



**ROADS AGENCY LIMPOPO (SOC) Ltd**

**STRATEGIC PLAN**

**2020–2025**

**DATE FOR TABLING: 24 MARCH 2020**

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**ACRONYMS AND ABBREVIATIONS**

BBBEE	Broad-Based Black Economic Empowerment
Bermuda Road	Incomplete roads
BOQ	Bills of Quantity
CEO	Chief Executive Officer
CFO	Chief Financial Officer
EE	Employment Equity
EPWP	Expanded Public Works Programme
G	Gravel Road
IGR	Inter Government Relations
INSET	In-Service Training
LDP	Limpopo Development Plan
LIIMP	Limpopo Integrated Infrastructure Master Plan
MEC	Member of the Executive Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDOT	National Department of Transport
NDP	National Development Plan
PFMA	Public Finance Management Act
PMS	Performance Management System
PPP	Public Private Partnership
PWD	People with Disability
RAL	Roads Agency Limpopo (SOC) Ltd
RAMP	Roads Asset Management Plan
RAMS	Roads Asset Management System
SLA	Service Level Agreement
SMME	Small Medium and Micro Enterprise
SONA	State of the Nation Address
SOPA	State of the Province Address
AGSA	Auditor General-South Africa
OD	Organisational Design
R & D	Research and Development
HR	Human Resources
ECSA	Engineering Council of South Africa
CETA	Construction Education and Training Authority

## EXECUTIVE AUTHORITY STATEMENT

The 2020/25 strategy is being launched at a time when our economy is not performing as it should. The strategy is also being launched at a time when South Africa in general and Limpopo is facing the worst youth unemployment in history.

The mammoth task of building an inclusive but job creating road infrastructure requires that every patriotic South African be involved. Neither the provincial government nor the private sector has the enough resources to singlehandedly unburden our impoverished communities from the triple crisis of unemployment, inequality and poverty.

Limpopo Provincial Government needs a patriotic private sector to create decent jobs for our women, youth, people living with disabilities and military veterans. Equally critical, the private sector expects us, as policy makers to create an enabling policy climate for their businesses to flourish.

As the provincial government, we will continue to support RAL in its efforts to upscale the roll-out of impactful road construction projects. We expect to see RAL playing a leading role in ensuring that our road network plays a meaningful economic and social transformation role.

With our economy growing at an average of 1% per year in the past three years, we are confident that road infrastructure can play a significant role to stimulate growth of the Limpopo Province's economy. My view is that a well-maintained road network is central to the economic recovery plan adopted by 6<sup>th</sup> administration. The 6<sup>th</sup> administration identified road infrastructure as one of its top three strategic priorities.

Whilst efforts will be taken to expedite the finalisation of pending Bermuda road projects, our expectation is that more energies need to be redirected towards the roll-out of new game changing projects. We expect RAL to be on the forefront of this accelerated roll-out. We also expect RAL to use new road construction projects as a tool to support people with disabilities, women and youth against the triple crisis of poverty, unemployment and inequality.

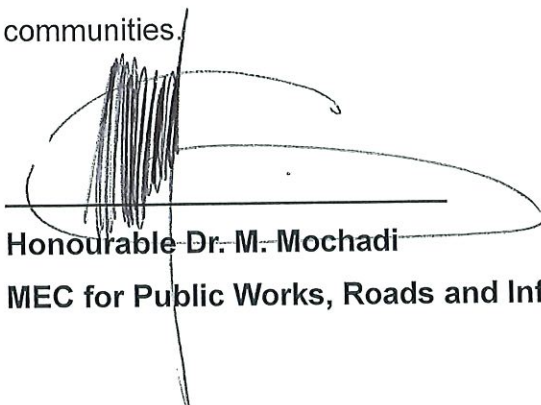
My hope is that RAL will continue to ensure that local contractors fully benefit from these new projects. My anticipation is that in every village where RAL has a presence, locals especially women and youth, should constitute the highest number of people employed in RAL funded projects.

I am confident that RAL has put in place a functional mechanism to actualise this fundamental objective. As a shareholder representative, I am also aware of the need to improve RAL's funding leverage for it to clear the mounting road upgrade backlog it inherited from the past. I am fully aware of the service delivery pressures being caused by the increasing road infrastructure related protests

and demands on RAL's operations. I appreciate the initiatives being spearheaded by RAL to source additional funding from the private sector. Fostering partnerships with the private sector can have a profound positive impact on RAL's ability to solve its longstanding funding woes.

I take this opportunity to encourage RAL to scale up its current efforts to forge beneficial synergies with the local municipality sector. My anticipation is that on-going engagements between RAL and our municipalities will drive us towards a shared road delivery vision and strategy.

I wish RAL in its endeavour to deliver an accessible, safe and secure road network to our communities.



**Honourable Dr. M. Mochadi**  
**MEC for Public Works, Roads and Infrastructure**

## ACCOUNTING AUTHORITY STATEMENT

As the Board of Directors for Roads Agency Limpopo (RAL), we are mandated to provide strategic leadership and direction to the Agency's management and staff.

We are fully aware of the current and future challenges the organisation is facing given the funding crisis faced by the government of South Africa as a result the Limpopo Province.

We have accepted this responsibility to lead RAL with full knowledge of the many complexities facing the South African economy.

The Board has observed over the past three years that South Africa's macroeconomic environment continue to deteriorate at a faster pace than expected. The economy continues to shed off jobs, thereby subjecting more people to the triple curse of poverty, inequality and unemployment. The long-running viability challenges facing debt-ridden Eskom is not making it easier South Africa. The energy-dependended industries are bearing the harshest realities of Eskom's load-shedding dilemma. The reported levels of corruption in the SOEs continue to undermine public confidence in public entities. All these challenges affect RAL in terms of perception.

Our environment is made even more difficult by the advocacy trend that Limpopo communities have adopted- road infrastructure related protests. These protests have greatly and negatively affected RAL's operations. Our inability to fully address the huge demand for paved roads due to funding constraints continue to expose us to community protests. However, despite all these pressures, I am confident that the Board is in a firm position to effectively guide RAL on the path of institutional competence and resilience.

Our decision to review RAL' 5-year strategic plan is informed by the need to usher RAL on a new trajectory. The Board further reaffirms its commitment to reform RAL's governance environment with the view to engrain a culture of accountability, high performance and institutional integrity. In doing so, we will take precautionary steps to protect the Agency against some of the risks outlined above. We remain alive to the need to minimise the organisation's exposure to the disruptive nature any form of protests. Other key risks that are on the agenda include among others; risk of corruption (in all its forms), compliance and regulatory risks.

We will take bold steps to improve the organisation's performance environment. Greater attention will be given towards improving the integrity and credibility of our financial statements as well as providing vital performance data. In the past three years, RAL successfully turned a new page

against a history of poor audit outcomes, in the next five years. We will redouble our effort towards ensuring that we obtain and sustain a series a clean audit. Going forward, our ultimate focus as RAL added to building and maintaining roads is to change the quality of life of our communities connecting them with other provinces and Africa.

RAL will focus on projects that deliver better impact in so far as job creation, SMME empowerment and economic growth is concerned. We remain committed to the idea of using roads as potent tools to end the curse of poverty, unemployment and inequality. We will ensure that every new road project bring much needed socio-economic relief to our poor communities.

In all our efforts to build an excellent and more competent RAL, guided by the PFMA, amended Companies Act of 2008, King IV guidelines and other applicable Treasury directives. we will always draw strength and wisdom from Dr Mochadi, in her capacity as the MEC for Public Works, Roads and Infrastructure and shareholder representative.

We pledge to work closely with Mr Maluleke's Executive team to ensure we deliver on all the promises outlined in this blueprint.

Lastly, I would like to express my heartfelt thanks to management and employees for working flat out in compiling our 2020/25 road map. I would also like to thank my fellow Board Members and all Board Committees for their inputs and wise guidance during the planning process.



**Mr. M.S Ralebipi**

**RAL Board Chairperson**

## ACCOUNTING OFFICER STATEMENT

### Overview

RAL's 2020/25 plan was developed at the commencement of the 6<sup>th</sup> Provincial Administration and against the backdrop of a weak macro-economic environment. Unacceptable levels of youth unemployment, high levels of poverty and widening income disparities remain the country's worst challenges. At the rate at which the economy is growing, there is no doubt that the five years ahead will be the toughest in history. We expect the poor economy to have a material impact on RAL's ability to effectively execute its mandate. However, despite these challenges, RAL is confident that, based on its delivery record for the past five years, its mandate will be successfully carried out for the next five years, albeit with limited resources at its disposal.

### Demand for Services

The 2020/25 roadmap is also being launched at a time when the demand for paved roads in the province is extremely high. RAL is responsible for a road network of 19000 km, 61% of which is unpaved at the moment. This demand was reaffirmed by the results of the road upgrade prioritisation exercise RAL conducted in conjunction with district municipalities. The purpose of the road prioritisation process was to identify unpaved priority roads which are currently unfunded and not in the implementation plans of RAL. The prioritisation considered factors such as previous political commitments, incomplete (Bermuda) roads, political hotspots, the need for roads that facilitate access to key social services such as clinics, schools and hospitals etc. and areas of economic activity. Out of a total of 13 818 km backlog of unpaved roads, a total of 3 793 was prioritised by district municipalities. These will require approximately R37bn to address.

### Driving Factors

Our priorities for the next five years are informed by four key driving factors, namely:

- the need for RAL to give full effect to the priorities of 6<sup>th</sup> provincial administration as espoused in the recent State of the Province by the Limpopo Premier.
- the need to build roads that play a catalytic role in the growth and development of the key industries in the province viz: mining, tourism and agriculture, and lately the development of the Special Economic Zones.
- the need to facilitate various communities in the province to access health, education and other social facilities.

## Alignment with Government Priorities

In our efforts to align RAL's 2020-25 strategic plan with government priorities, this plan seeks to give effect to the following Medium Strategic Term Framework (MSTF) (2020-2024) priorities:

- MSTF Priority 1: Economic transformation and job creation
- MSTF Priority 2: Education, skills and health
- MSTF Priority 6: A capable, ethical and developmental state.

The plan also considered road development priorities outlined by the Honourable Premier of the Province, Hon. Stan Mathabatha during his 2020 State of the Province Address, regarding key areas such as:

- A growing economy, and
- Infrastructure development

Industries such as mining, agriculture, tourism and lately the establishment of Special Economic Zones (SEZ) are considered important to the economic development of the province. The growth and development of these key industries in the province is dependent on the well-developed road network, which is the responsibility of RAL. RAL will therefore require the support of the Provincial Government and its Private Strategic Partners to ensure that it delivers on the road infrastructure rollout required for economic development and growth.

Community protests relating to road infrastructure continue to pose a major challenge to the execution of RAL's mandate. RAL is inundated with calls for better roads daily. Almost every protest that erupts is about or has an impact on road infrastructure. RAL and the DPWRI will continue to engage communities to facilitate community-based planning and implementation thus reducing politicising of road infrastructure project development.

## Key Impact Areas

The 2020/25 strategic plan is a product of extensive consultations involving key stakeholders such as district municipalities, the Department of Public Works, Roads and Infrastructure, our strategic partners, the board and employees. During those consultations, RAL identified the following key challenges,

- Increased cases of community protests due to the increased demand for paved roads.
- Budgetary constraints that makes it difficult for RAL to satisfy the rising demands for paved roads,
- Inadequate proactive stakeholder engagement and communication,

- Outdated Road Asset Management System
- Insufficient human capacity
- The high costs of paving roads
- Inadequate ICT capacity
- Lack of innovative road construction technologies

In order to address some of the challenges highlighted above, RAL identified five key impact areas for 2020/25. The four impact areas are outlined below:

- Adequately supported core business
- Improved road network
- Economically empowered host communities
- Skilled and enterprising local labourers

RAL also identified the following key pillars that will assist in delivering the 2020/25 impact areas:

- ICT technology that help to integrate its various business processes, systems and work methods,
- Capacity building as a driver for high performance,
- Proactive engagement of key stakeholders
- Innovation to drive down the cost of building roads
- Delivery of accessible safe and reliable road network for the people of Limpopo.

### **Conclusion**

Whilst in the past, great effort was invested in stabilising RAL's financial management environment, our next task will remain to gear RAL towards obtaining and sustaining clean audits. Our overarching goal, however, is to build safe, accessible, reliable and affordable roads. I am optimistic that with the right mix of commitment, teamwork and adequate support system from our stakeholders, this goal is realisable.

