. Admissible Evidence:

	Q2-3: EXCO noted report on the status of responses to Parliamentary Questions
Indicator Responsibility	Office of the CEO

Indicator Title	Resolution of Reported Incidents of Corruption (6.2)
Definition	This indicator intends to measure the agility with which the organisation manages and resolves corruption reports.
Source of data	Fraud Hotline; Referrals from CEO's office; Internal escalations; Anonymous Whistle-blowers
Method of Calculation / Assessment	Quantitative Percentage of resolved cases
Means of Verification	Investigation Reports adopted by the Fraud and Risk Committee.
Assumptions	Reports received in later quarter may not be resolved within the financial year.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative
Reporting Cycle	Annual
Desired performance	85% of corruption cases resolved.
Indicator Responsibility	Risk Officer

Indicator Title	Ethics structures established and operationalised Functionality of Ethics Structures and adequate capacity (6.3)
Definition	A dedicated ethics structure will be established and operationalised within SANRAL to enable co-ordinated organisation-wide ethical practice
Source of data	HR Record – Ethics Officer appointed who will designate ethics roles as shared/new functions
Method of Calculation / Assessment	Non-quantitative – appointment of ethics officer who assigns ethics related roles
Means of Verification	HR Record
Assumptions	An Ethics Officer will be designated/appointed
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Quarter 4 – Ethics structure established within SANRAL by 31 March 2022
Indicator Responsibility	Office of the CEO

Indicator Title	Implementation of Action Plan to Address Audit Findings (6.4)
Definition	This indicator would outline a report on how audit findings will be resolved and the status of implementation
Source of data	AG Management Report 2020/21
Method of Calculation / Assessment	Percentage of plans versus what has been implemented.
Means of Verification	Review of the reports and statements
Assumptions	That AG report will be received by end of Quarter 2 and Board approves the implementation plan
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Percentage of plans implemented
Reporting Cycle	Bi-annual
Desired performance	100% Implementation
Indicator Responsibility	CFO

Indicator Title	Maintain zero qualified audits (6.5)
Definition	Opinion expressed by the AG in annual audit report
Source of data	AG Audit Report
Method of Calculation / Assessment	Opinion from the AG

Means of Verification	AG Audit Report
Assumptions	That AG audit report will be received by end of Quarter 2 and Board approves the implementation plan
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Refer to report
Reporting Cycle	Bi-annual
Desired performance	100% no qualified audit report
Indicator Responsibility	CFO

Indicator Title	Elimination of Wasteful and Fruitless Expenditure (6.6)
Definition	The reduction in value of the fruitless and wasteful expenditure identified
Source of data	Annual Financial Statements
Method of Calculation / Assessment	Percentage reduction from the prior year value to the current year.
Means of Verification	Review of the calculation by Internal Audit
Assumptions	Completion and approval of the Financial Statement by 31 May.
Disaggregation of Beneficiaries (where applicable)	Not applicable

applicable)	
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Percentage calculation of prior year value versus current value
Reporting Cycle	Bi-annual
Desired performance	100% reduction in fruitless and wasteful expenditure
Indicator Responsibility	CFO

Indicator Title	Reduction of Irregular Expenditure (6.7)
Definition	The value of the irregular expenditure reduced by 50% from the prior year value.
Source of data	Register for Irregular Expenditure
Method of Calculation / Assessment	The value of the irregular expenditure reduced by 50% from the prior year value.
Means of Verification	Review of the calculation by Internal Audit
Assumptions	Irregular Expenditure register to be updated regularly. AG to agree with identified Irregular Expenditure.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable

Calculation Type	Percentage
Reporting Cycle	Bi-annual
Desired performance	50% Reduction annually
Indicator Responsibility	CFO

Indicator Title	Compliance to 30-day payment requirement (6.8)
Definition	Payments to suppliers within 30 days from date of invoice.
Source of data	SAP reports on creditors days
Method of Calculation / Assessment	Average payment rate over a period of time
Means of Verification	SAP report
Assumptions	Anomalies to be excluded.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Days divided by creditors payments (Days)
Reporting Cycle	Bi-annual
Desired performance	No payments beyond the maximum 30 days limits
Indicator Responsibility	CFO

