

# **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**  
**2024/25 – 2026/27**

# Republic of South Africa

Tabled in March 2024

# SANRAL Annual Performance Plan 2024/25

The Annual Performance Plan 2024/25 for SANRAL is compiled with the latest available information from internal and other sources. Some of this information is unaudited or subject to revision.

For more information, please contact:

SANRAL,  
Strategy Division  
PO BOX 415  
Pretoria, 0001, South Africa  
Tel: +27 12 844 8000  
Fax: +27 12 844 8200

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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.

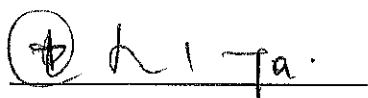
The year 2023/24 was marked by a number of adverse global events that included the continuation of the Russia-Ukraine War, commencement of the Israeli- Palestine conflict, attacks on shipping vessels in the Red Sea by Houthi militia, projected sluggish economic global growth with much uncertainty and risk to the global economy. The United Nations Department of Economic and Social Affairs World Economic Situation and Prospects Report for 2024 outlines subdued prospects for the globe and growth forecasts for the African continent are reported as 3% for 2023 and 3.5% for 2024. Geopolitical tensions indeed are at arguably unprecedented levels, and this is further strained by the expected economic slowdown in Europe, United States and China. All these factors will have an adverse impact on the country's ability to stabilise economic growth.

Infrastructure bottlenecks, high government debt, deterioration of rail performance, lower commodity prices, depressed sentiment, electricity constraints etc are amongst the factors that in combination requires government to act with greater urgency, take prudent investment decisions and prioritise infrastructure investment.

Government continues to advance its Road to Economic Recovery Plan which amongst other 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.

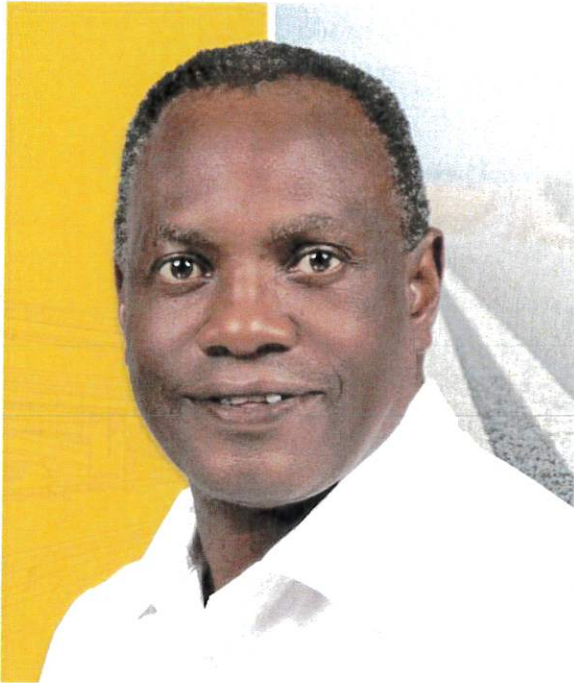
SANRAL over the medium term will continue to implement government's plans as informed by the various priorities, policy framework, imperatives, and developmental agenda. At the same time government has taken a deliberate posture by prioritising infrastructure investment and transforming the country into 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 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. Lydia Sindisiwe Chikunga 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 therefore critically significant as national roads link cities, provinces and economic nodes and enable trade and mobility – a sine qua non for economic development and growth. Striving to continuously improve the

quality of the road infrastructure and, within its ability, the operating conditions for the user, remains crucial to SANRAL.

The past year 2023/24 had numerous challenges for SANRAL and, indeed, the country. There are numerous economic headwinds facing the country which include high unemployment, low labour force participation amongst youth, rising debt levels, an electricity and ports crisis, high interest rate environment, weakening currency, infrastructure deterioration and subdued economic growth prospects. Economic growth rate projection for 2024 range between 0.8% to 1% depending on the source. This is far below what is required to in terms of the National Development Plan targets. Also, notwithstanding the forecast global economic slowdown which places further pressure on the country.

Looking ahead, as we implement our mandate, we as SANRAL must locate ourselves within the Road to Economic Recovery programme as articulated by government. The implementation of road infrastructure projects is therefore absolutely critical for the agency.

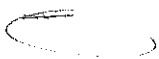
This in turn requires that all relevant stakeholders be mobilised within a common vision, purpose, and shared accountability for project delivery for the local, regional, and national good. This will go a long way towards mitigating project disruptions and civil unrest due to no strategic response to the reasonable expectation of business and job opportunities from SANRAL's projects.

Major flagship projects on-the-go and managed by SANRAL include, inter alia, the N2 Wild Coast broadly, the Msikaba Bridge, Mtentu Bridge, the N2 and N3 expansion, the R573 Moloto Upgrade, and the Huguenot Tunnel upgrade.

We are therefore proud, through these and many other projects, to be fulfilling our mandate - concomitantly serving the nation - even as the country is generally dealing with broadly challenging circumstances. There are, additionally, several approved and awarded flagship projects and programmes - running into tens of billions of rand - which SANRAL will be rolling out over the next financial year and beyond. These will bring much needed jobs, SMME development, multifaceted transformation, economic development infrastructure, and the sustainability of the engineering and construction sectors as well as related downstream subsectors.

It goes without saying that key themes and critical intangibles 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 on the strategic road infrastructure build programme front, must be anchored by a solid governance edifice.

We are grateful for our Minister's and Deputy Minister's leadership, for fostering a climate of a better and clearer policy certainty within which to operate, as we discharge our mandate and our delivery, on our Strategic Plan.



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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. Lydia Sindisiwe Chikunga 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 2024/25.

Ms Lehlohonolo Memeza  
Chief Corporate Affairs Officer



Jan 29, 2024

Mr Adolph Tomes  
Acting Business Operations Executive



Mr Louw Kannemeyer  
Engineering Executive



Mr Dumisani Maluleke  
Acting Chief Financial Officer



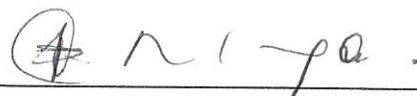
Mr Reginald Demana  
Chief Executive Officer



Mr Themba Mhambi  
Accounting Authority - Chairperson, Board



Approved by:  
Hon. Lydia Sindisiwe Chikunga MP  
Executive Authority





## **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 24 162 km of roads throughout South Africa.

In terms of the SANRAL Act, SANRAL needs to produce a Strategic Plan over a five-year term (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
- National Infrastructure Plan 2050 (Draft consultation)
- White Paper on National Transport Policy – Revised 2020
- Single Transport Economic Regulator (STER)
- National Infrastructure Plan (NIP) 2050 Phase 2 (Gazetted for public comment)

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	SANRAL: 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. Democratise 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</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</p>

	safe communities	<p>impact of SANRAL by:</p> <ul style="list-style-type: none"> <li>• Positively Impacting on communities where we work</li> <li>• Build co-operative relationships with other road authorities and departments for effective delivery.</li> <li>• Develop the capability and capacity of other roads authorities.</li> <li>• Enhance job creation.</li> </ul> <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>
3. Achieving a more Capable State	P1. A capable, ethical, and developmental state P7. A better Africa and world	<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"> <li>• Positively Impacting on communities where we work</li> <li>• Build co-operative relationships with other road authorities and</li> </ul>

		<p>departments for effective delivery.</p> <ul style="list-style-type: none"> <li>• Develop the capability and capacity of other roads authorities.</li> <li>• Enhance job creation.</li> </ul> <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 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. Current litigation matters vary and include areas of procurement, contract management, penalties, site disruptions etc.

In 2023/24 SANRAL drafted its Preferential Procurement Policy (PPP) in order to further advance its transformation objectives. The drafting and approving of the May 2023 PPP emanated from the instruction from National Treasury to pull back the PPPFA and give state organs the powers to draft their own specific goals. In revising the PPP, SANRAL further advanced its transformation objectives. This was then legally challenged with the result that a number of bids for projects were interdicted thereby adversely impacting SANRAL's ability to accelerate infrastructure investment. Foreseeing that there may in all likelihood be a scenario for a protracted legal battle the policy was withdrawn and replaced with an interim Preferential Procurement Policy.

## **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 2024/25, 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 White Paper on National Transport Policy – Revised 2020**

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 environmentally benign and fully integrated transport operations and infrastructure that will best meet the needs of freight and passenger customers, improving levels of service and cost in a fashion that support government strategies for economic and social development whilst being environmentally and economically sustainable"*.

The White Paper sets out several broad objectives, that are the following:

To support the goals of the prevailing, overarching plan for national development to meet the basic accessibility needs of the residents of South Africa, grow the economy, develop, and protect human resources, and involve stakeholders in key transport-related decision making.

- To enable customers requiring transport for people or goods to access the transport system in ways that best meet their chosen criteria.

- To improve the safety, security, reliability, quality and speed of transporting goods and people.
- 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.
- To invest in infrastructure or transport systems in ways that satisfy social, economic, or strategic investment criteria; and
- To achieve the above objectives in a manner that is economically and environmentally sustainable and minimises negative side effects.

Insofar as road transport demand management is concerned, amongst the principles stated in the White Paper is the following:

*“Adopt the ‘user pays’ principle where appropriate, and not only for tolls, on the understanding that it will not be universally applied and the impact on vulnerable sectors of society will be considered in its design;”*

Insofar as road infrastructure funding is concerned the policy document acknowledges the importance of maintenance and capital works along with the prevailing fiscal constraints. Amongst the policy positions relevant to SANRAL is the following:

*“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 that enable the Government to obtain financing from private sources rather than the fiscus”.*

#### 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 revised five pillars with Transformation now elevated.

The five pillars are outlined below:

- Roads
- Road Safety
- Mobility
- Stakeholder Engagement
- Transformation

Priority focus areas and strategic themes include the following:

- Management 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 by implementing the approved Operating Model
- 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.
- Consultation and implementation of the SANRAL 2030 National Roads Plan
- Generate internal revenue through implementation of the Business Development Strategy
- Conclude the resolution process of e-Tolling in Gauteng

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

The advent of climate change has seen a number of natural disasters occurring which include excessive rainfall thus resulting in severe pavement damage. Ensuring resilient pavements is now more critical for road authorities.