Together for better roads



**Mr. G.M Maluleke**

**Chief Executive Officer**

**OFFICIAL SIGN-OFF**

It is hereby certified that this Strategic Plan:

- Was developed by Roads Agency Limpopo's (RAL) management under the guidance of the Shareholder, Honorable MEC for Public Works, Roads and Infrastructure
- Considers all the relevant policies, legislation and other mandates for which RAL is responsible
- Accurately reflects the Impact and Outcomes which RAL will endeavor to achieve over 2020 – 2025 fiscal years.

Mr. K. Tulsi  
**General Manager: Planning and Design**

  
\_\_\_\_\_  
**Signature**

Mr. N. M Ramaboea  
**General Manager: Construction and Operations**

  
\_\_\_\_\_  
**Signature**

Ms. M.J Boshielo  
**Executive Manager: Corporate Service**

  
\_\_\_\_\_  
**Signature**

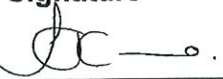
Mr. H. Magopa  
**Chief Financial Officer**

  
\_\_\_\_\_  
**Signature**

Mr. S Gamakulu  
**Head Official responsible for Planning**

  
\_\_\_\_\_  
**Signature**

Ms. T.C. Kekana  
**Company Secretary**

  
\_\_\_\_\_  
**Signature**

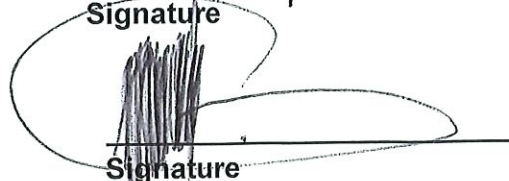
Mr. G. M Maluleke  
**Chief Executive Officer**

  
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**Signature**

Mr. M.S Ralebipi  
**RAL Board Chairperson**

  
\_\_\_\_\_  
**Signature**

**Approved by:**  
Hounarable Dr. M. Mochadi  
**MEC for Public Works, Roads and Infrastructure**

  
\_\_\_\_\_  
**Signature**

# **PART A: OUR MANDATE**

## **PART A: OUR MANDATE**

Throughout the implementation period, Roads Agency Limpopo's (RAL) operations and activities will be guided by the following legislative and other mandates:

### **1 CONSTITUTIONAL MANDATE**

In terms of sub-section 125 (1) of the Constitution of RSA, "the executive authority of a Province is vested in the Premier of that Province." Sub-section (2) also provides that "The Premier exercises the Executive Authority, together with other Members of the Executive Council, by:

- Implementing Provincial Legislation;
- Implementing all National Legislation within the functional areas listed in Schedule 4 or 5 except where the Constitution or an Act of Parliament provides otherwise;
- Administering in the province, national legislation outside the functional areas listed in Schedule 4 or 5, the administration of which has been assigned to the provincial executive in terms of an Act of Parliament;
- Developing and implementing provincial policy;
- Co-ordinating the functions of the provincial administration and its departments;
- Preparing and initiating provincial legislation; and
- Performing any other function assigned to the provincial executive in terms of the Constitution or an Act of Parliament."

In terms of Schedule 4 of the RSA Constitution, Public Works, Roads and Infrastructure (DPWRI) is a functional area of concurrent National and Provincial legislative competence "only in respect of the needs of provincial government departments in the discharge of their responsibilities to administer function specifically assigned to them in terms of the Constitution or any other law."

The sole mandate of RAL is to act as an implementing agent of the Limpopo Provincial Government, under the auspices of the Limpopo Department of Public Works, Roads and Infrastructure, responsible for the custodianship of the Limpopo Provincial road network.

## 2 LEGISLATIVE AND POLICY MANDATES

RAL's activities are also linked to the following legislative and policy mandates:

### 2.1 Legislative Mandates

RAL is a State-Owned Company, registered as such in terms of the Companies Act, 71 of 2008, and it is a schedule 3C Provincial Public Entity, listed as such in terms of the Public Finance Management Act 1 of 1999. RAL was established by the Limpopo Provincial Government, in 1999, through the promulgation of the Limpopo Roads Agency Proprietary Limited and Provincial Roads Act 7 of 1998, as amended. The ownership and control of RAL is vested in the MEC responsible for the Public Works, Roads and Infrastructure, on behalf of the Provincial Government.

The mandate of RAL is clearly set out in Section 25 of the Limpopo Province Roads Agency Proprietary Limited and Provincial Roads Act 7 of 1998 as amended. The main functions and responsibilities of the Agency are to perform:

- All strategic planning about the provincial road system, and
- The planning, design, construction, operation, management, control, maintenance and rehabilitation of provincial roads for the Province.

### 2.2 Policy Mandates

The following legislations also impact in one way or another on RAL's future operations:

**Table 1: Policy Mandates.**

The table below summarises the policy mandates applicable to RAL

No	Legislation	Impact on RAL's operations
1	Service Delivery Improvement Plan (SDIP) Directive	The DPWRI (which oversee RAL on behalf of the Provincial Government) is obligated by Department of Public Service Administration (DPSA) to submit an approved SDIP after every 5 years. As an entity of the DPWRI, RAL's inputs are key in shaping the DPWRI's SDIP discourse.
2	Employment Equity Act, (Act 55 of 1998)	As an equal opportunity employer, RAL will implement progressive, fair and non-discriminatory policies and practices in line with the provisions of this Act.

3	Skills Development Act, (Act 97 of 1998)	In partnership with Sector Education and Training Authorities (SETAs) and the Department of Higher Education and Training (DHET), RAL will allocate a dedicated budget to cater for its staff development needs.
4	Compensation of Occupational Injuries and Diseases Act (Act No 130 of 1993)	RAL will ensure that all service providers (contractors) fully comply with the provisions of this Act.
5	Public Finance Management Act, (Act 29 of 1999)	RAL Executives will do everything in their power to comply with all the provisions of the PFMA and other applicable treasury regulations. This will be done within the spirit of prudent financial governance.
6	Treasury Regulations, 2005	RAL reaffirm its commitment to comply with applicable treasury reporting and strategic planning guidelines.
7	Spatial Planning and Land Use Management (SPLUMA) Act of 2013	RAL seeks a spatial planning discourse that seeks to eliminate spatial disparities inherited from the apartheid era. In line with this position, management will prioritise impactful road projects that have a game-changing effect on village economies.
8	Division of Revenue Act, (Act of 2008)	The National Treasury relies on the Division of Revenue Act (DoRA) to allocate and distribute funds for various purposes to provinces. As an entity owned by the Provincial Government, the decisions that are linked to this Act may have far reaching funding implications to RAL's operations.
9	Preferential Procurement Policy Framework Act, (Act 5 of 2000):	In line with RAL's SCM tradition, companies owned by historically disadvantaged persons (HDPs) seeking to do business with the entity will enjoy preferential procurement opportunities.
10	Broad Based Black Economic Empowerment Act, (Act 53 of 2003)	RAL seeks to be a 100% BBBEE-compliant entity. The empowerment of companies owned by historically disadvantaged persons like women, youth and people with disabilities is a permanent feature of RAL's economic empowerment initiative.

11	Occupational Health and Safety Act, (Act 85 of 1993):	A tailored Occupational, Health and Safety (OHS) strategy will be developed and implemented during the period under review.
12	Promotion of Equality and Prevention of Unfair Discrimination Act (PEPUDA), 2000	RAL will foster a workplace culture that advances the constitutional imperatives of non-discrimination, non-racialism and non-sexism.
13	Promotion of Access to Information Act, (Act No 2 of 2000):	Upon request, RAL will avail information of public interest in compliance with the provisions of Act.
14	Promotion of Administrative Justice Act, (Act 3 of 2000):	RAL's will comply with all the provisions of the Act when interacting with employees, communities, suppliers, service providers etc.
15	Protected Disclosure Act (Act 26 of 2000):	RAL will protect all whistle blowers or those who report wrongdoing to authorities from victimisation, intimidation and any form of harm.
16	Government-wide Immovable Asset Management Act, 2007 (GIAMA):	RAL's immovable asset management strategy will be aligned with the main provisions of this ACT.
17	Construction Regulations, 2014	From time-to-time, RAL will appoint seasoned Built Environment Professionals to conduct periodic inspections of RAL buildings
18	Infrastructure Delivery Management System (IDMS)	RAL will realign its road delivery system with the provisions of the IDMS.
19	Construction Industry Development Board: National Immovable Asset Maintenance Management Standard, 2017:	RAL's Road Asset Management System (RAMS) will be aligned with all the provisions of this Act.
20	Labour Relations Act, (Act 66 of 1995)	In pursuit of labour peace, RAL strives to comply with all provisions of the Labour Relations Act of 66 of 1995.
21	Basic Conditions of Employment Act (Act 75 of 1997)	In line with this Act, RAL will ensure that all its employees are treated in a just, equitable and fair manner.

<b>22</b>	King IV Report on Corporate Governance for South Africa, 2016.	To provide a framework on corporate governance in public entities.
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### 3 INSTITUTIONAL POLICIES AND STRATEGIES GOVERNING THE FIVE-YEAR PLANNING PERIOD

In formulating the strategy for the next five years, RAL has considered the following policies and strategies that will impact on its business going forward:

#### 3.1 Sustainable Development Goals

It is important to note that the Sustainable Development Goals (SDGs) as a global policy framework is aligned with the National Development Plan. The SDGs are also imbedded, by extension, in the Limpopo Development Plan and Integrated Development Plans (IDPs) of municipalities. Out of the 17 SDG goals, this strategy is linked directly to Goal No. 8 and Goal No. 9 of the SDGs and indirectly to SDGs 1, 11 and 13. The table below outlines how RAL intends to turn the SDGs' aspirations into concrete action and results.

**Table 2: Sustainable Development Goals**

The table below summarises the SDGs applicable to RAL

Goal No.	Description	Turning the goal into concrete action
Goal No 1	End poverty in all its forms everywhere	RAL views skill development as a tool to transform local communities into agents of their development. The agency provides construction management skills transfer opportunities to local communities in conjunction with Construction, Education and Training Authority (CETA).
Goal No 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all	Through its SMME empowerment programme, RAL reserves 30% of all sub-contracts to local contractors. In addition, 10% of main contractors' workforce should consist of local labourers.
Goal No 9	Build resilient infrastructure, promote inclusive and	RAL is responsible for planning, construction and maintenance of the provincial road network.

	sustainable industrialisation, and foster innovation	
<b>Goal No 11</b>	Make cities and human settlements inclusive, safe, resilient and sustainable	RAL is responsible for connecting the people of Limpopo through a reliable, accessible and safe road network.
<b>Goal No 13</b>	Take urgent action to combat climate change and its impacts (noting agreements made by the UNFCCC* forum)	Environmental management is fully integrated into RAL's business model.

### 3.2 AU Agenda 2063

Agenda 2063 is an African Union approved master plan that seeks to turn the African continent into a global economic powerhouse. At the centre of this master plan are 20 goals. The goals that have a bearing on RAL's operations include inter-alia, Goal No 4, 10, 17 and 18. The following table demonstrates how these goals are linked to RAL's operations:

**Table 3: AU Agenda 2063**

The table summarises Agenda 2063 goals applicable to RAL

Goal No.	Description	Turning the goal into concrete action/results
<b>Goal No 4</b>	Transformed economies	RAL will prioritise road development projects that have a catalytic impact on the economic growth of the province.
<b>Goal No 10</b>	World-class infrastructure criss-crossing Africa	RAL will build and maintain roads that facilitate access to National Roads that links South Africa to other SADC states.
<b>Goal No 17</b>	Full gender equality in all spheres of life	Women empowerment is an integral component of RAL's community empowerment mix.
<b>Goal No 18</b>	Engaged and empowered youth and children	In the implementation of its projects, RAL provides and employment to local youth.

### 3.3 National Transport Policy

The vision of the National Transport Policy is:

*“Provide **safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure** which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which **supports government strategies for economic and social development** whilst being environmentally and economically sustainable”*

According to the white paper, the idea of delivering a reliable, safe and secure road infrastructure can only be possible through forging mutually beneficial private-public partnerships. RAL will continue to engage its strategic partners in the planning and funding of roads.