Annexures to the Annual Performance Plan

Where applicable the following annexures must be included in institutions' APP

Annexure A: Amendments to the Strategic Plan

Strategic Plan 2020-21 – No amendments to all 5 Year Outcome Targets

Annexure B: Conditional Grants

Not applicable

Annexure C: Consolidated Indicators

Not applicable

Annexure D: District Development Model

District Municipality	Count of Projects	Forecasted Expenditure							Project Totals
		Sum of 2019/20	Sum of 2020/2021	Sum of 2021/2022	Sum of 2022/2023	Sum of 2021/2022	Sum of 2022/2023	Sum of 2021/2022	
Alfred Nzo	27	R400 077 499	R1 586 401 684	R1 653 825 903	R1 014 114 103	R12 973 355 531			
Amajuba	2	R4 674 666	R56 800 000	R65 947 250	R3 176 098	R144 914 350			
Amathole	26	R258 282 155	R620 496 326	R754 028 809	R636 289 683	R6 107 965 114			
Bojanala	29	R230 522 610	R991 858 757	R548 755 448	R455 807 086	R7 072 477 401			
Buffalo City	18	R53 907 701	R357 108 875	R396 125 727	R199 764 425	R3 867 868 899			
Cacadu	58	R626 404 017	R943 460 291	R1 100 396 870	R608 019 631	R9 277 853 162			
Cape Winelands	40	R400 531 682	R441 042 733	R609 760 574	R950 243 247	R8 790 341 779			
Capricorn	33	R276 158 139	R795 622 173	R504 269 455	R407 918 652	R14 376 886 029			
Central Karoo	14	R43 836 272	R323 206 629	R341 264 312	R166 672 681	R1 927 817 385			
Chris Hani	45	R493 828 164	R785 871 495	R1 199 609 306	R310 615 913	R8 246 739 408			
City of Cape Town	13	R59 887 365	R116 500 000	R52 575 750	R137 633 260	R3 199 362 634			
City of Johannesburg	40	R1 678 536 624	R2 271 994 310	R2 194 686 470	R1 947 907 835	R24 724 482 575			
City of Tshwane	30	R344 047 143	R381 400 084	R693 651 601	R605 791 231	R9 511 294 634			
Dr Kenneth Kaunda	26	R165 708 699	R491 319 317	R343 711 654	R503 579 544	R6 745 698 362			
Dr Ruth Segomotsi Mompati	10	R31 258 330	R172 445 456	R56 743 936	R52 193 180	R1 013 209 488			
Eden	45	R102 889 798	R682 424 420	R953 781 140	R492 482 998	R5 720 271 620			
Ehlanzeni	22	R259 710 771	R315 514 394	R439 488 772	R206 015 844	R3 639 686 825			
Ekurhuleni	9	R31 916 792	R173 093 650	R605 470 695	R631 797 441	R2 791 933 460			
eThekweni	90	R741 040 660	R3 126 174 247	R4 314 374 625	R4 109 291 575	R39 736 664 679			
Fezile Dabi	14	R72 662 662	R128 068 210	R169 809 140	R121 792 829	R3 850 741 998			
Frances Baard	14	R31 810 987	R115 435 850	R108 966 408	R16 773 711	R1 651 443 959			
Gert Sibande	38	R115 287 280	R1 001 219 485	R722 807 569	R406 734 807	R7 430 169 248			
iLembe	12	R0	R42 897 331	R185 538 125	R294 844 742	R1 012 359 007			
Joe Gqabi	14	R99 836 227	R299 421 650	R487 887 428	R341 642 460	R1 929 336 520			
John Taolo Gaetsewe	9	R25 265 535	R127 109 459	R81 906 580	R26 282 850	R1 660 093 230			
Lejweleputswa	38	R158 231 234	R781 288 148	R794 016 413	R530 182 379	R8 875 712 433			

Mangaung	20	R143 807 037	R347 110 111	R434 245 762	R275 698 447	R3 234 034 113
Mopani	28	R54 903 120	R345 554 036	R728 341 821	R347 576 116	R4 140 964 917
Namakwa	16	R68 792 309	R168 783 082	R135 752 247	R35 943 677	R824 876 219
Nelson Mandela Bay	13	R197 876 817	R304 216 000	R317 377 372	R171 180 421	R2 771 194 386
Ngaka Modiri Molema	19	R98 478 274	R287 566 585	R218 986 677	R238 851 223	R3 364 486 484
Nkangala	29	R61 922 989	R494 473 887	R652 850 147	R367 762 683	R5 133 353 097
O.R.Tambo	28	R338 566 520	R957 592 287	R906 555 236	R633 808 077	R11 143 670 727
Overberg	13	R302 912 032	R248 568 842	R167 556 882	R29 479 198	R2 289 037 755
Pixley Ka Seme	74	R175 743 848	R1 071 092 976	R1 425 860 953	R658 363 682	R5 560 621 766
Sedibeng	10	R200 250 912	R179 453 882	R199 663 690	R75 802 343	R1 066 949 063
Sekhukhune District Municipality	23	R22 160 533	R468 124 128	R560 850 556	R378 428 224	R4 413 200 142
Sisonke	1	R0	R5 000 000	R3 894 500	R2 161 500	R25 000 000
Thabo Mofutsanyane	8	R32 921 223	R77 919 167	R115 982 281	R27 275 630	R928 767 639
Ugu	15	R69 015 617	R65 387 422	R86 769 076	R210 588 181	R5 448 969 489
UMgungundlovu	14	R91 540 720	R357 196 273	R486 042 435	R256 617 568	R5 754 379 429
Umkhanyakude	17	R11 614 521	R166 218 001	R198 197 142	R166 539 498	R1 477 772 905
Umzinyathi	1	R0	R10 000 000	R19 472 500	R6 484 500	R90 000 000
Uthukela	8	R44 162 643	R253 044 261	R246 477 012	R150 220 797	R2 392 344 425
Uthungulu	15	R226 000 171	R212 401 397	R146 868 122	R162 620 083	R8 011 850 987
Vhembe	35	R259 085 787	R954 053 065	R1 088 880 564	R1 010 691 190	R9 165 351 733
Waterberg	55	R202 385 008	R1 253 698 083	R1 176 134 438	R2 308 613 438	R13 023 373 219
West Coast	21	R615 483 512	R96 528 134	R92 956 529	R165 060 333	R4 670 448 626
West Rand	1	R24 161 028	R0	R0	R0	R163 589 828
Xhariep	11	R208 226 142	R419 445 031	R113 429 797	R40 856 423	R1 821 104 698
Z F Mgcawu	24	R55 450 986	R242 114 312	R295 289 611	R938 251 084	R2 983 063 693
Zululand	9	R43 691 234	R63 668 571	R507 665 256	R291 459 768	R4 279 554 839
Grand Total	1224	R10 255 465 997	R26 177 384 510	R29 705 500 565	R24 127 902 286	R300 456 639 908