The funding of road infrastructure remains a crucial challenge that requires an updated road infrastructure funding policy given the challenges. This along with a number of binding constraints has contributed to the deterioration of the road network amongst others.

Statistics and key metrics

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

Table 1: Total South African Road Network (2024)

Authority	Paved	Gravel	Total
SANRAL	24 026	135	24 162
Provinces - 9	44 759	226 138	270 897
Metros - 8	51 682	14 461	66 143
Municipalities	37 657	219 223	256 880
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	5299
Free State	Eastern Region	2176
Gauteng	Northern Region	853
Kwazulu-Natal	Eastern Region	1321
Limpopo	Northern Region	3641
Mpumalanga	Northern Region	2474
North West	Northern Region	2521
Northern Cape	Western Region	4411
Western Cape	Western Region	1465
	Total (Centre Line km)	24162

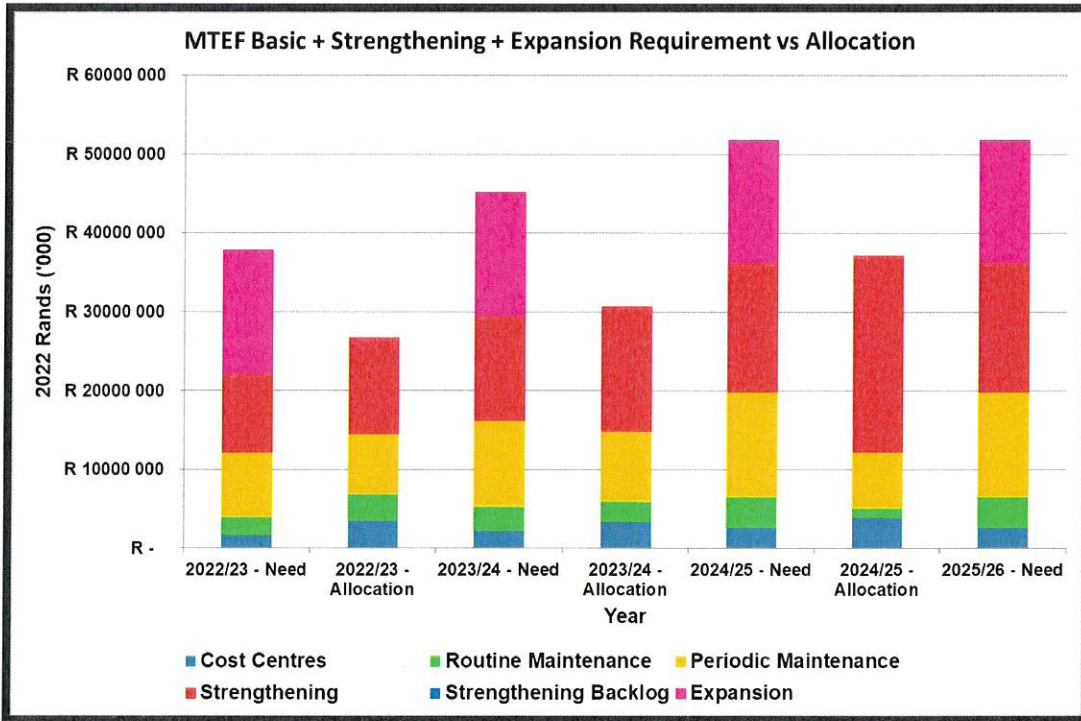
Table 3: SANRAL Network

Description	Non-Toll (Fiscus)	Agency Toll	PPP	Total
Dual Carriageway	914	659	545	2 118
4 Lane Undivided	40	306	279	625
2 Lane Undivided	20 254	719	446	21 419

Total	21 208	1 684	1 270	24 162
Total	88%	7%	5%	

The 2954 km length of the toll network is 12.2% of the SANRAL network and 0.5% of the total country network.

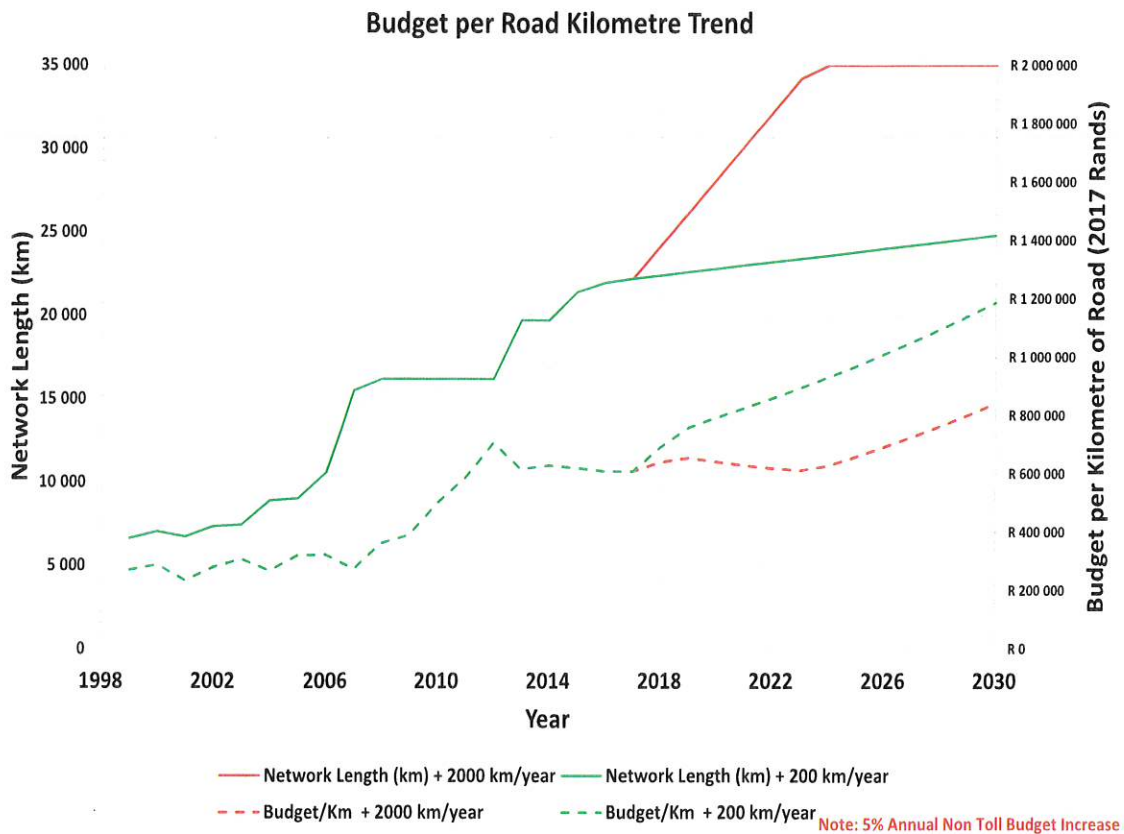
### SANRAL Budget Need against Allocation



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 R15.753 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 is at a stage where 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 will need to ensure it balances network growth against insufficient funds per kilometre required to maintain the Overall Condition Index (OCI) of the network to an acceptable level.



Horizon 2030 initially proposed 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. However, there is now a firm policy directive that seeks to expand the national road network under SANRAL to 35 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 a 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.

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

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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 results in operational gaps, pressure on staff, compromised ability to implement projects. 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
  - BBEE 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.

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

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

<ul style="list-style-type: none"> <li>• Improving network governance to influence and support an integrated transport approach.</li> <li>• Leveraging rapid technological developments to facilitate safe and efficient transport, including the provision of the national road network.</li> <li>• Stimulating regional and local economic development through the provision of key road infrastructure, key economic links, and integrated transport solutions to promote seamless mobility.</li> </ul>	<p>strategy and delivery of core business.</p> <ul style="list-style-type: none"> <li>• Operating in an unstable social environment due to inequality in job opportunities on project level and access to education &amp; training</li> <li>• Inability to positively Influence road user behaviour (road safety)</li> <li>• Reliance on the fiscus as primary income source</li> <li>• Threats to cyber security SANRAL IT and unauthorised access to e-tag user information, etc.</li> <li>• Corruption and collusion between construction companies.</li> </ul>
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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 – Programme 1**

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23		2023/24	2024/25	2025/26
Optimally maintained national road network	Management of road network	Percentage of Smooth Travel Exposure (STE) KPI 1.1	95.32%	≥ 95.94%	≥ 95.88%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
	Management of road network	Percentage of Low/Rut Exposure (LRE) KPI 1.2	98.63%	≥ 98.34%	≥ 98.43%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
	Management of road network	Percentage of High Texture Exposure (HTE) KPI 1.3	98.57%	≥ 99.37%	≥ 99.31%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
	Management of road network	Percentage of Bridge Condition Exposure (BCE)	93.43%	≥ 93.54%	≥ 93.54%	≥ 90%	≥ 90%	≥ 90%	≥ 90%

Outcome	Outputs	Output Indicator	Annual Targets										
			Audited / Actual Performance			Estimated Performance	MTEF Period						
			2020/21	2021/22	2022/23		2023/24	2024/25	2025/26	2026/27			
		KPI 1.4											
	Maintenance of national road network	Routine Maintenance km KPI 1.5	22253km	22266km	23556.69km	23559km	24162km	24162km	24162km	24162km	24162km	24162km	24162km
	Maintenance of national road network	Network resurfaced km KPI 1.6	125.378km (Revised target due to COVID)	448.959km	687.989km	1200km	1800km	2000km	2000km	2000km	2000km	2000km	2000km
	Maintenance of national road network	Road Strengthened, Improved and New (CAPEX) km. KPI 1.7	77.516km (Revised target due to COVID)	92.609km	133.219km	270km	250km	300km	400km	400km	400km	400km	400km
	Transformation of the industry	Percentage of RRM (Routine Road Maintenance) expenditure performed by black owned	86.1%	96.6%	>97.5%	>75%	>75%	>75%	>75%	>75%	>75%	>75%	>75%



Outcome	Outputs	Output Indicator	Annual Targets									
			Audited / Actual Performance		Estimated Performance	MTEF Period						
			2020/21	2021/22		2022/23	2023/24	2024/25	2025/26	2026/27		
		SMMEs and Contractors (Based on black ownership of main contractor) KPI 1.8										
	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	46.5%	60.4%	>67.6%	>60%	>60%	>60%	>60%			

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Transformation of the industry	Number of SMIMEs working for SANRAL KPI 1.10	1265 (Revised target due to COVID) >51% Black = 996 <51% Non-black = 269	1684	1928	1800	2000	2200	2200
	Community Development Project	Number of Community development infrastructure projects in construction of which 10 completed. KPI 1.11	8 projects in construction of which 5 were completed	3 projects in construction and/or completed	6 projects in construction and/or completed	14 projects in construction and/or completed	28 projects in construction of which 10 completed	40 projects in construction of which 16 completed	50 projects in construction of which 20 completed
	Maintenance of national road network	Number of nano-technology infrastructure projects in construction					7 projects in construction and/or completed	10 projects in construction and/or completed	15 projects in construction and/or completed

Outcome	Outputs	Output Indicator	Annual Targets							
			Audited / Actual Performance		Estimated Performance	MTEF Period				
			2020/21	2021/22		2022/23	2024/25	2025/26	2026/27	
		and/or completed. KPI 1.12								

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.