### 3.4 Road Infrastructure Strategic Framework for South Africa

The National Department of Transport (NDoT) developed a blueprint for planning and development of road infrastructure in South Africa in the future, commonly referred to as RISFSA. The vision of the blueprint is:

*“... An **integrated road network system** that is managed **efficiently** by **adequately resourced road authorities**, providing **access and mobility** to all South Africans in a **sustainable manner**”.*

This framework stipulates guidelines that road authorities like RAL should follow when building, designing, planning and delivering road infrastructure in the province. RISFSA put strong emphasis on the need for RAL to build and maintain a resilient road network, thereby fostering economic integration and social transformation. The blueprint does not only see a road network as a catalyst for economic growth and job creation, but also as a tool to address pending spatial gaps inherited from the apartheid system. The blueprint makes a clarion call for road authorities to forge partnerships with the private sector in order to unlock co-funding opportunities.

### 3.5 National Development Plan

By 2030, the NDP envisions a road network that plays an instrumental role in driving SA's nation-building project, thereby, enabling:

1. Improved access to economic opportunities, social spaces and services by bridging geographic distances affordably, reliability and safely;
2. 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 NDP correctly reaffirms the anchoring role of modern road networks in South Africa's socio-economic transformation mix. As an agency of the state, RAL has a legislative duty to assist the provincial government in delivering the NDP's road development priorities. To this end, RAL identified five NDP focal areas that directly impact on its mandate, these are inter-alia;

**Table 4: Table below summarises NDP goals linked to RAL**

<b>NDP Priorities</b>	<b>Translation of NDP Priorities into concrete results</b>
<b>1. Growing an inclusive economy as a tool to mitigate the triple crisis of poverty, unemployment and inequality</b>	RAL's standing policy is to prioritise the employment of youths, women and people with disabilities based in host communities.
<b>2. Infrastructural development as the heartbeat of economic growth</b>	RAL is responsible for the road infrastructure which plays a catalytic role in the economic development of the province particularly in the industries of mining, agriculture and tourism. The provincial road network also forms the backbone of Limpopo's transportation system, making it possible to meet the mobility and socio-economic needs of the communities, regions and nation.
<b>Socio-economic transformation</b>	The road network that RAL is responsible for provides communities with access to key government services like clinics, schools, hospitals etc. In constructing its roads, RAL commits to SMME Empowerment Programme (30% of all sub-contracts are reserved to local contractors and 10% of labour workforce is reserved for local labourers).
<b>Skill development as a tool to leverage the global competitiveness of South Africa's human capital</b>	RAL runs a bursary scheme that target matrics with interest in studying construction and engineering fields. RAL also provide skills transfer opportunities to women, youth and people with disabilities in areas where it is constructing and maintaining roads.

<b>The promotion of best environmental management practice</b>	RAL ensures that all its contractors fully comply with the National Environmental Management Act (EMA) 107 of 1998 and other applicable regulations.
<b>Community engagement as a tool to build a cohesive society.</b>	RAL will continue to engage communities through the relevant structures, in the prioritisation and planning of roads.

### 3.6 Medium Term Strategic Framework

The framework outlines development priorities for the 2019-2024 period. Apart from setting implementation targets for the 5-year period, the framework also specifies outcomes and indicators to be monitored. Out of the 7 MSTF priorities, only four have a direct bearing on RAL's core business. The following are some of RAL's programmes that have a positive bearing on the MSTF:

*Table 5: The table below summarises MSTF priorities applicable to RAL*

<b>MSTF Priorities</b>	<b>Translation of MSTF Priorities into concrete results</b>
<b>Priority 1: Economic Transformation and Job Creation</b>	<ul style="list-style-type: none"> <li>• SMME Empowerment Programme (30% threshold)</li> <li>• Local labourer's employment programme (10% threshold)</li> <li>• Extend training, employment and sub-contracting opportunities to local women, youths and people with disabilities.</li> </ul>
<b>Priority 2: Education, Skills and Health</b>	<ul style="list-style-type: none"> <li>• Skill transfer programme targeting local labourers</li> <li>• Contractor development programmes.</li> </ul>
<b>Priority 6: A Capable, Ethical and Developmental State</b>	<ul style="list-style-type: none"> <li>• RAL will continue to develop a capacitated workforce.</li> <li>• Adherence to corporate governance framework as outlined in the King IV Report.</li> </ul>

### 3.7 Limpopo Development Plan

The purpose of the Limpopo Development Plan is to:

- Outline the contribution from the Limpopo Province to the National Development Plan and MSTF for this period;
- Provide a framework for the strategic plans of each provincial government plan, as well as the IDP's and sector plans of district and local municipalities;

- Create a structure for the constructive participation of private sector business and organised labour towards the achievement of provincial growth and development objectives; and
- Encourage citizens to be active in promoting higher standards of living in their communities.

The LDP outlines provincial-level initiatives that seeks to translate the NDP into concrete outcomes. Out of the (8) pillars of the LDP, the following three are relevant to RAL's business:

- Spatial transformation;
- Transformation of the economy to create sustainable jobs;
- Transformation and revitalisation of economic and public infrastructure.

RAL will continue to create job opportunities in communities where its construction projects are being implemented.

### **3.8 District Development Model**

The District Development Model (DDM) is a method that seeks to improve the coherence and impact of government service delivery. It is a proactive response to the issues that have hampered our society. At the heart of the model is the need to ensure that national priorities such as economic growth and employment; improvements to living conditions, the fight against crime and corruption and better education outcomes are attended to in the locality concerned.

According to President Ramaphosa, the DDM will ensure:

- Ensure synchronized planning across all spheres of government, all the while working alongside social partners such as business and communities,
- That there is localized procurement of goods and services so that local businesses can benefit from development; and
- That people in the area are prioritised for employment when these development projects are implemented.

In the prioritisation of roads for upgrade and maintenance, RAL will continue to engage, DPWRI, district and local municipalities with the view to get their inputs into the identification of priority roads.

### **3.9 Limpopo Integrated Infrastructure Master Plan**

At the core of the LIIMP is the need to prioritise road projects that have a catalytic impact on the socio-economic development of the province. RAL has an obligation to promote accessibility, safe and affordable mobility and movement of people, goods and services. This obligation is actualised

through the delivery and maintenance of roads infrastructure in a sustainable, integrated and environmentally sensitive manner. In doing so, RAL utilises SMMEs, trains local labour and employs local labour including youth, women and people with disabilities thereby contributing to the objectives of the NDP, that is, eliminating poverty and reducing inequality. The agency has also adopted an integrated approach to its road infrastructure development by aligning with the LIIMP. RAL's approach to road infrastructure development is based on stronger partnerships between the public and private sectors, and with local communities.

### 3.10 Implementing Ministerial Priorities

The following key priorities relating to road infrastructure were outlined by the MEC of DPWRI as strategic areas for the department to focus over the five-year implementation period:

- Community-driven prioritisation of roads,
- Review and implement the current Provincial Road Infrastructure Master Plan,
- Intensify and standardise road maintenance projects
- Construct a competitive and comparative road network
- Amendment of RAL Act
- Establish oversight body to advise MEC on RAL issues
- Alignment of RAL and Departmental Strategic Plans
- Strengthen corporate governance arrangements with RAL.

## 4 RELEVANT COURT RULINGS

**Table 6. Relevant Court Rulings**

The table below summarises court rulings with an impact on RAL

<b>Case Number: 31474/2011</b>	
<b>Applicant:</b>	SANET BUITENDAG AND ANOTHER
<b>Respondent:</b>	ROADS AGENCY LIMPOPO
<b>Mini Summary:</b>	The 1 <sup>st</sup> plaintiff instituted legal action against RAL on behalf of herself and the 2 <sup>nd</sup> plaintiff, being her daughter. It was alleged that on the 17 <sup>th</sup> of June 2010 the second plaintiff, whilst driving on the R510 towards Thabazimbi, hit a pothole which caused injury to the 2 <sup>nd</sup> plaintiff. The plaintiffs sought an amount totalling R5 559 342.88 in damages for past and future medical expenses.

<b>Judgement:</b>	The court ruled in favour of the plaintiffs and ordered the 3 <sup>rd</sup> defendant (RAL) to pay an amount of R4 950 000.00 in full and final settlement of the plaintiff's claim.
<b>Remedial Action (policy/strategy/action) to reduce or avoid recurrence:</b>	Effective maintenance of roads infrastructure.

<b>Case Number: 72/2013</b>	
<b>Applicant:</b>	UMSO Construction
<b>Respondent:</b>	ROADS AGENCY LIMPOPO
<b>Mini Summary:</b>	UMSO instituted legal action against RAL during March 2013 for payment in the amount of R8 383 033-53, together with interest and costs, in respect of various alleged (unapproved) variation orders on the Mankele Bridge project that were not paid as UMSO could not demonstrate to RAL that the variation orders had been duly approved. The total claim including all costs, was estimated at R12 million. During the exchange of pleadings RAL filed a counter claim against UMSO for defective performance.
<b>Judgement</b>	Judgement was granted in favour of the plaintiff in the following terms: <ul style="list-style-type: none"> <li>• Payment in the sum of R8 383 033.53;</li> <li>• Interest on the capital sum at a rate of 15.5% calculated from 24 July 2012 until date of final payment (interest currently stands at R7 623 464.93);</li> <li>• Costs of suite on the party and party scale including costs of two counsel and costs of travel and accommodation of two witnesses the qualifying expenses of the said witnesses.</li> </ul>
<b>Remedial Action (policy/strategy/action) to reduce or avoid recurrence:</b>	Improved project monitoring and management.

## **PART B: OUR STRATEGIC FOCUS**

## PART B: OUR STRATEGIC FOCUS

The following section outlines RAL's vision, mission and core values.

### 5 VISION

Contributing to the socio-economic development by connecting the people of Limpopo Province.

### 6 MISSION

To provide quality and sustainable provincial road infrastructure network for the economic development of Limpopo Province.

### 7 VALUES

As an ethically driven organisation, RAL's operations and conduct in the next five years will be guided by the following enduring values:

#### *Table 7. Values*

The table below summarises RAL's values.

Core Values - Roads Agency Limpopo	
<b>Commitment</b>	We are committed to delivering quality road infrastructure in the province with pride
<b>Reliability</b>	We offer reliable, safe and economic road infrastructure
<b>Efficiency</b>	We will go the extra mile in serving our communities
<b>Accountability</b>	We remain accountable to all our stakeholders and the environment
<b>Transparency</b>	We are transparent in both our internal and external business processes
<b>Excellence</b>	We strive to exceed expectations
<b>Diversity</b>	We value and embrace diversity within the work context
<b>Teamwork</b>	We work together for better roads

## 8 SITUATIONAL ANALYSIS

The situational analysis was performed in line with the Revised Framework for Strategic Plans and Annual Performance Plans as prescribed by the Department of Planning, Monitoring and Evaluation. The analysis is informed using planning tools as PESTEL analysis, SWOT analysis and Problem and Solution Tree analysis and stakeholder analysis.

The situational analysis process outlines the context within which RAL's planning activities were hinged. The section identifies external and internal factors that are likely to have a bearing on RAL's ability to execute this strategy. The essential part of this process involved the analysis of internal and external environmental factors that directly and indirectly affect the execution of RAL's mandate.

### 8.1 External Environment Analysis

Conducting an external analysis strategically assists RAL to keep its finger on the pulse of the implementation environment which, although it may be outside its control may help improve or threaten RAL, a PESTEL (Political, Economic, Social, Technological, Environmental and Legal) analytical method was conducted, as shown below:

#### 8.1.1 Political Environment

In the 2020 SOPA, the Hon Premier of Limpopo, Hon Chupu Mathabatha outlined the following strategic priorities of the sixth administration;

- The building of a capable, ethical and developmental state,
- The transformation of economy and job creation,
- Education, skills and health,
- The delivery of reliable and quality basic services,
- The transformation of human settlements and the strengthening of local government,
- Social cohesion, safe communities, and, above all,
- The building of a better Africa and a better world.

The Hon Premier, Premier further outlined the key focus areas of the 6<sup>th</sup> provincial Administration among which were the following:

- A growing economy, and
- Infrastructure development

He also emphasised the importance of industries such as mining, agriculture, tourism and lately the establishment of Special Economic Zones (SEZ) to the economic development of the province. The

Premier Mathabatha acknowledged the significance of building quality infrastructure such as tarred roads which serve as an impetus and a backbone for these industries and socio-economic development. The issues around water, road and unemployment remain a challenge in the province. Community protests around the issues of road continue to pose a major challenge to the execution of RAL's mandate. RAL is inundated with calls for better roads daily. Almost every protest that erupts is about or has an impact on roads infrastructure. RAL and the DPWRI will continue to engage communities to facilitate community-based planning and implementation thus reducing politicising of road infrastructure project development.