Category	Number (Instances)
More than 51% Black Owned EME	

More than 51% Black Owned QSE	
Less than 51% Black Owned EME	
Less than 51% Black Owned QSE	
<b>Total</b>	

\*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

\*\*\* There are yy vendors that over the course of the project their BEE status became Non-Compliant.

Reporting requirements as per NDB

Output Indicator/Key Performance Indicator (KPI)	Non-Toll	Toll
Road Strengthened, Improved and New (CAPEX) km. KPI 1.7	250km	0km

**FY 2024/25**

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%

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
High Texture Exposure (HTE)	≥ 95%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
Bridge Condition Exposure (BCE)	≥ 90%	≥ 90%	≥ 90%	≥ 90%	≥ 90%
Routine Maintenance km	24162km	24162km	24162km	24162km	24162km
Network resurfaced km	1800km				1800km
Road Strengthened, Improved and New (CAPEX) km	250km				250km
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%
Percentage of Non RRM (Routine Road Maintenance) expenditure performed by black owned SMMEs and Contractors (Based on black ownership of main contractor)	>60%	50%	55%	55%	60%
Number of SMMEs working for SANRAL	2000	1400	1600	1800	2000
Community development infrastructure projects	28 projects in construction of which 10 completed				28 projects in construction of which 10 completed

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of nano-technology infrastructure projects in construction and/or completed. KPI 1.12	7 projects in construction and/or completed				7 projects in construction and/or completed

**Programme 1**

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22		2022/23	2023/24	2024/25	2025/26
Jobs created on projects (Full Time Equivalent)	Creation of jobs KPI 2.1	Jobs created on project (full-time equivalent) KPI 2.1	6063 (Revised target due to COVID) Male = 4411 Female = 1652 Youth = 3024	9129 Male = 6647 Female = 2482 YM = 3096 YF = 1339 PWD = 62	11366 Male = 8135 Female = 3231 YM = 3735 YF = 1701 PWD = 85	12000	14000	14000	14000

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.

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Jobs created on projects (Full Time Equivalent)	14 000	10 000	11 000	12 000	14 000

Outcome	Output	Output Indicator	Annual Targets					
			Audited / Actual Performance		Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
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 KPI 2.2	21 locations hazardous to pedestrians identified and investigated. Remedial measures proposed.	13 locations hazardous to pedestrians identified and investigated. Remedial measures proposed.	20 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 implement remedial measures at sixteen pedestrian hazardous locations per year	Identify, investigate, and implement remedial measures at twenty pedestrian hazardous locations per year
	Provision and management of safe road	Number of Road Safety Audits	23 Road Safety Audits Completed	11 Road Safety Audits Completed	12 Road Safety Audits Completed	12 Road Safety Audits Completed	16 Road Safety Audits Completed	20 Road Safety Audits Completed

Outcome	Output	Output Indicator	Annual Targets					
			Audited / Actual Performance		Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24		
	infrastructure	conducted: KPI 2.3				2024/25	2025/26	2026/27

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of pedestrian hazardous locations investigated, and solutions proposed:	Identify, investigate, and implement remedial measures at twelve pedestrian hazardous locations per year		Twelve pedestrian hazardous locations:		Twelve pedestrian hazardous locations:
Identify, Investigate and Implement Remedial Measures for 12 Pedestrian Hazardous Locations			Investigation: 50%		Implementation of Remedial measures: 100%.
Number of road safety audits conducted: Conduct Road Safety Audits on 12 or more projects.	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.



**Programme 2**

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22		2022/23	2023/24	2024/25	2025/26
Creating delivery capacity for the country	Provision of Internships	Number of internships (Practical experience for under-graduate studies) KPI 3.1	125 (Revised target due to COVID)	239 NR = 57 ER = 54 SR = 80 WR = 48	275 NR = 40 ER = 93 SR = 112 WR = 30	200	250	275	300
			100 (Revised target due to COVID)	135	154	135	150	160	170
			220	225	260	250	250	260	270

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23		2023/24	2024/25	2025/26
	Provision of SETA accredited Learnerships	Number of SETA Learnerships and/or employment opportunities provided for SETA graduates on SANRAL projects. KPI 3.4				1000	1000	1500	2000

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of internships (Practical experience for under-graduate studies)	250	125	150	175	250
Number of external bursaries (tertiary)	150				150
Number of scholarships	250				250
Number of SETA Learnerships and/or employment opportunities	1000				1000

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
provided for SETA graduates on SANRAL projects					

**Programme 2**

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22		2022/23	2024/25	2025/26	2026/27
	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: KPI 4.1	74 sites	185 sites	204 sites	30 sites	50 sites	60 sites	70 sites

Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
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	50 sites		25 sites		50 sites

### Programme 2

Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Improved SANRAL reputation	Improvement and management of reputation	Number of positive messages in national/regional media (print, broadcast or online) per year	Profiled approximately 29 positive messages per month in national, regional and community	Profiled approximately 33 positive messages per month in national, regional and community	A total of 520 positive stories were profiled	Profile at least 440 positive messages in national/regional media (print, broadcast or online) per year	Profile at least 440 positive messages in national/regional media (print, broadcast or online) per year	Profile at least 440 positive messages in national/regional media (print, broadcast or online) per year	Profile at least 440 positive messages in national/regional media (print, broadcast or online) per year

Outcome	Output	Output Indicator	Annual Targets								
			Audited / Actual Performance			Estimated Performance	MTEF Period				
			2020/21	2021/22	2022/23		2023/24	2024/25	2025/26	2026/27	
		KPI 5.1	media through various mediums. 359 positive stories published this year. (Revised target due to COVID)	media through various mediums.			year				
	Constructive engagement with stakeholders	Number of Stakeholder engagement sessions/roundtables KPI 5.2	212 stakeholder round table sessions were hosted. (Revised target due to COVID)	446 stakeholder round table sessions were hosted. (Approximately 111 per quarter)	A total of 297 round table discussions were held.		Hold 260 round table discussions with stakeholders	Hold 260 round table discussions with stakeholders	Hold 260 round table discussions with stakeholders	Hold 260 round table discussions with stakeholders	Hold 260 round table discussions with stakeholders

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
Number of positive messages in national/regional media (print, broadcast or online) per month	Profile at least 440 positive messages in national/ regional press (print, broadcast or online) per year	Profile at least 110 positive messages in national/ regional media (print, broadcast or online) per quarter	Profile at least 110 positive messages in national/ regional media (print, broadcast or online) per quarter	Profile at least 110 positive messages in national/ regional media (print, broadcast or online) per quarter	Profile at least 110 positive messages in national/ regional media (print, broadcast or online) per quarter
Number of Stakeholder engagement sessions/round tables	Hold 260 stakeholder engagements sessions per year	Hold 65 stakeholder engagements sessions per quarter	Hold 65 stakeholder engagements sessions per quarter	Hold 65 stakeholder engagements sessions per quarter	Hold 65 stakeholder engagements sessions per quarter

## Programme 2

Performance Outcome	Output	Output Indicator	Annual Targets							
			Audited / Actual Performance		Estimated Performance	MTEF Period				
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Improved governance and strengthened control environment	Adequacy of responses to Parliament questions	Percentage responses to Parliament questions within stipulated timelines KPI 6.1	-	100% Received – 25 Responded - 25	100% Received – 25 Responded - 25	100% responses to Parliament questions	100% responses to Parliament questions	100% responses to Parliament questions	100% responses to Parliament questions	100% responses to Parliament questions
	Resolution of reported incidents	Percentage resolution of	-	86% achieved	92% resolution of reported	85% resolution of reported incidents	85% resolution of reported incidents	85% resolution of reported incidents	85% resolution of reported incidents	85% resolution of reported incidents

Performance Outcome	Output	Output Indicator	Annual Targets								
			Audited / Actual Performance			Estimated Performance	MTEF Period				
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27		
of corruption	reported incidents of corruption KIP 6.2	incidents of corruption									
Maintain ethical standards and norms	Establishment and percentage implementation of the Ethics Plan KPI 6.3	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 but with key deliverables for the Risk, SCM and the Company Secretariat functions.	The Ethics Officer role has been created and assigned to a newly established Executive. Compliance in line with SANRAL's new operating model. The recruitment process will commence as soon as the transition process into SANRAL's new organization has been finalized.	The Ethics Officer role has been created and assigned to a newly established Executive: Legal, Risk and Compliance in line with SANRAL's new operating model. The recruitment process will commence as soon as the transition process into SANRAL's new organization has been finalized.	A structure dedicated to ethics management established within SANRAL.	75% implementation of the Ethics Management Plan.  75% of unethical cases investigated.	100% implementation of the Ethics Management Plan	100% implementation of the Ethics Management Plan	100% implementation of the Ethics Management Plan	100% implementation of the Ethics Management Plan	
Implementation of action plan to address audit	Percentage implementation of action plans to	100% implementation of action plans to	100%. All 11 action plans were achieved,	28 out of 29 actions were implemented	Annual Progress Report on the implementation of	100% implementation of action plans to	100% implementation of action plans to	100% implementation of action plans to	100% implementation of action plans to	100% implementation of action plans to	