### 8.1.2 Economic Environment

The impact of the economic environment on RAL's operations is assessed with the context of global, national and provincial trends:

#### 8.1.2.1 Global Trends

SA's economy is closely linked to that of the global economy thereby exposing it to globally induced economic shocks. The country's economy is not yet fully recovered from the aftermath of 2007/8 global economic crisis. The outbreak of the **Corona virus** continues to dampen global tourism growth prospects. The virus is likely to spark a low tourist traffic especially from traditional tourist markets like China, Europe and USA. In case the virus is not swiftly contained, we expect the outbreak to plunge the sector into an untold crisis. The traffic of international tourist figures into the province is likely to sharply decline.

According to International Monetary Fund (IMF), global growth is projected to rise from an estimated 2.9 percent in 2019 to 3.3 percent in 2020 and 3.4 percent for 2021—a downward revision of 0.1 percentage point for 2019 and 2020 and 0.2 for 2021 compared to those in the October World Economic Outlook (WEO). The downward revision primarily reflects negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years. In a few cases, this reassessment also reflects the impact of increased social unrest.

Global growth, estimated at 2.9 percent in 2019, is projected to increase to 3.3 percent in 2020 and inch up further to 3.4 percent in 2021. Compared to the October WEO forecast, the estimate for 2019 and the projection for 2020 represent 0.1 percentage point reductions for each year while that for 2021 is 0.2 percentage point lower.

For the *emerging market and developing economy group*, growth is expected to increase to 4.4 percent in 2020 and 4.6 percent in 2021 (0.2 percentage point lower for both years than in the October WEO) from an estimated 3.7 percent in 2019. The growth profile for the group reflects a combination of projected recovery from deep downturns for stressed and underperforming emerging market economies and an ongoing structural slowdown in China.

Growth in emerging and developing Europe is expected to strengthen to around 2.5 percent in 2020–21 from 1.8 percent in 2019 (0.1 percentage point higher for 2020 than in the October WEO). The improvement reflects continued robust growth in central and eastern Europe, a pickup in activity in *Russia*, and ongoing recovery in *Turkey* as financing conditions turn less restrictive.

In sub-Saharan Africa, growth is expected to strengthen to 3.5 percent in 2020–21 (from 3.3 percent in 2019). The projection is 0.1 percentage point lower than in the October WEO for 2020 and 0.2 percentage point weaker for 2021. This reflects downward revisions for *South Africa* (where structural constraints and deteriorating public finances are holding back business confidence and private investment) and for *Ethiopia* (where public sector consolidation, needed to contain debt vulnerabilities, is expected to weigh on growth).

### **8.1.2.2 National Trends**

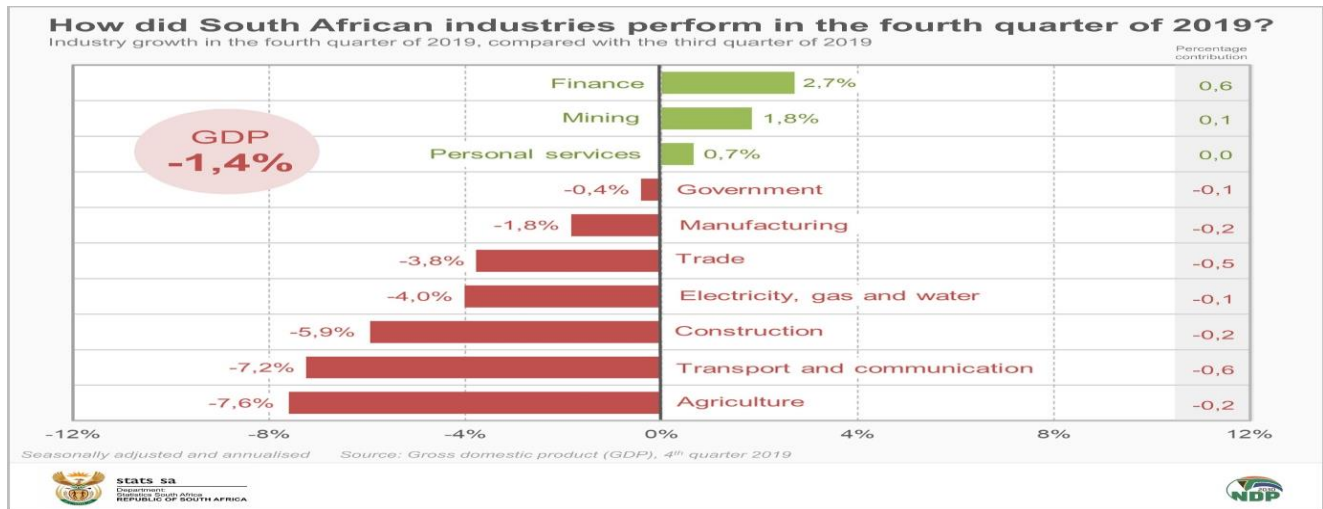
South Africa's economy is under pressure not only to create new jobs but also to sustain existing ones. The fact that the economy regressed back into a technical recession within a spate of two years speaks volume of the dire state of the economy. Other indicators that points to an economy under a deep crisis include among others; national unemployment rate that stands at (29.1%), negative GDP (-1.5%), exchange rate of (R15.30 to US\$), Consumer Price Index (CPI) (4.5%), declining exports earnings (1.5%) versus an increase in imports (1.4%). Declining tax revenues (-1.2%), marked increase in national debt (73% of the GDP), the bulk of which is linked to Eskom and the phenomenal increase in welfare transfers (5%) are some of the multifaceted challenges bedevilling the local economy. The 2016 (0.3%), 2017 (1.0%), 2018 (1.1%) and 2019 (1.3%) GDP data is way below the NDP's target of 5.4%. Further, National Treasury forecast a GDP figure of 1.7% in 2020 and 2.1% in 2021. However, with the economy reportedly in a technical recession, it will be extremely difficult to meet the envisaged 2020 and 2021 targets.

The 2019 4<sup>th</sup> Quarter's GDP figures also provide an overview of the latest calendar year. The South African economy grew by 0,2% in 2019, the lowest reading since 2009 when the economy contracted

by 1,5%. Agriculture was the main drag on growth in 2019, followed by construction, mining and manufacturing. Finance and government were the main positive contributors to growth.

**Graph 1. Performance of Sectors**

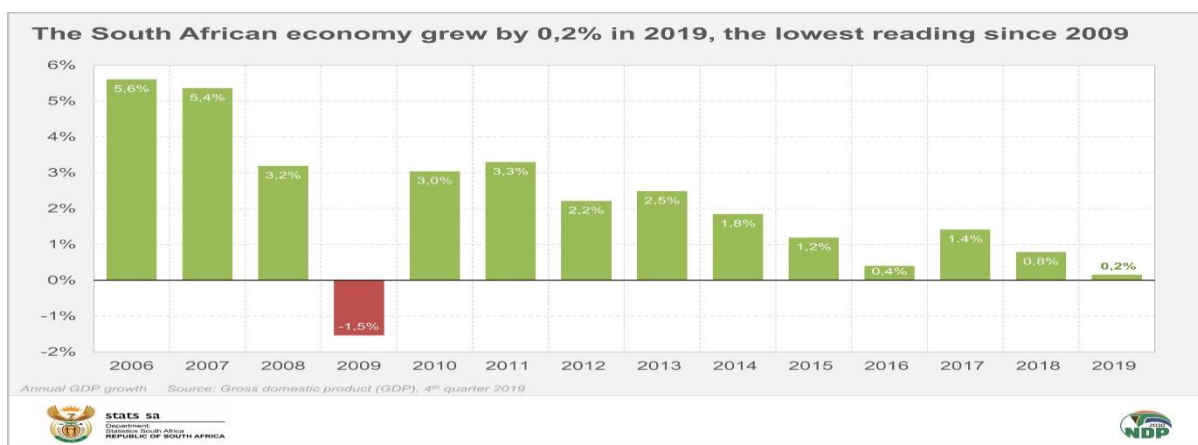
The graph below highlights South Africa’s economic growth trend for year 2019.



The South African economy contracted by 1,4% in the fourth quarter of 2019, following a contraction of 0,8% (revised) in the third quarter.<sup>1</sup> Transport and trade were the main drags on overall activity, according to the latest gross domestic product (GDP) figures. Seven of the ten industries contracted in the fourth quarter. Finance, mining and personal services managed to keep their heads above water, but this was not enough to prevent the economy from sliding into its third recession since 1994

**Graph 2. Economic Growth Trends**

The figure below illustrates the growth trends of South African economy.



The South African economy grew by 0.2% in 2019, the lowest reading since 2009 when the economy contracted by 1.5%. Agriculture was the main on drag on growth in 2019, followed by construction,

mining, manufacturing. Finance and government were the main positive contributors to growth. The National Treasury anticipates economic growth to pick up to 1.2 percent in 2020. While the International Monetary Fund (IMF) expects economic growth of 0.6 percent for 2019 and improving to 1 percent in 2020.

### **8.1.2.3 Provincial Trends**

Over the years, the economy has not been growing at a pace that matches the country's key developmental needs. The provincial economy has been growing at an average of 1% in the recent past. Limpopo's economy has contracted from 2.2 percent in 2017 to 0.2 percent in 2018. RAL is fully aware of the risks posed by the worsening economic climate to its future operations. Whilst the official unemployment rate remained at 29.1% between Q3:2019 and Q4:2019, the official unemployment sits at 23.1% for the same period. The expanded unemployment rate for the province however sits at an astronomical rate of 44%. It is within this context that the Premier in His SOPA announced the implementation of some of the major catalytic projects aimed at stimulating economic growth and job creation. These projects include Musina, Makhado SEZ, the proposed Tubatse SEZ and the revitalisation of the Industrial Parks, agricultural and several mining initiatives. Road infrastructure plays a major role in supporting these economic initiatives.

### **8.1.3 Social Environment**

Limpopo Province is largely a rural area with no large cities except Polokwane. Approximately 12% of the population live in urban areas, versus 88% in non-urban areas. Most of the population is in rural towns and villages within the former homeland areas. Unlike other BRICS countries that have a relatively ageing population, South Africa possesses a demographic advantage in that its population is relatively young and hence economically active. Limpopo has a population of approximately 5.8 million which represents 10.2 percent of the national population. The provincial demographic profile is composed of the young and working age population with the potential to be productive and contribute towards the growth of the economy. However, according to StatsSA, unemployment rate of the people between the ages of 18 and 24 years is 38%, and between 24 and 34 years is 24.3%. RAL will continue to create job and skill development opportunities to the unemployed particularly the youth.