Performance Outcome	Output	Output Indicator	Annual Targets								
			Audited / Actual Performance			Estimated Performance		MTEF Period			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27		
findings	address audit findings KPI 6.4	address audit findings	based on audit response plan.	resulting in 95.6% achievement.	action plan to address audit findings	address audit findings	address audit findings	address audit findings	address audit findings	address audit findings	address audit findings
Unqualified Audit Report with no findings affecting the audit report	Unqualified Audit Report with findings KPI 6.5	Unqualified Audit Report with no findings affecting the audit report	Unqualified with five material findings affecting audit report.	AGSA with three material findings affecting the audit report relating to performance information.	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 expenditure	Percentage reduction of cases of wasteful and fruitless expenditure. KPI 6.6	-	100% reduction of cases of wasteful and fruitless expenditure	0% R33.813 million	100% reduction of cases of wasteful and fruitless expenditure	100% reduction of cases of wasteful and fruitless expenditure	100% reduction of cases of wasteful and fruitless expenditure	100% reduction of cases of wasteful and fruitless expenditure	100% reduction of cases of wasteful and fruitless expenditure	100% reduction of cases of wasteful and fruitless expenditure	100% reduction of cases of wasteful and fruitless expenditure
Reduction of irregular expenditure	Percentage reduction of cases of irregular expenditure. KPI 6.7	-	This has increased from R175.283 million to R3917.771m (increase of %), no reduction.	+1741% R6.725 billion	75% reduction of cases of irregular expenditure	75% reduction of cases of irregular expenditure	75% reduction of cases of irregular expenditure	75% reduction of cases of irregular expenditure	75% reduction of cases of irregular expenditure	75% reduction of cases of irregular expenditure	75% reduction of cases of irregular expenditure
Compliance to 30-day payment requirement	Percentage compliance to 30-day payment requirement. KPI 6.8	-	95%	99.17% compliance to 30-day payment requirement	100% compliance to 30-day payment requirement	100% compliance to 30-day payment requirement	100% compliance to 30-day payment requirement	100% compliance to 30-day payment requirement	100% compliance to 30-day payment requirement	100% compliance to 30-day payment requirement	100% compliance to 30-day payment requirement
Effective project	Procurement	-	-	-	-	-	-	-	-	-	-



Performance Outcome	Output	Output Indicator	Annual Targets							
			Audited / Actual Performance			Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/23		2023/24	2024/25	2025/26	2026/27
	and works procurement	Efficiency Index KPI 6.9						tenders advertised (excluding cancellations and legal challenges) in Q1 and Q2 to be awarded by March (current FY). 80% award of all tenders advertised (excluding cancellations and legal challenges) in previous Q3 and Q4 (opening balance from the previous financial year) to be awarded by September.	tenders advertised (excluding cancellations and legal challenges) in Q1 and Q2 to be awarded by March (current FY). 80% award of all tenders advertised (excluding cancellations and legal challenges) in previous Q3 and Q4 (opening balance from the previous financial year) to be awarded by September.	tenders advertised (excluding cancellations and legal challenges) in Q1 and Q2 to be awarded by March (current FY). 80% award of all tenders advertised (excluding cancellations and legal challenges) in previous Q3 and Q4 (opening balance from the previous financial year) to be awarded by September.
	Toll revenue for sustainable toll portfolio	Toll Collection Efficiency Index (conventional plazas only) KPI 6.10	-	-	-	-	-	95% collection efficiency rate	95% collection efficiency rate	95% collection efficiency rate
	Provincial offices established	Number of office sites opened.	-	-	-	-	-	5 Office sites opened with	Routine Road Maintenance	RRM, Statutory Control and

Performance Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22		2022/23	2023/24	2024/25	2025/26
		KPI 6.11					Provincial Managers in place (Acting/Interim or Permanent)	contracts managed in provincial offices and Stakeholder Engagement activities.	Stakeholder Engagement functions established in provincial offices.
Own revenue generation through Business Development income streams	Percentage year on year growth in Business Development revenue (Toll and Non-Toll). KPI 6.11		-	-	-	-	15% (nominal) growth in Business Development Revenue. Appointment of GM: BD and BD Specialist	15% (nominal) growth in Business Development Revenue	15% (nominal) growth in Business Development Revenue
Transformation of the industry	Established Contractor Development Programme. KPI 6.12		-	-	-	-	Contractor Development panel in place and incorporation of PE status in tender documents for specific projects. 2 contractors participating on the programme and awarding of 2 contracts and/or sub-contracts.	10% increase in participation by contractors on the programme.	10% increase in participation by contractors on the programme.

Performance Outcome	Output	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance		MTEF Period	
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Transformation of the industry	Established Black Industrialist Scheme. KPI 6.13	-	-	-	-	Approved scheme/framework and a pool of identified participants. 2 contractors participating on the scheme and awarding of 2 contracts and/or sub-contracts.	10% increase in participation by contractors on the scheme	10% increase in participation by contractors on the scheme

Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>Leadership, Governance and Accountability</b>					
Percentage responses to Parliament questions within stipulated timelines	100% responses to Parliament 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
Establishment and percentage implementation of the Ethics Plan	75% implementation of the Ethics Management Plan. 75% of unethical cases investigated.	Declaration of business interests by all directors and staff.	Appointment of an Ethics Officer. Development of Ethics Management governing documents including an Ethics Plan.	Establish a Management Ethics Committee. 30% of unethical cases investigated.	75% implementation of the Ethics Management Plan. 75% of unethical cases investigated.
Percentage implementation of action plans to address audit	100% implementation of action plans to address audit	-	-	Develop action plans to address audit findings	Annual Report on the implementation of action plan to

Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
findings	findings			raised by the AGSA for the 2022/23 financial year	address audit findings raised by the AGSA for the 2022/23 financial year.
Regulatory Audit Outcome by the Auditor-General of South Africa (AGSA)	Unqualified Audit Report with no findings affecting the audit report	-	-	-	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 SANRAL.
Percentage reduction of cases of irregular expenditure	75% 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 SANRAL.
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
Procurement Efficiency Index	80% award of all tenders advertised (excluding cancellations and legal challenges) in Q1 and Q2 to be awarded by March (current FY). 80% award of all tenders advertised (excluding cancellations and legal challenges) in previous Q3 and Q4 (opening balance from the previous financial year) to be awarded by September		80% award of all tenders advertised (excluding cancellations and legal challenges) in previous Q3 and Q4 to be awarded by September (Previous year outstanding balance)		80% award of all tenders advertised (excluding cancellations and legal challenges) in Q1 and Q2 to be awarded by March (current FY).
Toll Revenue Collection Efficiency Index (conventional)	95% collection efficiency rate				95% collection efficiency rate

Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
plazas only)					
Number of office sites opened	5 Office sites opened with Provincial Managers in place (Acting/Interim or Permanent)				5 Office sites opened with Provincial Managers in place (Acting/Interim or Permanent)
Percentage year on year growth in Business Development revenue (Toll and Non-Toll)	15% (nominal) growth in Business Development Revenue. Appointment of GM: BD and BD Specialist				15% (nominal) growth in Business Development Revenue. Appointment of GM: BD and BD Specialist
Established Contractor Development Programme	Contractor Development panel in place and incorporation of PE status in tender documents for specific projects. 2 contractors participating on the programme and awarding of 2 contracts and/or sub-contracts.				Contractor Development panel in place and incorporation of PE status in tender documents for specific projects. 2 contractors participating on the programme and awarding of 2 contracts and/or sub-contracts.
Established Black Industrialist Scheme	Approved scheme/framework and pool of identified participants. 2 contractors participating on the scheme and awarding of 2 contracts and/or sub-contracts.				Approved scheme/framework and pool of identified participants. 2 contractors participating on the scheme and awarding of 2 contracts and/or sub-contracts.

#### 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	Ensuring a safer road network requires a multi-

infrastructure	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.
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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.
Provision of SETA accredited Learnerships	Provision of employment opportunities for SETA graduates and/or SETA accredited Learnerships serves to augment creating delivery capacity for the country.
Improved Public Road Safety Education and	Ensuring a safer road network requires a multi-

Awareness	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 2022/23 -24/25 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 2024/25 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 2024/2025 BUDGET AND MTEF ESTIMATES

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

	2020/21		2021/22		2022/23		2023/24		2020/21-2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27	
	Audited outcome	Audited outcome	Audited outcome	Audited outcome	Audited outcome	Approved budget	Average growth rate (%)	Average total: Expenditure/ Average (%)	Average growth rate (%)	Average total: Expenditure/ Average (%)	Medium-term estimate	Average growth rate (%)	Average total: Expenditure/ Average (%)					
R thousand	2 692 291	2 950 173	3 075 960	4 003 779	14,1%	15,3%	4 739 964	5,8%	4 531 504	4 739 964	5,8%	4 739 964	13,7%					
Administration	12 550 758	15 278 770	18 923 603	26 291 254	28,0%	84,7%	27 697 417	1,8%	32 584 624	27 697 417	1,8%	27 697 417	86,3%					
Roads asset infrastructure management	15 243 049	18 228 943	21 999 563	30 295 033	25,7%	100,0%	32 437 371	2,3%	37 116 128	32 437 371	2,3%	32 437 371	100,0%					
Total expense																		