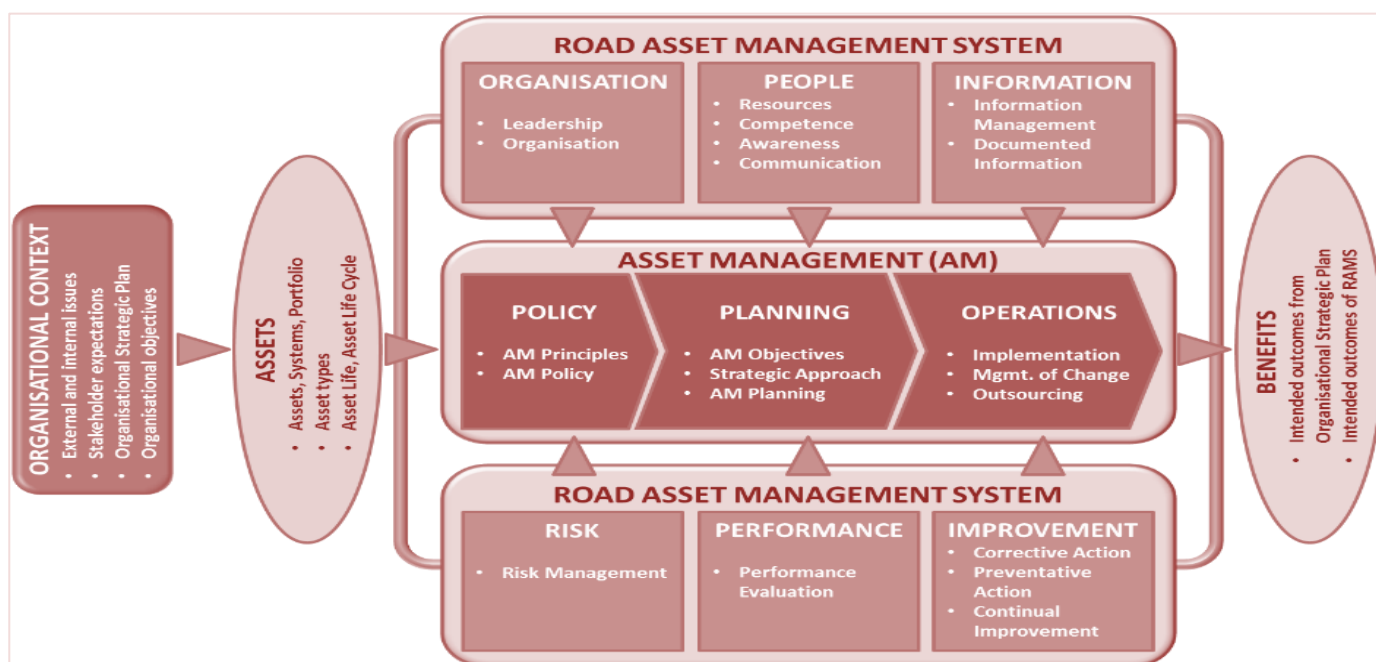
### **8.1.4 Technological Environment**

Although RAL is aware of the potential disruptions likely to be caused by the 4<sup>th</sup> Industrial Revolution

(4<sup>th</sup> IR) on its operations, the entity’s 4<sup>th</sup> IR response capability is still low in relative terms. The need to build RAL’s 4<sup>th</sup> IR response capability remains one of the driving pillars of this strategy. Considering this, plans are currently underway to develop a Comprehensive ICT Assessment and Strategy as part of broader plans to realign its road planning, designing and construction methods with international best practice. In addition, plans are also afoot to launch Road Asset Management System (RAMS). RAMS is a systemic process that advocates for the execution of road asset management activities in a planned and coordinated manner. At the centre of the RAMS model is the intelligent deployment of advanced road asset management technologies, thereby ensuring RAL delivers a best-in-class road network for the Province. Once commissioned, the system will enable RAL to remotely perform all road network monitoring functions. Such a system will automatically detect road quality defects, potholes and other pressing maintenance needs and subsequently report such to the central surveillance office on real-time basis. Ultimately, these digital-controlled road surveillance systems will be mounted in specialised vehicles driven by senior officials in the engineering department.

**Figure 1. RAMs Model**

The following diagram illustrates the RAL’s RAMS model:



Apart from delivering optimal value and matchless conveniences to provincial road users, the other primary focus of RAMS is to usher RAL’s road network management system on a new trajectory.

### 8.1.5 Environmental Factors

RAL fully understands the centrality of best environmental management practices to its future operations. In fact, Environmental Management and Sustainability (EMS) is an integral component of RAL's road development mix. Our environmental policy outlines specific commitments and reviews them as required through audits and ongoing monitoring. By their nature, road works can cause collateral damage to local ecosystems and biodiversity if no concrete measures are not taken to foster good environmental management practices. Key environmental risks during road construction activity include among others; dust emissions and pollutions from burning fuels. All these pose a health risk to humans, plant and animal life. In addition, environmental degradation from excessive use of borrow pits normally happens during construction activity. In order to mitigate these risks, RAL has instituted a research on the feasibility of using green-compliant road construction materials and technologies. The impact of climate change on RAL's operations.

### 8.1.6 Legal Factors

Poorly maintained roads continue to pose a legal dilemma for RAL. In the past, we had incidences where road users whose cars were damaged by potholes successfully filed civil suits against the agency. These litigation cases have financial implications to the Agency. These cases are common in roads that are prone to potholes, traffic signal problems, encroaching vegetation, etc. Currently, there are ongoing claims against the entity as a result of motor vehicle accidents happening on the entity's roads, disputed employment contracts, property infringements, and tender related litigations. The RAL Act which outlines the mandate and responsibilities of RAL is currently under review to align it to the PFMA and the Companies Act.

**8.2 SWOT ANALYSIS**

The situational analysis was also informed by the following SWOT analysis:

*Table 8: SWOT Analysis*

COMPONENTS	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<b>PERSONNEL</b>	<ul style="list-style-type: none"> <li>Well qualified personnel</li> <li>Workforce composed of young and energetic employees</li> <li>Culturally diverse workforce</li> </ul>	<ul style="list-style-type: none"> <li>High vacancy rate</li> <li>Poor talent management and succession planning</li> <li>Silo mentality</li> <li>Pockets of poor work ethics</li> </ul>	<ul style="list-style-type: none"> <li>Capacity building opportunities in conjunction with the University Sector</li> <li>Opportunities to tap into young university graduates</li> </ul>	<ul style="list-style-type: none"> <li>Shortage of critical skills</li> </ul>
<b>FINANCE</b>	<ul style="list-style-type: none"> <li>Government funding</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate equitable share for road upgrades in the province,</li> <li>Existing over-commitments</li> </ul>	<ul style="list-style-type: none"> <li>Co-funding opportunities from the private sector.</li> <li>Renewed commitment by provincial government to prioritise road infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Statutory barriers continue to constrain RAL’s efforts to source alternative funds from capital markets.</li> <li>Overwhelming demand for paved roads outstrips for road upgrades.</li> </ul>
<b>INFRASTRUCTURE</b>	<ul style="list-style-type: none"> <li>RAL owns its office building</li> <li>Strong Asset base in terms of Roads Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Poor maintenance of the Roads Infrastructure</li> <li>Uncoordinated planning of Roads Infrastructure between various stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Multi-sectoral response opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Weather variability a threat to road longevity and resilience</li> </ul>

		<ul style="list-style-type: none"> <li>Outdated Roads Master Plan</li> </ul>		
<b>LEADERSHIP</b>	<ul style="list-style-type: none"> <li>Competent board with good understanding of RAL's core business</li> </ul>	<ul style="list-style-type: none"> <li>Vacant management positions</li> </ul>	<ul style="list-style-type: none"> <li>Executive development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Bad publicity makes RAL unattractive to seasoned leaders</li> </ul>
<b>MANAGEMENT</b>	<ul style="list-style-type: none"> <li>Diverse management team</li> <li>Qualified and skilled management</li> </ul>	<ul style="list-style-type: none"> <li>Critical positions remain vacant for prolonged periods</li> <li>Poor internal communication</li> </ul>	<ul style="list-style-type: none"> <li>Talent management opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Brain drain</li> </ul>
<b>SYSTEMS</b>	<ul style="list-style-type: none"> <li>Effective financial management systems</li> <li>Improved performance reporting system and internal controls</li> </ul>	<ul style="list-style-type: none"> <li>Lack of integrated management systems</li> <li>Poor maintenance of RAMS</li> </ul>	<ul style="list-style-type: none"> <li>Remotely monitored network through satellite technologies.</li> </ul>	<ul style="list-style-type: none"> <li>Disruptive nature of 4<sup>th</sup> IR</li> </ul>
<b>STAKEHOLDER MANAGEMENT</b>	<ul style="list-style-type: none"> <li>Availability of stakeholder management function</li> </ul>	<ul style="list-style-type: none"> <li>Communicating of conflicting messages to communities</li> </ul>	<ul style="list-style-type: none"> <li>Reorganising the stakeholder management and communication functions to avoid conflicting messages to stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Community protests due to poor communication</li> </ul>

### 8.3 STAKEHOLDER ANALYSIS

As part of situational analysis, the stakeholder analysis was performed using the Mendelow's power/interest matrix of which the findings are as indicated in the table below:

*Table 9. Stakeholder Analysis*

Name of stakeholder	Role	Analysis of current realities	Stakeholder management approach
<b>Shareholder</b>	Provide political oversight, high-level community interface and policy advisory support to the board.	The relationship between the MEC and RAL board is cordial	Work closely with the shareholder to execute the RAL mandate.
<b>Board</b>	Provide vital fiduciary support, strategic leadership, policy and strategy implementation oversight	The relationship between the board and Executive is sound.	Implement the strategy and decisions approved by the board.
<b>Employees</b>	Execution of RAL's Business Plan in accordance with set processes, procedures and work methods.	Employee relations is not at desirable levels.	<ul style="list-style-type: none"> <li>• Establish a functional employee engagement forum</li> <li>• Improve internal communication</li> </ul>
<b>Communities</b>	Beneficiaries of road assets, sub-contracts and jobs generated by road construction projects.	Trust-deficit currently exist between RAL and communities	Reform RAL's overall community engagement framework to make it more proactive, responsive and impactful.

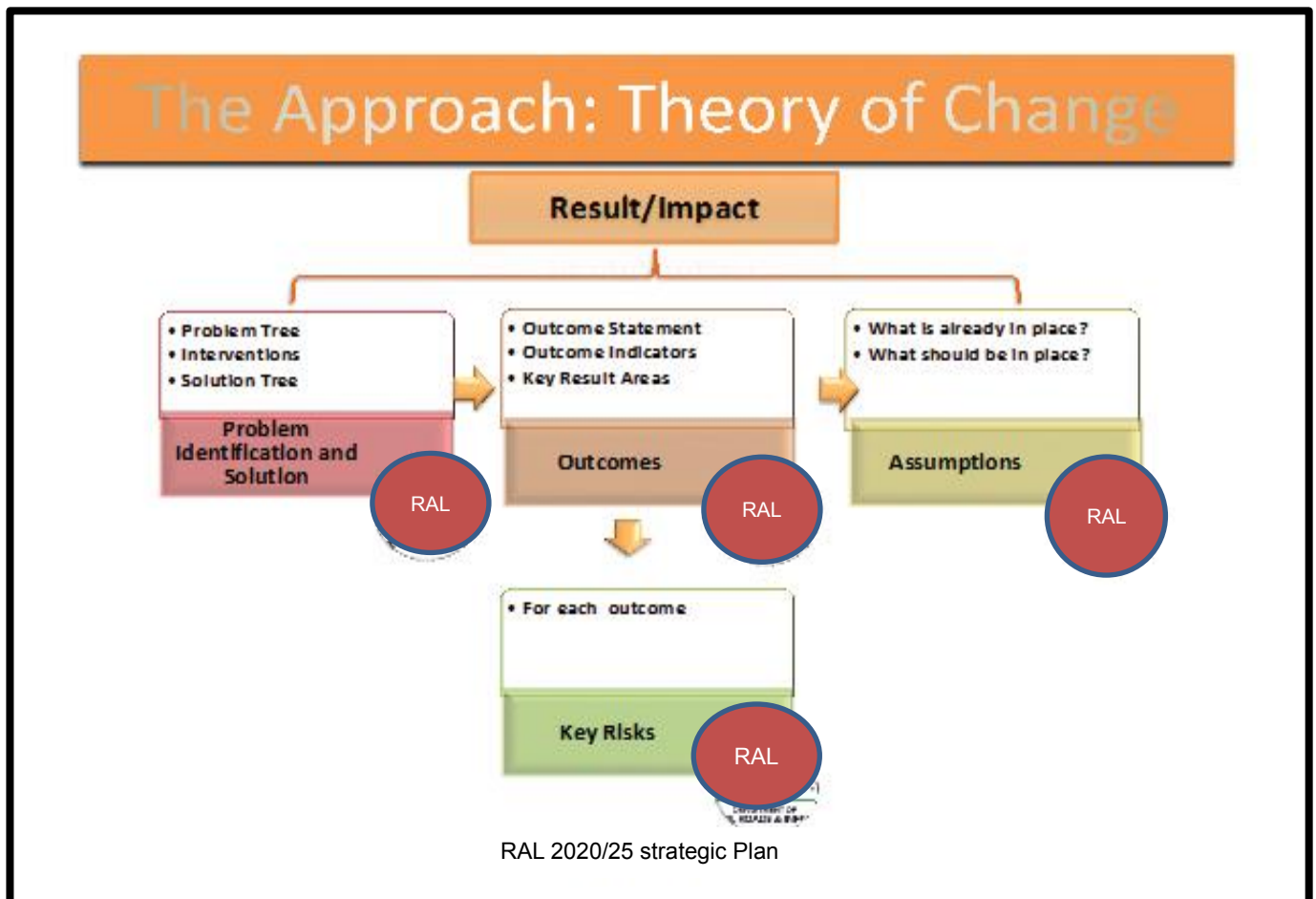
<b>Municipalities</b>	Provide vital community interface and contribute inputs into demand planning	Working relationship between RAL and the municipalities needs to be improved.	Continue current engagements with municipalities on issues of road planning and prioritisation.
<b>Contractors</b>	Provide vital road construction, upgrade and maintenance services	Communication between RAL and its contractors needs to be improved.	Continuous engagement with contractors to ensure effective and efficient implementation of RAL projects
<b>Strategic partners</b>	Provide alternative funding opportunities.	Relationship with private sector is cordial although mechanism to consolidate gains made in the past need to be improved	Regular updates on projects implemented by RAL is key in building long term trust.
<b>Organised Labour</b>	Engage management on behalf of employees on matters that affect their membership	The current relationship between management and organised labour needs to be improved	Establish functional management/employee engagement forum
<b>Media</b>	Provide platforms RAL needs to promote its brand and key programmes.	Relationship with media is cordial	Holding regular media interface meetings is crucial in cementing good relations with media houses.