## South African National Roads Agency statements of estimates of financial performance, cash flow and position

Statement of financial performance	Audited outcome	Audited outcome	Audited outcome	Approved budget	Average growth rate (%)	Expenditure/ total: Average (%)
R thousand	2020/21	2021/22	2022/23	2023/24	2020/21-2023/24	
Revenue						
Tax revenue	-	-	-	-	-	-
Non-tax revenue	6 726 345	8 294 919	9 890 473	8 948 586	10,0%	39,5%
Sale of goods and services other than capital assets	4 420 565	5 315 072	5 063 124	6 186 894	11,9%	24,5%
Sales of goods and services produced by entity	4 420 565	5 315 072	5 063 124	6 186 894	11,9%	24,5%
of which:						
Administrative fees	-	-	-	-	-	-
Sales by market establishment	3 909 638	4 773 942	4 763 002	5 660 538	13,1%	22,2%
Other sales	510 927	541 130	300 122	526 357	1,0%	2,3%
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	-
Other non-tax revenue	2 305 780	2 979 847	4 837 349	2 761 692	6,2%	15,0%
Transfers received	8 897 486	10 282 513	14 119 288	21 984 989	35,2%	60,5%
Total revenue	15 623 831	18 577 432	24 009 761	30 933 575	25,6%	100,0%
Expenses						
Current expenses	15 243 049	18 228 943	21 999 563	30 295 033	25,7%	100,0%
Compensation of employees	436 316	446 876	491 456	820 716	23,4%	2,6%
Goods and services	6 865 960	9 164 400	12 710 110	20 575 787	44,2%	55,3%
Depreciation	4 250 573	4 300 785	4 405 890	5 059 383	6,0%	22,1%
Interest, dividends and rent on land	3 690 200	4 316 882	4 392 107	3 839 147	1,3%	20,1%

Transfers and subsidies	-	-	-	-	-	-
Total expenses	15 243 049	18 228 943	21 999 563	30 295 033	25,7%	100,0%
Surplus/(Deficit)	380 782	348 489	2 010 198	638 542	18,8%	

**THE SOUTH AFRICAN NATIONAL ROADS AGENCY LTD**  
**OPERATING SUMMARY (NON TOLL) Version 6.1**  
**BUDGET (R'000)**

DESCRIPTION	2023/2024			Actual as at 22 Nov 2023	Forecast vs Midyear Budget	2024/2025			2025/2026			2026/2027		
	Forecast	Mid Year Budget				Proposed Budget		Proposed Budget		Proposed Budget		Proposed Budget		
<b>TREASURY ALLOCATION</b>	<b>25 430 715</b>	<b>25 430 715</b>	<b>17 944 038</b>	-	<b>25 720 319</b>	<b>28 845 591</b>	<b>30 169 036</b>							
<b>OTHER INCOME</b>	<b>4 217 264</b>	<b>2 485 213</b>	<b>3 131 860</b>	(1 732 051)	<b>3 291 385</b>	<b>2 553 223</b>	<b>985 490</b>							
Sundry Income	753 593	171 942	645 937	(473 955)	10 494	11 214	11 791							
Business development unit	21 932	74 273	12 852	61 421	24 564	28 248	32 486							
Interest Received	2 963 454	2 177 500	1 754 221	423 279	2 778 043	1 969 980	745 453							
Joint Venture Contributions	478 284	61 498	718 850	(657 352)	478 284	543 780	195 760							
<b>TOTAL INCOME (A)</b>	<b>29 647 979</b>	<b>27 915 928</b>	<b>21 075 898</b>	(1 732 051)	<b>29 011 704</b>	<b>31 398 814</b>	<b>31 154 526</b>							
<b>GFIP NEW DISPENSATION ALLOCATION (B)</b>	<b>1 330 915</b>	<b>692 915</b>	<b>692 915</b>	-	<b>724 033</b>	<b>756 470</b>	<b>790 360</b>							
<b>OPERATING EXPENDITURE (C)</b>	<b>13 595 418</b>	<b>15 352 070</b>	<b>6 778 178</b>	<b>1 755 653</b>	<b>17 393 190</b>	<b>24 113 748</b>	<b>21 207 003</b>							
Employee Costs	820 716	820 716	405 361	-	841 174	878 859	918 231							
Administrative Support	1 274 565	1 250 850	670 205	(23 715)	1 486 960	1 450 537	1 499 913							
Technical Support	563 097	566 334	254 777	13 237	810 074	553 387	511 065							
Property Management	262 445	579 144	129 233	316 699	372 530	381 752	401 566							
Ad Hoc Maintenance	261 674	556 098	169 858	294 424	562 481	821 015	772 320							
Routine Operations	4 328 014	4 003 947	2 372 974	(324 067)	4 146 508	3 389 072	2 151 973							
Periodic Maintenance	2 737 350	3 837 489	1 063 393	1 100 139	5 967 358	11 595 973	8 871 823							
Special Maintenance	3 358 557	3 737 494	1 712 376	378 937	3 196 105	5 043 154	6 080 111							
<b>CAPITAL EXPENDITURE (D)</b>	<b>11 916 179</b>	<b>13 755 139</b>	<b>6 940 232</b>	<b>1 838 960</b>	<b>19 792 472</b>	<b>22 246 949</b>	<b>21 569 037</b>							
Sundry Capital Expenditure	87 138	120 573	39 973	33 435	688 987	588 290	568 290							
Community Development	316 954	574 785	112 256	257 832	1 066 326	1 061 960	892 037							
Strengthening	928 752	1 376 062	633 607	447 310	1 665 588	1 851 528	1 074 881							
Improvements	7 228 989	9 136 190	4 322 850	1 907 201	10 841 688	12 424 929	11 284 024							
New Facilities	3 254 346	2 362 528	1 804 187	(891 817)	5 499 904	6 290 243	7 699 806							
Land Acquisition	100 000	185 000	27 359	85 000	50 000	50 000	50 000							
<b>TOTAL EXPENDITURE [C+D]</b>	<b>25 512 597</b>	<b>29 107 210</b>	<b>13 718 410</b>	<b>3 594 613</b>	<b>37 185 662</b>	<b>46 360 697</b>	<b>42 776 039</b>							
<b>SURPLUS / (DEFICIT) [A - B - C - D]</b>	<b>2 804 467</b>	<b>(1 884 197)</b>	<b>6 664 573</b>	<b>(5 326 664)</b>	<b>(8 897 991)</b>	<b>(15 718 354)</b>	<b>(12 411 873)</b>							
<b>Balance Brought Forward</b>	<b>35 279 218</b>	<b>38 924 765</b>	<b>35 279 218</b>	<b>3 645 547</b>	<b>37 040 568</b>	<b>28 142 577</b>	<b>12 424 223</b>							
<b>Balance Carried Forward</b>	<b>38 083 685</b>	<b>37 040 568</b>	<b>41 943 791</b>	<b>(4 903 223)</b>	<b>28 142 577</b>	<b>12 424 223</b>	<b>12 350</b>							
<b>Comitted Funds</b>	<b>20 512 869</b>	<b>22 715 215</b>		<b>2 262 246</b>	<b>20 121 485</b>	<b>12 556 423</b>	<b>30 758 636</b>							

THE SOUTH AFRICAN NATIONAL ROADS AGENCY SOC LTD OPERATING SUMMARY (TOLL) Version 8.1-Senario 1: GFIP projects Excluded ORIGINAL BUDGET (R'000)						
DESCRIPTION	2024/2025		2025/2026		2026/2027	
	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>TOLL FEE INCOME</b>	<b>4 849 000</b>	<b>5 369 000</b>	<b>5 369 000</b>	<b>5 943 000</b>		
<b>OTHER INCOME</b>	<b>1 563 727</b>	<b>1 356 414</b>	<b>1 356 414</b>	<b>1 236 981</b>		
GFIP: New Dispensation Allocation	629 594	657 800	657 800	687 269		
GFIP: Additional Allocation						
Sundry Income	187 974	196 301	196 301	204 997		
Business development unit	68 501	78 777	78 777	90 593		
Interest Received - Net	677 657	423 536	423 536	254 121		
<b>CASH BROUGHT FORWARD</b>	<b>3 223 253</b>					
<b>TOTAL INCOME</b>	<b>(A) 9 635 980</b>	<b>6 725 414</b>	<b>6 725 414</b>	<b>7 179 981</b>		
<b>OPERATING EXPENDITURE</b>	<b>(B) 4 602 927</b>	<b>4 818 707</b>	<b>4 818 707</b>	<b>3 409 854</b>		
Salaries	-	-	-	-		
Administrative Support	66 245	56 271	56 271	57 163		
Technical Support	222 901	214 206	214 206	282 168		
Property Management	69 395	75 640	75 640	82 448		
Ad Hoc Maintenance	85 579	49 678	49 678	6 250		
MR Routine Operations	2 574 824	2 460 240	2 460 240	2 304 311		
MO Periodic Maintenance	861 687	1 372 242	1 372 242	215 167		
MP Special Maintenance	722 297	590 430	590 430	462 347		
MS GFIP Maintenance						
<b>TOTAL INCOME AFTER OPEX</b>	<b>(C) 5 033 052</b>	<b>1 906 707</b>	<b>1 906 707</b>	<b>3 770 128</b>		
<b>DEBT SERVICE COSTS</b>	<b>(D) 150 000</b>	<b>750 000</b>	<b>750 000</b>	<b>1 500 000</b>		
<b>TOTAL INCOME AFTER DEBT SERVICE COSTS</b>	<b>(E) 4 883 052</b>	<b>1 156 707</b>	<b>1 156 707</b>	<b>2 270 128</b>		
<b>PRIORITY CAPITAL PROJECTS</b>	<b>(F) 2 551 000</b>	<b>4 745 000</b>	<b>4 745 000</b>	<b>6 403 000</b>		
Sundry Capital Expenditure	-	-	-	-		
CD Community Development	114 358	225 230	225 230	117 500		
DS Strengthening	261 290	776 200	776 200	989 711		
DI Improvements	818 353	2 090 062	2 090 062	2 443 743		
DN New Facilities	1 331 999	1 628 508	1 628 508	2 817 046		
GFIP GFIP Capex						
Land Acquisition	25 000	25 000	25 000	25 000		
<b>Committed Funds</b>	<b>2 765 365</b>	<b>1 508 201</b>	<b>1 508 201</b>	<b>1 204 263</b>		

Toll Budget Assumptions

1. All the E-Toll related debt to be covered by National Treasury.
2. E-Toll Scheme is decommissioned from 01 April 2024.
3. GFIP network transferred to non-toll network.