**8.4 Problem and Solution Tree Analysis**

The problem and solution tree analysis which facilitates the finding of solutions by mapping out the structure of the problem was applied. This was underpinned by the Theory of Change which explains the process to reach a commonly understood impact. The process requires stakeholders to be precise about the type of changes they want to achieve. It should be clear why change is expected to happen in a particular way. Once the results chain is developed, the impact and outcomes should be reflected in the strategic plan: the outputs should be reflected in the annual performance plan; and activities should be reflected in the operational plans. A problem tree consists of the focal problem, its root causes and accompanying effects or consequences. The diagnostic tool helped to examine causal-effect relationships of focal problems known to hinder RAL from discharging its mandate effectively. Once the planners identified and analysed the focal problem and its root causes and effects, the next step was to prescribe a cocktail of appropriate remedial actions via a solution tree tool.

**Figure 2. Theory of Change.**

The following Diagram illustrates the Theory of Change



**Results of Diagnostic Review**

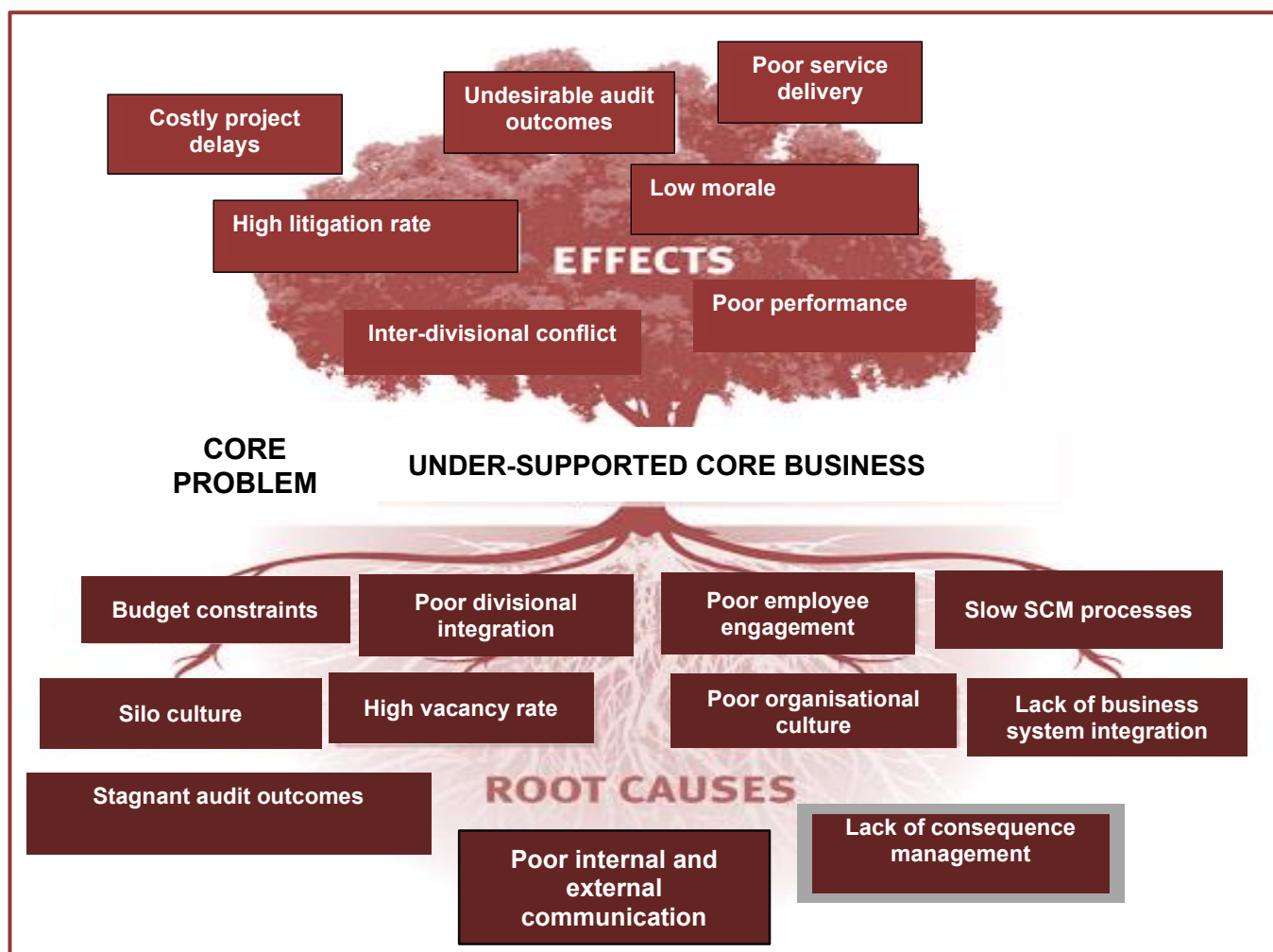
The results of this problem-solution tree analysis are a product of extensive consultations involving RAL’s management and the board. The inputs of DPWRI were also helped to inform the findings. RAL identified two focal programmes, that is Programme which comprises of Administration and Programme 2 which comprises of Road Infrastructure.

**Programme 1: Administration**

Administration which comprises of such components as HR, ICT, SCM, Internal Audit, Risk Management, governance etc. act as a support function for RAL’s core business. The following represents the results of the Problem-Solution Tree Analysis of the Administration Programme:

**Figure 3: Problem Tree. Administration**

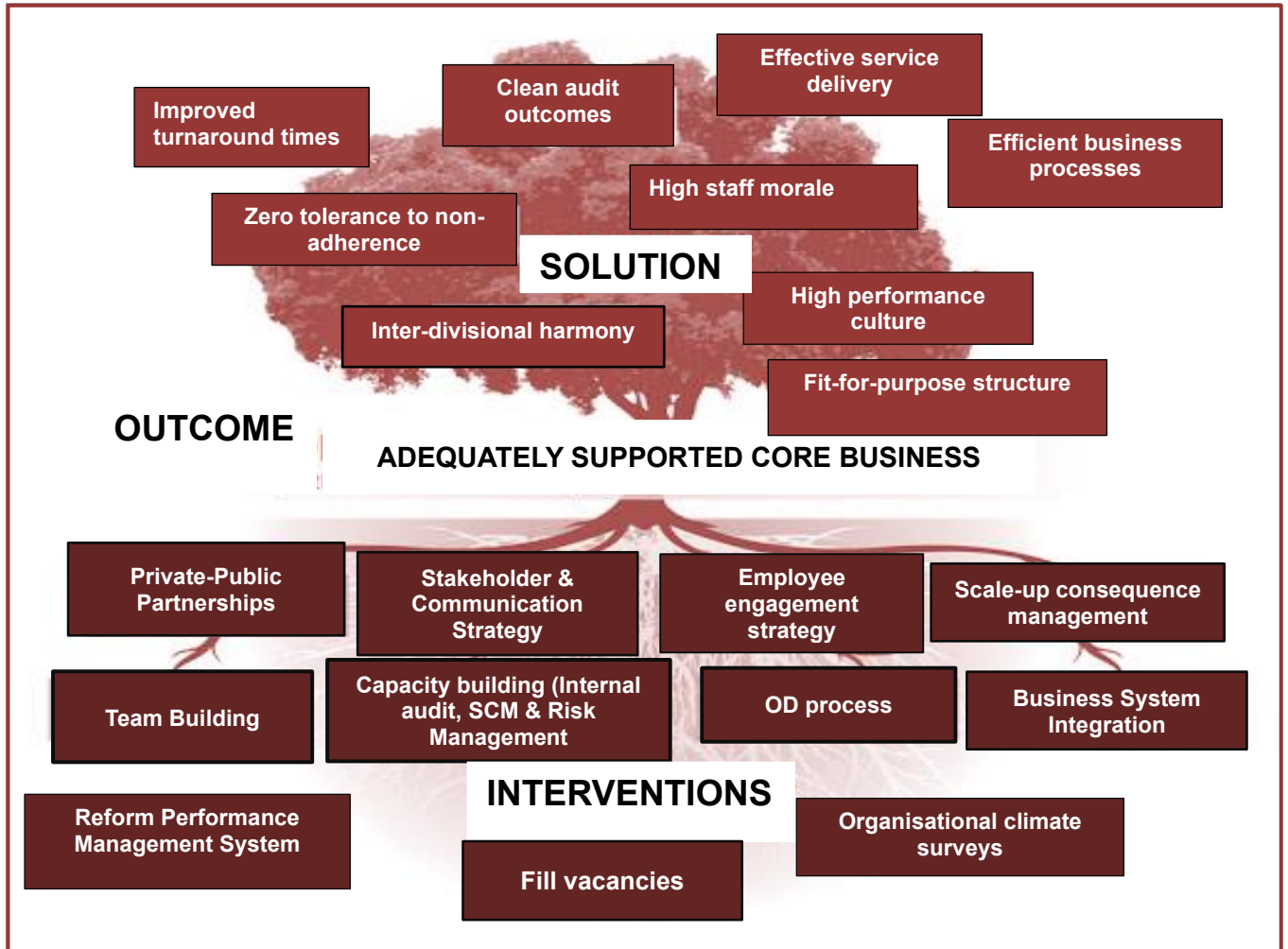
The figure below illustrates the results of the problem tree analysis for Administration Programme



Programme 1: Administration: Solution Tree

Figure 4: Solution Tree

The following diagram illustrates the Solution Analysis of Programme 1:

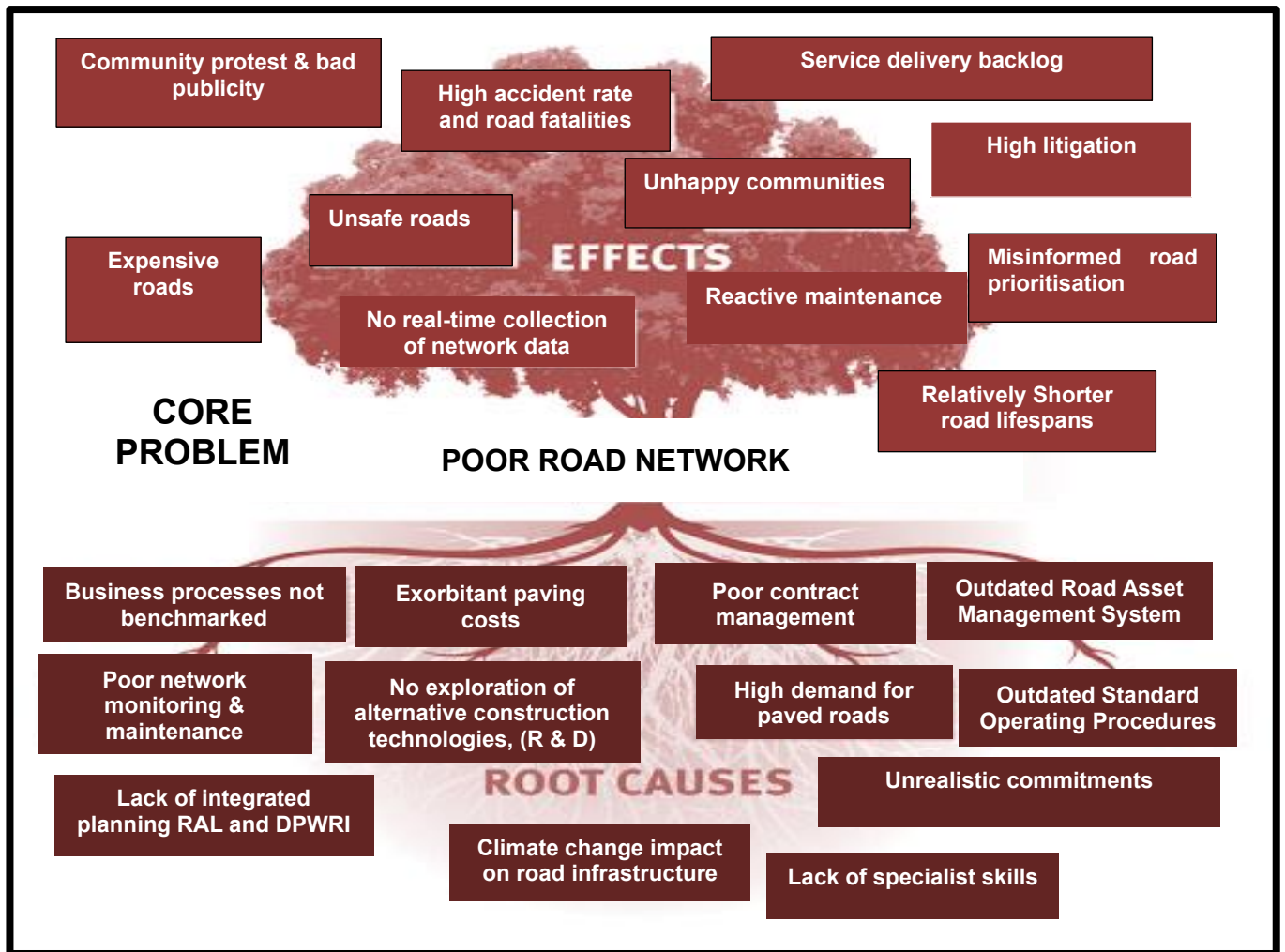


**Programme 2: Road Infrastructure: Problem Tree**

Programme 2 which is Roads Infrastructure depicts RAL’s core function. The programme consists of such components as road planning and designing, road construction, maintenance and R & D.