## 6 Updated Key Risks

OUTCOME	KEY RISK	RISK MITIGATION
<p>Optimally maintained National Road network</p>	<p>Incorporation of poorly maintained provincial roads Insufficient budget. Service providers not responding to maintenance needs as contracted.</p>	<p>Process to be followed to ensure roads are suitable candidate for incorporation. Roads to be transferred with sustainable and long-term funding. Proactive monitoring through ITIS mobile data and at regional level.</p>
<p>Jobs created on projects (Full Time Equivalent)</p>	<p>Budget reduction Insufficient projects in construction phase. Disruption of projects by stakeholders.</p>	<p>Advanced planning and budget prioritisation. Implementation of stakeholder engagement plans and establishment of task force to deal with ad hoc challenges.</p>
<p>Creating delivery capacity for the country</p>	<p>Insufficient carrying capacity and resources for candidate professional at the TEA. Additional mentors, coaches and supervisors required</p>	<p>Development of TEA Strategy and Business Plan to guide ramp up. Ramp up resources to fill the skills shortfall and capacity constraints</p>
<p>Safer Roads</p>	<p>Incorporation of poorly access managed and maintained provincial roads and challenges in addressing deficiencies. Required works will take significant time to implement as well as budget. Insufficient budget to undertake required works. The required time to implement the works and any</p>	<p>Process to be followed to ensure roads are suitable candidate for incorporation. Roads to be transferred with sustainable and long-term funding. Annual index targets to be adjusted in line with the negative index impact of the incorporated roads.</p>

	Development beyond SANRAL's control can negatively influence the index. Traffic growth will also negatively impact the index.	
Improved SANRAL reputation	General negative perceptions about SOEs which will have a possible spill over on SANRAL. Perceptions of an untransformed SANRAL.	Emphasizing positive and unique features about SANRAL governance and how the entity is managed. Intense communication about SANRAL's transformation strategy and profiling of transformation beneficiaries

### Strategic Risks

Risk Category	Key Risk
Financial	Delayed resolution of GFIP decision impacting on ability to raise private finance. Delayed finalisation of the Road Funding Policy impacts the agency's ability to raise private finance
Transformation	Slow paced Transformation implementation
Supply Chain Management Risk	Procurement delays limit the agency's ability to implement projects and deliver on its mandate
Human Resource Risk	Recruitment delays in filling posts required for achievement of the agency's long term strategic objectives
Reputational	Misconception of SANRAL brand and its mandate
Legal	Uncertainty in the regulatory environment governing SANRAL.
Business	Land invasions in and around the national road reserve that hinders and prevents project implementation resulting in significant delays.
Security	Employee Physical Security
Strategic	Dilution of SANRAL's core function impacting on SANRAL's ability for effective service delivery
Governance	Low risk culture and maturity levels within the organisation may limit the achievement of SANRAL's strategic objectives.
Environmental	Natural disasters negatively impacting SANRAL's response to rapid changes in the environment.



**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	Capacity upgrades	2018	2029	R18 billion	Status 2 projects in construction valued at R6.25b 1 project in tender evaluation valued at R3bn. 3 projects tendered for construction of which one closed January 2024.
	N3 Durban to Pmb	N3 Corridor Upgrade with	Upgrading	Capacity upgrades	2017	2029	R26 billion (subject to	6 projects in construction

		packages (SIP 2)							valued at R7.07 bn 3 projects in tender evaluation valued at R9.30b 1 project in tender valued at R1.2 bn
	N3 Pietermaritzburg Ring Road	N3 Corridor Upgrade with packages (SIP 2)	Realignment	Safety improvement, capacity upgrading	2025 (Currently in planning phase)	2035	R14 billion (subject to funding availability)	Detailed design stage. Environmental public participation process to commence.	
	R573 Moloto Road (Section 1)	Moloto Road Upgrade (SIP 1)	Upgrading and improvement		Design commenced in 2017. Construction planned to commence 2023 for	2028 For Phase 1	R11.5 billion 7 Construction Phases – R5.2 billion Phase 1 on construction		

								tender to be awarded. Community Development Project: In design.	
R573 Moloto Road (Section 2)	Moloto Road Upgrade (SIP 1)	Upgrading and improvement		Phase 1	Design works commenced in 2016 and still ongoing.  Construction works for: First work package: commenced in 2017 & completed in 2019.  Second work	2028 For the 2 <sup>nd</sup> work package	Main upgrade: 6 Work Packages - R 2.027 billion	Community Development Project: 5 Projects - R 433 million	

				package: commenced in 2021 & planned to be completed in 2026.					
R573 Moloto Road (Section 3)	Moloto Road Upgrade (SIP 1)	Upgrading and improvement		2017 Construction works for: <b>First work package:</b> Commenced in 2017 and still to be completed. <b>Second work package:</b> commenced in 2021 & planned to be completed in	2028 For the 2nd work package	Main upgrade: 4 Work Packages - R1.59 billion Package 3 works awarded for construction. Community Development Project: 3 <sup>rd</sup> Work Package awarded for			

										construction.	
	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	2028	R23.5 billion
	N1 Huguenot Tunnel (CAPEX)		Full lining, draining, ventilation, firefighting system and road works for the new bore (Southern)	Full lining, draining, ventilation, firefighting system and road works.					2022	2029	R4.6 billion
	N2 Strand		New construction between Broadlands to Sir Lowry's Pass	Greenfields construction of 13km with major interchanges					2023	2027	R5.8 billion
									2026.		
									Community Development Project planned to commence in 2022		

	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)		2024 ( <i>Subject to budget</i> ) For Phase 1	2030 For Phase 1 Design in progress and subject to funding allocation.	R14.2 billion	
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## 9. Public-Private Partnerships

PPP	Purpose	Outputs	Current Value of Agreement	End date Agreement
N3TC	Design Build Finance	Well maintained road	R6.7 billion (CAPEX)	2029
N3 Cedara-Heidelberg	Operate and Maintain	infrastructure	R2.2 billion (OPEX)	
Bakwena	Design Build Finance	Well maintained road	R4.5 billion (OPEX)	2031
N1 Proefplaas I/C to Bela Bela	Operate and Maintain	infrastructure	R5.7 billion (CAPEX)	
N4 Doornpoort to Skilpadshek Border Post				
TRAC	Design Build Finance	Well maintained road	R10.1 billion (CAPEX)	2028
N4 Hans Strydom I/C to Maputo	Operate and Maintain	infrastructure	R2.4 billion (OPEX)	

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

Note: N3TC CAPEX excludes construction costs for De Beers Pass route.



## Part D: Technical Indicator Description (TID)

<b>Indicator Title</b>	Percentage of Smooth Travel Exposure (STE)
<b>Definition</b>	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
<b>Source of data</b>	SANRAL Road Survey Vehicle reports
<b>Method of Calculation / Assessment</b>	Annual vehicle kms on road with an IRI less than 4.m per km/Total annual vehicle kms travelled
<b>Means of Verification</b>	Pavement Management System
<b>Assumptions</b>	IRI from Survey instruments Traffic from counting stations
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Higher actual performance than targeted is desirable. At least 95% of travel on less than 4.2 m/km roughness
<b>Indicator Responsibility</b>	Network Management Support

<b>Indicator Title</b>	Percentage of Low Rut Exposure (LRE)
<b>Definition</b>	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.
<b>Source of data</b>	SANRAL Road Survey Vehicle reports
<b>Method of Calculation / Assessment</b>	Annual vehicle kms on roads with a rut depth less than 20mm/Annual vehicle kms travelled
<b>Means of Verification</b>	Pavement Management System
<b>Assumptions</b>	Rut depth from survey instruments Traffic from counting stations
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Higher actual performance than targeted is desirable. At least 95% of travel on less than 20 mm rut depth
<b>Indicator Responsibility</b>	Network Management Support

<b>Indicator Title</b>	Percentage of High Texture Exposure (HTE)
<b>Definition</b>	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.
<b>Source of data</b>	SANRAL Road Survey Vehicle reports
<b>Method of Calculation / Assessment</b>	Annual vehicle kms travelled on roads with a macrotexture of greater than 0.4mm texture/Total annual vehicle kms travelled
<b>Means of Verification</b>	Pavement Management System
<b>Assumptions</b>	Macrotexture from survey instruments Traffic from counting stations
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Higher actual performance than targeted is desirable. At least 95 % of travel on higher than 0.4 mm texture
<b>Indicator Responsibility</b>	Network Management Support

<b>Indicator Title</b>	Percentage of Bridge Condition Exposure (BCE)
<b>Definition</b>	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.
<b>Source of data</b>	SANRAL Bridge Inspection every 5 years
<b>Method of Calculation / Assessment</b>	Annual vehicle kms on/under bridges with an OCI (Overall Condition Index) of greater/equal 70/ Total annual vehicle kms travelled
<b>Means of Verification</b>	Pavement/Bridge Management System
<b>Assumptions</b>	OCI from Bridge inspections Traffic from counting stations.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Higher actual performance than targeted is desirable. At least 90 % of travel over or under bridges with OCI (Overall Condition Index) higher than 70
<b>Indicator Responsibility</b>	Network Management Support

<b>Indicator Title</b>	Routine Maintenance km
<b>Definition</b>	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.
<b>Source of data</b>	SANRAL RRM Contracts
<b>Method of Calculation / Assessment</b>	Length of Network Under RRM
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP Included under Transformation/Empowerment Indicators
<b>Spatial Transformation (where applicable)</b>	Projects can be located across the country's national road network
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% of SANRAL network: 24 162km
<b>Indicator Responsibility</b>	Network Management Support

<b>Indicator Title</b>	Network resurfaced km
<b>Definition</b>	The length of network resurfaced (as in the Roadworks Classification document) contracts. To provide required preventative maintenance to ensure

	pavement achieves design life.
<b>Source of data</b>	SANRAL Periodic and Special Maintenance Contracts
<b>Method of Calculation / Assessment</b>	Length of Network resurfaced under period and special maintenance contracts
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP Included under Transformation/Empowerment Indicators
<b>Spatial Transformation (where applicable)</b>	Projects can be located across the country's national road network
<b>Calculation Type</b>	Non- cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	1800 km or more of SANRAL network Higher actual performance than targeted is desirable.
<b>Indicator Responsibility</b>	Network Management Support

<b>Indicator Title</b>	Road Strengthening and Improvement (Capex) km
<b>Definition</b>	The proportion of network covered with road strengthening, improvement and new (as in the Roadworks Classification document) contracts
<b>Source of data</b>	SANRAL Road Strengthening, Improvement, and new Contracts
<b>Method of Calculation / Assessment</b>	Length of Network under road strengthening, improvement, and new contracts

<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Projects could be implemented throughout the country's road network at various sections
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	250 km or more of SANRAL network Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	Network Management Support

<b>Indicator Title</b>	Percentage of RRM (Routine Road Maintenance) expenditure performed by black owned SMMEs and Contractors (Based on black ownership of main contractor)
<b>Definition</b>	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
<b>Source of data</b>	ITIS project information module
<b>Method of Calculation / Assessment</b>	Measure expenditure as in ITIS
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide

<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Routine Road Maintenance work undertaken throughout the country's national roads.
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	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.
<b>Indicator Responsibility</b>	Development Planner

<b>Indicator Title</b>	Percentage of non-RRM (Routine Road Maintenance) expenditure performed by black owned SMMEs and Contractors (Based on black ownership of main contractor)
<b>Definition</b>	Percentage of non-RRM expenditure performed by black owned SMMEs and Contractors (Based on black ownership of contractor) To facilitate BBBEE through SANRAL's non-RRM projects.
<b>Source of data</b>	ITIS project information module
<b>Method of Calculation / Assessment</b>	Measure expenditure as in ITIS
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide



<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Non-RRM projects implemented throughout the country's national roads.
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	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.
<b>Indicator Responsibility</b>	Development Planner

<b>Indicator Title</b>	Number of SMMEs working for SANRAL
<b>Definition</b>	The number of SMMEs working on SANRAL's projects and/or are suppliers at regional offices. To measure empowerment opportunities to SMMEs. The SMME status is determined by the BBBEE certificate at time of award of the contract which applies throughout its duration. There will not be a subsequent evaluation.
<b>Source of data</b>	ITIS Report
<b>Method of Calculation / Assessment</b>	Number of SMMEs reported on IT IS system.
<b>Means of Verification</b>	Refer to KPA User Guide

<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Projects and services procured throughout the country's national roads network.
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	At least 2000 SMMEs working for SANRAL. Variance allowed: 10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	Development Planner

<b>Indicator Title</b>	Number of Community Development infrastructure projects in construction and/or completed
<b>Definition</b>	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.
<b>Source of data</b>	SANRAL SAP ERP System
<b>Method of Calculation / Assessment</b>	Number of CD projects
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation</b>	Project CPG and Interim PPP

<b>of Beneficiaries (where applicable)</b>	
<b>Spatial Transformation (where applicable)</b>	Subject to specific areas where CD Projects are planned for implemented.
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	At least 28 CD projects in construction of which 10 completed. Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	Community Development Focus Group Champion

<b>Indicator Title</b>	Number of infrastructure projects in construction and/or completed using nano-technology.  KPI 1.12
<b>Definition</b>	<p>The number of road infrastructure projects under construction and/or those completed in the financial year utilising nano-technology. Nano-technology is a water proofing additive that retards the absorption of moisture.</p> <p>The use of nanotechnology has been reported to show reduced risk of cracking; Improved performance in terms of higher flexibility of the pavement structure; reduction in percentage of stabilization agent used and construction time; increased use of locally available materials and improved resistance to damage caused by the ingress of water. This reduces cost.</p> <p>Demonstrating use of technology, research, and innovation in road construction methods.</p>
<b>Source of data</b>	SANRAL SAP ERP System and Regions (to be streamlined)
<b>Method of Calculation /</b>	Number of projects utilising nano-technology

<b>Assessment</b>	
<b>Means of Verification</b>	As per the design and tender documents which will stipulate requirements. Refer to KPA User Guide
<b>Assumptions</b>	Extensive upfront investigations are required. Subject to suitability of the in-situ material. Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Projects could be implemented throughout the country's road network at various sections subject to suitability
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	7 or more projects in construction and/or completed
<b>Indicator Responsibility</b>	Engineering Executive

<b>Indicator Title</b>	Jobs Created on project (full-time equivalent)
<b>Definition</b>	The number of full-time (total hours/1840) jobs created on SANRAL's projects. To measure contribution to the goal of job creation.
<b>Source of data</b>	ITIS Report
<b>Method of Calculation / Assessment</b>	Number of jobs reported on IT IS system
<b>Means of Verification</b>	Refer to KPA User Guide

<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Projects and services can be procured throughout the country's national road network.
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	At least 14 000 jobs created. Variance allowed 10% below and unlimited above. Actual performance that is higher or than targeted performance is desirable
<b>Indicator Responsibility</b>	Development Planner

<b>Indicator Title</b>	Number of Pedestrian Hazardous Locations Investigated and Solutions Implemented: Identify, Investigate, and implement Remedial Measures for 12 pedestrian hazardous locations
<b>Definition</b>	Identify, investigate, and implement remedial measures at 12 pedestrian hazardous locations per year across the network. To provide safer road conditions for motorists and/or pedestrians.
<b>Source of data</b>	SANRAL network inspections
<b>Method of Calculation / Assessment</b>	Number of Pedestrian Hazardous Locations Identified, Investigated and Remedial Measures Implemented
<b>Means of Verification</b>	The SANRAL pedestrian hazardous location programme progress report as prepared by the SANRAL Road Safety Engineering Focus Group

<b>Assumptions</b>	Given behaviours and hazard types are liable to change over time and adjust to a changed/improved road environment, one location may be reported on multiple times, in multiple years if a hazard still exists within the reporting year. Recommendations implemented in relevant projects.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	SANRAL network inspections can be undertaken throughout the country's national road network.
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Bi-annual
<b>Desired performance</b>	Actual performance higher than targeted is desirable. Target is for 12 pedestrian hazardous locations to be identified, investigated and remedial measures implemented. Recommendations implemented in relevant projects.
<b>Indicator Responsibility</b>	National Pedestrian Hazardous Location Coordinator

<b>Indicator Title</b>	Number of Road Safety Audits conducted
<b>Definition</b>	Conduct Road Safety Audits on at least 12 projects. To provide safer road conditions for motorists and/or pedestrians.
<b>Source of data</b>	Record of Road Safety Audits conducted
<b>Method of Calculation / Assessment</b>	Number of audits conducted
<b>Means of Verification</b>	Road safety audit progress report and copies of conducted audit reports.

<b>Assumptions</b>	All stages prior to report being conducted are in place else the audit could not have been conducted. More than one audit can be conducted on one project as detailed in the various stages defined in the South African Road Safety Audit Manual
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	SANRAL road safety audits can be undertaken throughout the country's national road network.
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Bi-annual
<b>Desired performance</b>	Targeted performance is to complete 12 or more Road Safety Audits Reports. Actual performance that is higher than the targeted performance is desirable
<b>Indicator Responsibility</b>	National Road Safety Audit Coordinator

<b>Indicator Title</b>	Number of internships (Practical experience for under-graduate studies)
<b>Definition</b>	Number of internships offered on SANRAL projects through consultants and contractors. To measure contribution to the goal of transformation through skills development.
<b>Source of data</b>	SANRAL projects
<b>Method of Calculation / Assessment</b>	Number of interns at projects or with consultants
<b>Means of</b>	Refer to KPA User Guide

<b>Verification</b>	
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Subject to where projects and internship opportunities are spatially located
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	At least 250 active internships during the year. Variance allowed 10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	GM: Skills Development

<b>Indicator Title</b>	Number of External Bursaries (Tertiary)
<b>Definition</b>	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.
<b>Source of data</b>	SANRAL's bursary records
<b>Method of Calculation / Assessment</b>	Number of external bursaries offered
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries</b>	Target for Women: EE Plan as guide Target for Youth: EE Plan as guide



<b>(where applicable)</b>	Target for People with Disabilities: EE Plan as guide
<b>Spatial Transformation (where applicable)</b>	Bursaries are offered to qualifying candidates throughout the country.
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	At least 150 active external bursaries during the year. Variance allowed 10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	GM: Skills Development

<b>Indicator Title</b>	Number of Scholarships
<b>Definition</b>	The number of learners supported by scholarships awarded by SANRAL. To measure contribution to the goal of transformation through skills development.
<b>Source of data</b>	SANRAL's scholarship records
<b>Method of Calculation / Assessment</b>	Number of scholarships offered
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: EE Plan as guide Target for Youth: EE Plan as guide Target for People with Disabilities: EE Plan as guide
<b>Spatial Transformation</b>	Scholarships offered to qualifying candidates throughout the country.

<b>(where applicable)</b>	
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	At least 250 active scholarships during the year. Variance allowed 10% below and unlimited above. Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	GM: Skills Development

<b>Indicator Title</b>	Number of SETA Learnerships and/or employment opportunities provided for SETA
<b>Definition</b>	Number of SETA students attending SETA Learnerships and/or SETA graduates employed on SANRAL projects. To measure contribution to the goal of transformation through skills development and employment.
<b>Source of data</b>	SANRAL projects and ITIS
<b>Method of Calculation / Assessment</b>	Number of students that attend SETA Learnership training and/or SETA graduates employed on SANRAL projects.
<b>Means of Verification</b>	Refer to KPA User Guide
<b>Assumptions</b>	Refer to KPA User Guide Courses range from 3 to 12 months in duration on construction projects/site based and off site theoretical. Targeting new workers from the community without formal experience. The programme aims to train unskilled workers under the contractor. Provide employment opportunities to SETA graduates.
<b>Disaggregation of Beneficiaries</b>	Project CPG and Interim PPP

<b>(where applicable)</b>	
<b>Spatial Transformation (where applicable)</b>	Subject to where construction projects and sites are spatially located
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	At least 1000 students attending SETA Learnerships and/or SETA graduates employed on SANRAL projects during the financial year. Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	Engineering supported by Transformation

<b>Indicator Title</b>	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
<b>Definition</b>	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.
<b>Source of data</b>	Reports detailing road safety workshops conducted and reports on awareness activities
<b>Method of Calculation / Assessment</b>	Count the number of sites where educational workshops were conducted
<b>Means of</b>	Refer to KPA User Guide

<b>Verification</b>	
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Road Safety Education and Awareness Programmes can be run throughout the country dependent on suitable site locations on the national road network.
<b>Calculation Type</b>	Cumulative in the year
<b>Reporting Cycle</b>	Bi-annual
<b>Desired performance</b>	Road safety education and awareness programmes at 50 or more educational districts/sites Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	Development Planner

<b>Indicator Title</b>	Number of Positive media messages in national/regional media (print, broadcast or online) per year
<b>Definition</b>	Promote awareness of SANRAL's mandate, projects and contribution to society (socio-economic benefits) through press releases, advertorials, opinion editorials, advertisements etc. To safeguard and improve SANRAL's reputation through positive stories that reach appropriate stakeholders and communities.
<b>Source of data</b>	Communications department quarterly report which includes positive stories in various media platforms covering advertising and media, public relations, and digital positive messages/stories.
<b>Method of Calculation /</b>	Each communication piece is counted per month and reported quarterly.