**Figure 5: Problem Tree for Roads Infrastructure**

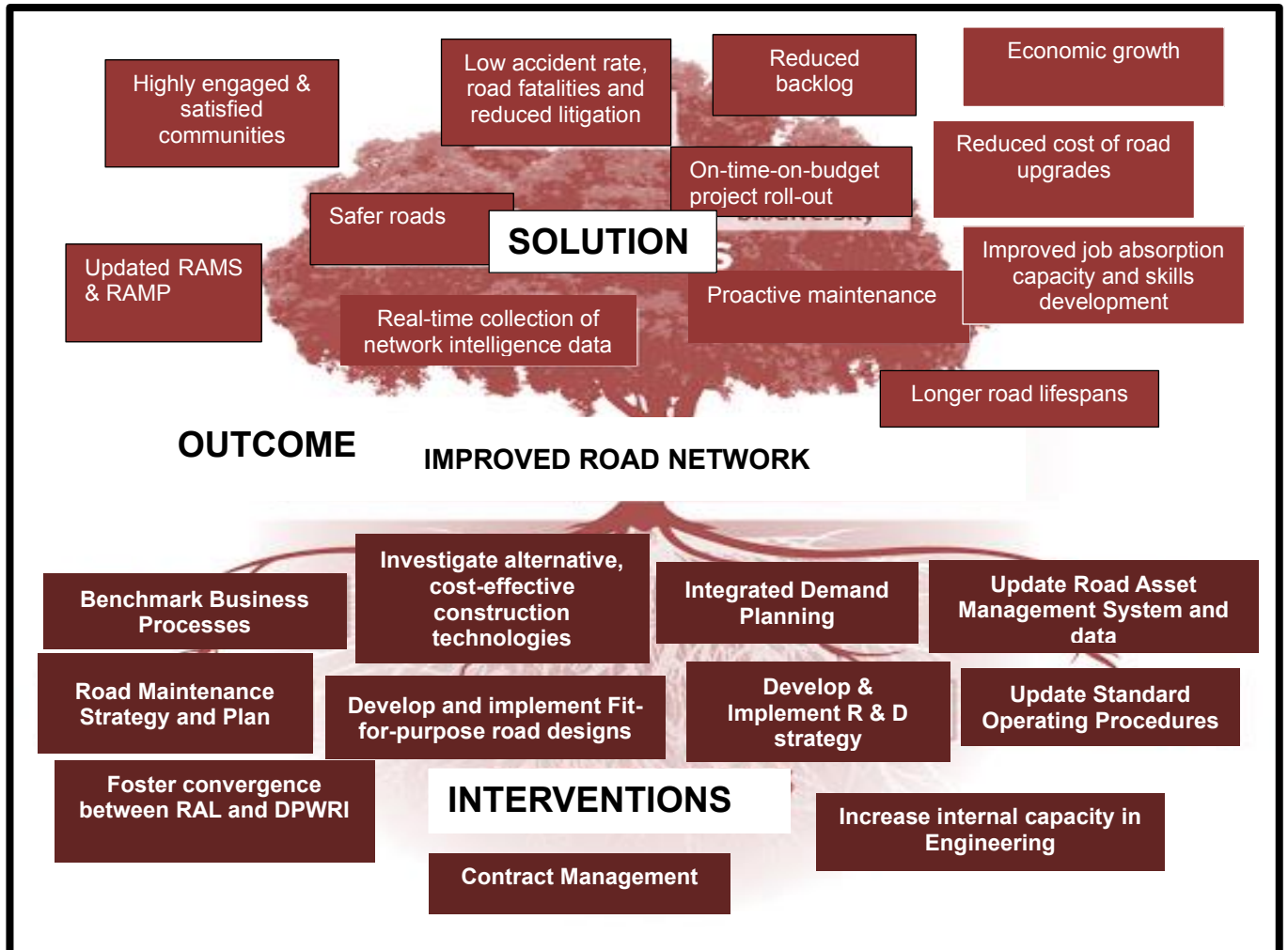
The figure below illustrates the results of the problem tree analysis for Administration Programme



Programme 2: Roads Infrastructure: Solution Tree

Figure 6. Roads Infrastructure Solution Tree

The figure below illustrates the results of the Solution Tree analysis for Administration Programme



## 9 INTERNAL ENVIRONMENT ANALYSIS

The internal organisational context within which a plan (strategic or annual) is going to operate is worth analysing and referring of. The ability of RAL to deliver on identified outcomes and priorities outlined in the MTSF mainly depend on the resources RAL possesses and its ability to manage these. That is “Firm resources facilitate successful implementation of strategies as long they are valuable, rare, imperfectly imitable and imperfectly substitutable” (Mugera, 2012).

The analysis of the RAL’s capabilities to deliver on the 2020-25 strategy and its annual plans is outlined below

### 9.1 Previous Planning Period Performance Review

The following table summarises RAL’s performance overview over the past five year:

**Table 10. Roads Infrastructure Performance Highlights**

The table below summarises the performance highlights of roads infrastructure for the 5-year period, 2014/15 - 2019/20.

Year	Km surfaced	Lane Km rehabilitated	Road Resealed (m <sup>2</sup> )	Bridges completed
2014/15	44	124.30	-	4
2015/16	32.96	54.11	142 704	2
2016/17	76.90	122.99	254 971	2
2017/18	88.32	28.84	214 312	6
2018/19	54.72	91.24	337 593.30	0
<b>Total</b>	<b>296.90</b>	<b>421.48</b>	<b>949 580.30</b>	<b>14</b>

**Table 11: Social Targets Achieved**

The table below summarises the performance highlights for social targets achieved for the 5-year period, 2014/15-2019/2020.

Year	Actual expenditure on Labour (R'm)	Expenditure on SMMEs (R'm)	FTE	Labour training
2014/15	R18m	-	2004	552
2015/16	R20m	R109m	437	61
2016/17	R61m	R155m	1 747	348
2017/18	R35m	R142m	553	731
2018/19	R39m	R121m	523	716
Total	R173m	R527m	5 264	2 408

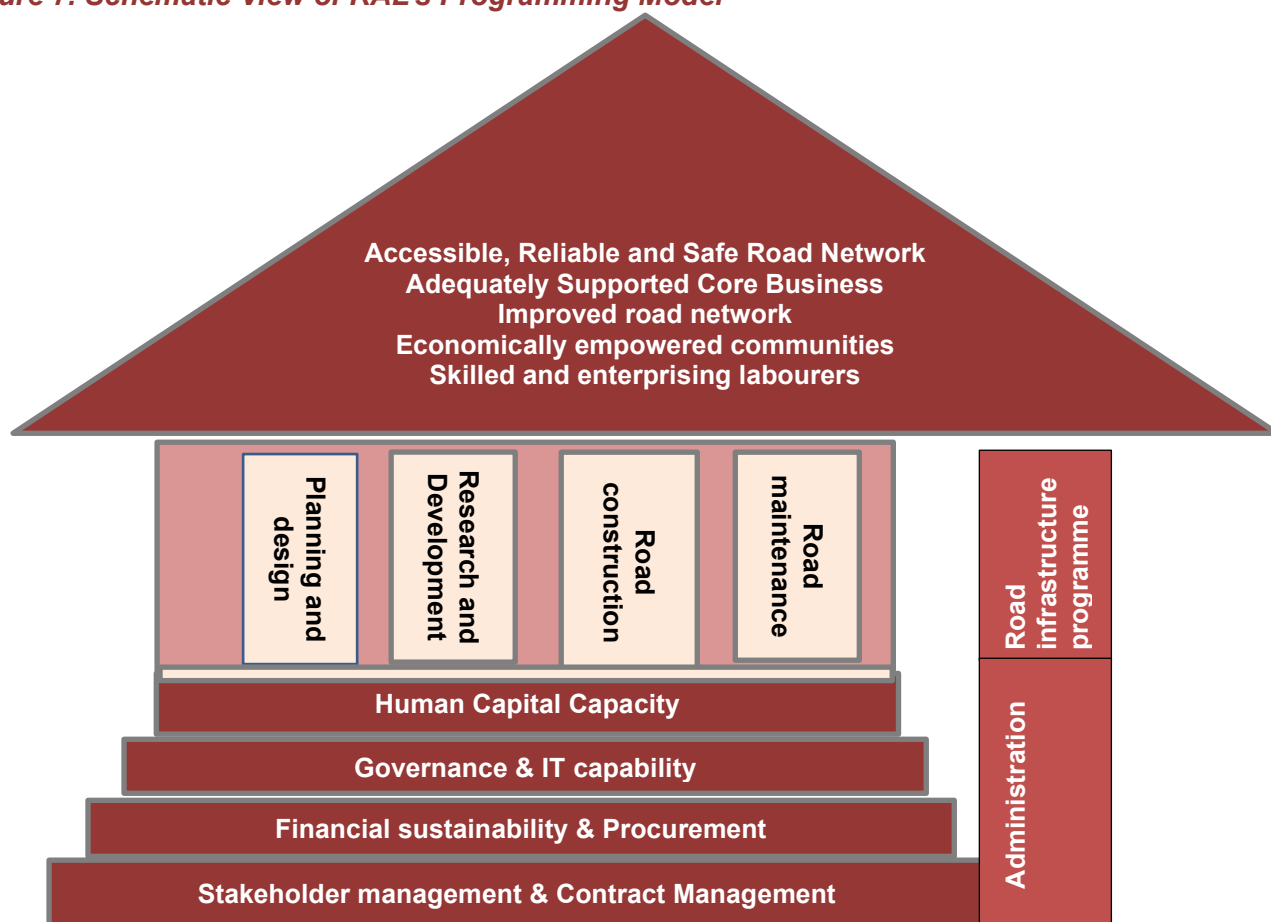
**9.2 Current Status, Successes and Challenges Informing the Planning Process**

The following reflects RAL’s current realities within the context of its internal environment.