<b>Assessment</b>	
<b>Means of Verification</b>	Portfolio managers review, via email, their portfolio information in the quarterly report and the information which is extracted to appear in the final APP report. Thereafter an approval register is circulated where all portfolio managers sign to acknowledge and approve the information.
<b>Assumptions</b>	Information accurately accounted for.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Each positive story is calculated per month, added and reflected as an overall figure per quarter.
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	At least 440 or more positive messages published in national or regional press (print, broadcast or online) per year (105 per quarter)  Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	GM: Marketing and Communications

<b>Indicator Title</b>	Number of Stakeholder Engagement sessions/roundtables
<b>Definition</b>	Promote awareness of SANRAL's mandate, projects 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.

<b>Source of data</b>	Communications department quarterly report which includes each stakeholder round table held per region
<b>Method of Calculation / Assessment</b>	The round table discussions are listed per month and added together per quarter.
<b>Means of Verification</b>	The Portfolio manager reviews, via email, the portfolio information in the quarterly report and the information which is extracted to appear in the final APP report. Thereafter an approval register is circulated where the portfolio manager signs to acknowledge and approve the information.
<b>Assumptions</b>	Information accurately accounted for.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Cumulative in the year Each round table is listed monthly and added on a quarterly basis.
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	At least 260 round table discussions held annually (average target of 65 stakeholder engagement sessions per quarter). Includes formal information sessions and Taking SANRAL to the People. Actual performance that is higher than targeted performance is desirable
<b>Indicator Responsibility</b>	GM: Stakeholder Management and Transformation

### **Governance Indicator (TIDs)**

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

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

<b>Indicator Title</b>	Establishment and percentage implementation of an Ethics Plan (6.3)
<b>Definition</b>	Through the establishment and percentage implementation of an Ethics Plan within SANRAL this will enable a co-ordinated organisation-wide ethical practice.
<b>Source of data</b>	Ethics Officer appointed who will designate ethics roles as



	shared/new functions through the office of the Chief Legal, Risk and Compliance Officer.
<b>Method of Calculation / Assessment</b>	Non-quantitative – appointment of ethics officer who assigns ethics related roles. Ethics Management Committee Ethics Management Plan
<b>Means of Verification</b>	Reports from Chief Legal, Risk and Compliance Officer HR records
<b>Assumptions</b>	An Ethics Officer will be designated/appointed or suitable long-term solution.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not Applicable
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Q1: Declaration of business interests by all directors and staff  Q2: Appointment of an Ethics Officer. Development of Ethics Management governing documents including an Ethics Plan.  Q3: Establish a Management Ethics Committee. 30% of unethical cases investigated.  Q4: 75% implementation of the Ethics Management Plan. 75% of unethical cases investigated.
<b>Indicator Responsibility</b>	Chief Legal, Risk and Compliance Officer

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

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

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

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

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

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

applicable)	
<b>Calculation Type</b>	Percentage
<b>Reporting Cycle</b>	Bi-annual
<b>Desired performance</b>	50% Reduction annually
<b>Indicator Responsibility</b>	CFO

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

<b>Indicator Title</b>	Procurement Efficiency Index (6.9)
<b>Definition</b>	Percentage of planned tender awards as outlined in the Annual Procurement Plan measured against actual awards.
<b>Source of data</b>	Annual Procurement Plan current (Q1 and Q2) Annual Procurement Plan previous year (Q3 and Q4)
<b>Method of Calculation / Assessment</b>	Actual tender advertisements/Actual Awards
<b>Means of Verification</b>	Board Quarterly reports as prepared by SCM
<b>Assumptions</b>	No legal challenges Budget availability Sufficient resources Excludes cancellations
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-cumulative (percentage)
<b>Reporting Cycle</b>	Semi-annual (Q2 and Q4)
<b>Desired performance</b>	80% award of all tenders advertised (excluding cancellations and legal challenges) in Q1 and Q2 to be awarded by March (current FY). 80% award of all tenders advertised (excluding cancellations and legal challenges) in previous Q3 and Q4 to be awarded by September (Previous year outstanding balance)
<b>Indicator Responsibility</b>	Chief SCM Officer

<b>Indicator Title</b>	Toll Revenue Collection Efficiency Index (conventional plazas only and excludes GFIP and concessions) (6.10)
<b>Definition</b>	Calculation of income/toll revenue based on product of volumes and toll tariffs compared to income received in bank account.
<b>Source of data</b>	Dual TEL (Traffic Event Loggers) MIS (Management Information System) AVC (Automatic Vehicle Classification) Toll Tariffs Toll network payment certificates
<b>Method of Calculation / Assessment</b>	Refer to Decision Tree Calculation. SANRAL expected revenue= Traffic Volume x Toll Tariff (AVC, MIS or TEL) Operator actual collection = Traffic Volume x Toll Tariff (physical at plazas recorded) Variance = (Expected – Actual)/Expected Should result in 90% or higher.
<b>Means of Verification</b>	AVC, MIS and TEL
<b>Assumptions</b>	Functional road side systems Excludes GFIP Excludes concessions. CTROM model/contract provides for recover for recovery of AGI shortfall from the Operator/Main Contractor's monthly fee.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable

applicable)	
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	90% or higher
<b>Indicator Responsibility</b>	Toll Division

<b>Indicator Title</b>	Number of office sites opened.
<b>Definition</b>	Provincial/regional offices established.
<b>Source of data</b>	Property portfolio and asset register and/or lease agreement
<b>Method of Calculation / Assessment</b>	Number of office sites opened and operational as per identified province.
<b>Means of Verification</b>	Property portfolio and asset register and/or lease agreement
<b>Assumptions</b>	Identification of suitable office facility With appropriate amenities (internet access/parking/safety etc) Expansion potential in the identified site. Refer to KPA user Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable (Site specific requirements may differ)
<b>Spatial Transformation (where</b>	Office facilities will be located throughout the country in each province.



applicable)	
<b>Calculation Type</b>	Cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	5 Office sites opened with Provincial Managers in place (Acting/Interim or Permanent)

<b>Indicator Title</b>	Growth in Business Development Revenue
<b>Definition</b>	Own revenue generation through Business Development income streams.
<b>Source of data</b>	SAP Accounting system and Business Development Profit Centre
<b>Method of Calculation / Assessment</b>	Year on year growth calculated utilising revenue generated from Toll and Non-toll portfolios
<b>Means of Verification</b>	SAP Accounting system
<b>Assumptions</b>	Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	CPG and Interim PPP (where applicable) Transformation Policy (where applicable)
<b>Spatial Transformation (where applicable)</b>	Throughout the country
<b>Calculation Type</b>	Cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	15% (nominal) growth in Business Development revenue.

<b>Indicator Title</b>	Established Contractor Development Programme.
<b>Definition</b>	Establishment of a closed panel to improve the ability and capabilities of the contractor to execute larger and more complex projects. Growth and development of emerging contractors.
<b>Source of data</b>	CIDB registers along with an application process and proof of history of project implementation.
<b>Method of Calculation / Assessment</b>	Adverts that include PE status of contractors along with proof of panel established in region and/or province.
<b>Means of Verification</b>	Database of contractors as managed by Transformation.
<b>Assumptions</b>	Compliant contractors Targeting CIDB Grades 5 CE and above Three-year term in the ecosystem Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP
<b>Spatial Transformation (where applicable)</b>	Projects could be implemented throughout the country's road network at various sections subject to suitability.
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Contractor Development panel in place and incorporation of PE status in tender documents for specific projects. 2 contractors participating on the programme and awarding of 2 contracts and/or sub-contracts.

	Established panel with positive growth in skills, financial viability, asset base, number of permanent employees and CIDB Grading at the end of the 3-year term
<b>Indicator Responsibility</b>	Transformation Division

<b>Indicator Title</b>	Established Black Industrialist Scheme
<b>Definition</b>	To grow the number of service providers in the industry specifically the supply of raw material, road construction equipment and related products.
<b>Source of data</b>	Database established from release of advertisements.
<b>Method of Calculation / Assessment</b>	Number of participants in the database.
<b>Means of Verification</b>	SANRAL Database as managed by Transformation Division. Refer to KPA User Guide
<b>Assumptions</b>	Engagements with DTIC Efforts for construction to be listed under the Strategy for the Black Industrialist Scheme. Refer to KPA User Guide
<b>Disaggregation of Beneficiaries (where applicable)</b>	Project CPG and Interim PPP that makes allowance for existing Black Industrialists.
<b>Spatial Transformation (where applicable)</b>	Projects could be implemented throughout the country's road network at various sections subject to suitability. Dependent on location of projects and operations of the Black Industrialists.
<b>Calculation Type</b>	Number as per the database as managed by Transformation Division.
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Approved scheme/framework and pool of identified participants. 2 contractors participating on the programme and awarding of 2

	contracts and/or sub-contracts.
<b>Indicator Responsibility</b>	Transformation Division

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**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 2020-25 – 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		
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
<b>Grand Total</b>	<b>1224</b>	<b>R10 255 465 997</b>	<b>R26 177 384 510</b>	<b>R29 705 500 565</b>	<b>R24 127 902 286</b>	<b>R300 456 639 908</b>



transport

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Department:  
Transport  
**REPUBLIC OF SOUTH AFRICA**

# PERFORMANCE AGREEMENTS