**9.2.1 Strategic Pillars and Enablers**

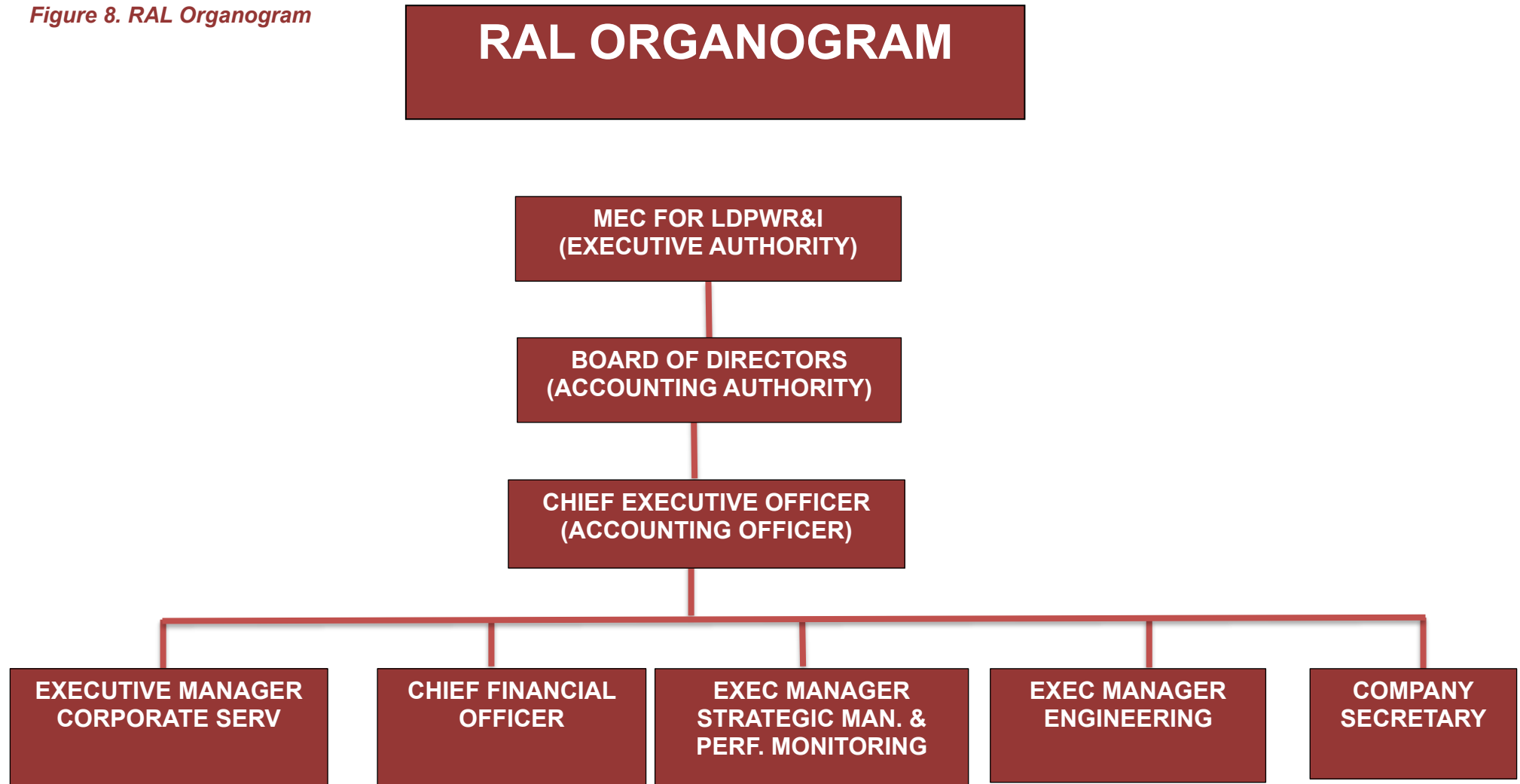
RAL’s business model is organised in the following pillars and enablers:

**Figure 7. Schematic View of RAL’s Programming Model**



The mandate of RAL is the planning, designing, construction, operation, management, control, maintenance and rehabilitation of provincial roads for the Province. The above model is currently adopted to deliver the mandate of the Agency. In support of this the following structure is currently in place.

Figure 8. RAL Organogram



### **9.2.3 Existing Programmes**

#### **9.2.3.1 Administration**

##### **a) Human Capital**

The human resources capacity continues to be a challenge within RAL. RAL is currently at a vacancy rate of about 40%. The Agency will embark on an organisation design that will review the current structure with the view to ensure alignment with the strategy. The issues of gender parity in the workplace continue to be a challenge within RAL and interventions to address this challenge will be implemented. Other interventions that will be looked at to address human capacity will be the recruitment plans, employment equity plan, workplace skills plan, succession plan and retention plan.

##### **b) Control Environment**

RAL has achieved unqualified audit outcomes over the past few years. However, the achievement of a clean audit is affected by the under-capacity within some of the support functions such as HR, finance and supply chain. RAL will be prioritising the filling of these positions to mitigate the risks posed by under-capacity.

##### **c) Information and Communication Technology**

RAL is currently conducting the assessment of its ICT capability to respond to the 4<sup>th</sup> Industrial Revolution (4<sup>th</sup> R) challenges. The entity is currently operating systems that are not integrated, and measures will be taken to address this challenge.

##### **d) Governance Capability**

RAL currently has a fully functional board that continue to provide strategic leadership and oversight on the operations of the entity. RAL has over the years developed policies and procedures that are approved by the board and implemented by management in execution of the RAL mandate.

##### **e) Financial Sustainability**

The demand for roads over the past years has resulted in RAL overcommitting on the upgrade of roads and under-investing in the maintenance of the roads. This current poses a challenge to implement new upgrade projects going forward. It is therefore imperative that a sustainable funding

model for the road upgrades in the province is explored to ensure that the backlog in road upgrades which currently sits at 69.1% is addressed.

#### ***f) Stakeholder Management***

The risk of community protests as a result of the demand for road upgrades in the province continues to be high. RAL currently has a stakeholder management unit that is dedicated to dealing with stakeholder management in order to mitigate this risk. However, the effectiveness of this unit is affected by the level of funding of RAL and its ability to deliver the road infrastructure. RAL is however cognisant of the limited resources available for the funding of the road infrastructure and will work together with district and local municipalities to address the challenge.

#### ***g) Auditor General Audit Findings***

During the 2018/19 audit season, RAL received an unqualified audit outcome for the third time in a row. Despite concerted efforts to achieve a clean audit during the review period RAL is yet to achieve a clean audit. This is mainly the result of material findings in the following areas:

- Inability to reign on irregular expenditures,
- Material non-compliances especially with SCM processes and the preparation of annual financial statements and performance information.

In addressing the above deficiencies, RAL has undertaken to:

- Address the challenge of under-capacity within finance and SCM,
- Improve skills and capacity of people that are directly involved in SCM to prevent the reoccurrence of these challenges,
- Implement consequence management,
- Implement the Road Asset Management System

#### ***9.2.3.2 Roads Infrastructure Programme***

The Road Infrastructure Programme is the central pillar of RAL's business model. This pillar gives practical effect to the RAL Act of 1998. RAL has the duty to provide an accessible, affordable, safe and reliable road network. The Road Infrastructure Programme has four sub-programmes, namely planning and design, R & D, road construction and maintenance. In implementing its strategies, RAL will continue to engage its partners such as Universities and research institutions to provide vital R & D support.

### 9.2.4 Demand for Services

RAL is facing the daunting task of bridging the widening gap in demand for paved roads.

**Table 12: Demand Services**

The table below give a summary of the road network per region in the province:

District	Paved (km)	Gravel (km)Total (km)	Total	% Paved	% Gravelled
Capricorn	1223	3283	4506	27.1%	72.9%
Mopani	1165	1704	2869	40.6%	59.4%
Sekhukhune	1173	1481	2654	44.2%	55.8%
Vhembe	1323	2367	3690	35.9%	64.1%
Waterberg	1295	4983	6278	20.6%	79.1%
<b>Total</b>	<b>6179</b>	<b>13818</b>	<b>19997</b>	<b>30.9%</b>	<b>69.1%</b>

The fact that 69.1% of the provincial road network is not paved give credence to the need to accelerate the upgrading of the network. Rough estimates show that RAL needs a total of R138 billion to upgrade all gravel roads in the province. However, due to budgetary constraints, achieving this target in the next five years is virtually impossible. At the current funding level for road upgrades, it will take approximately 115 years to clear the current backlog.

Considering this, RAL embarked on a road prioritisation process during 2019/20 financial year. This was done in consultation with the district municipalities. The purpose of the road prioritisation process was to identify unpaved priority roads which are currently unfunded and not in the implementation plans of RAL. The prioritisation considered factors such as previous political commitments, incomplete (Bermuda) roads, political hotspots, the need for roads that facilitate access to key social services such as clinics, schools and hospitals etc. and areas of economic activity.

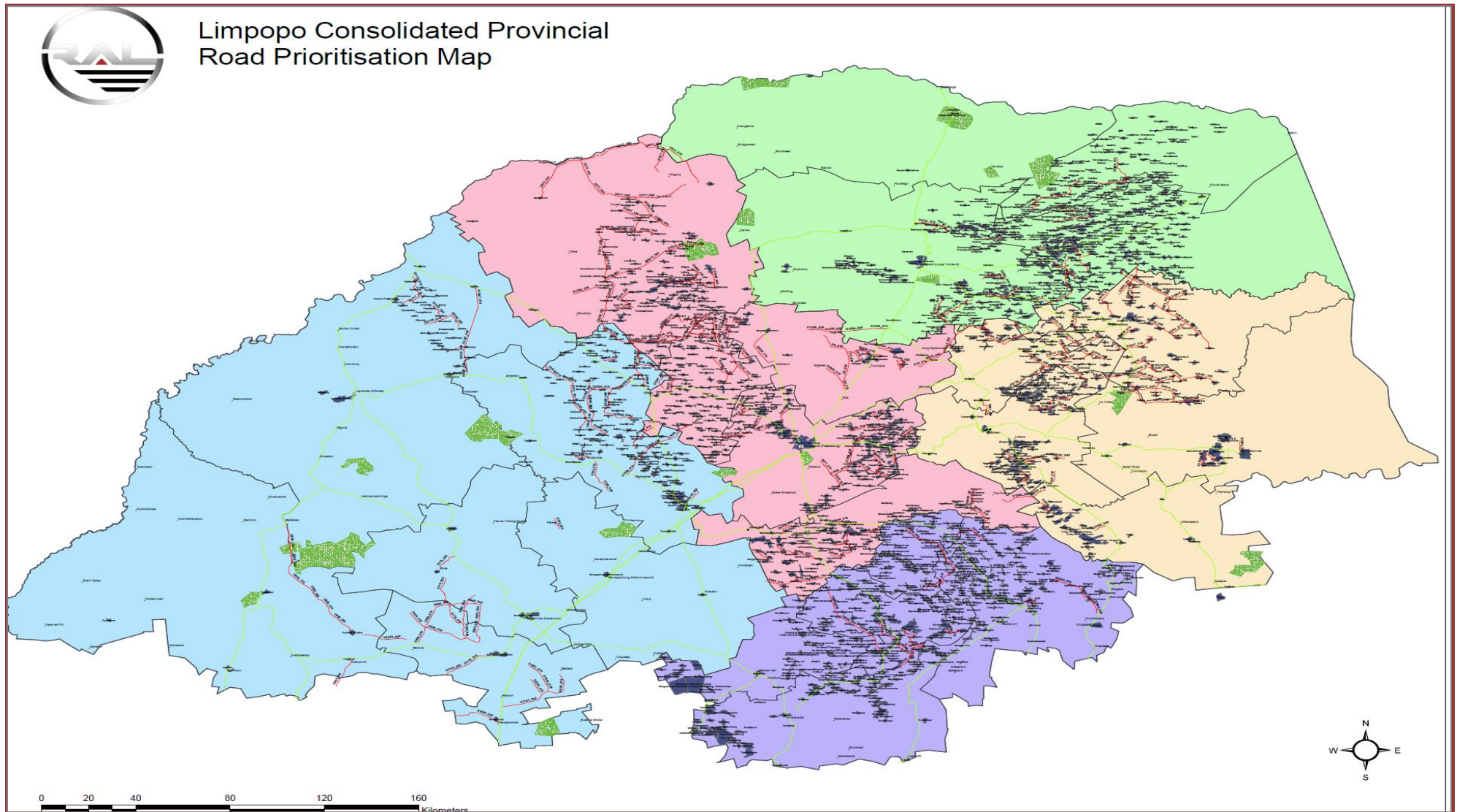
Top on the waiting list for paved roads is Waterberg with 72.9% of its roads still to be paved. Second is Capricorn district at 72.9%, followed by Vhembe at 64.1%, Mopani at 55.8% and Sekhukhune at 55.8%. In contrast, Sekhukhune at 44.2% tops the list with the highest number kilometres paved roads. Mopani at 40.6% occupies the second position. Third and fourth on the list is Vhembe at 35.9%, and Capricorn at 27.1% respectively. At the bottom is Waterberg district at 20.6%. Out of a total of 13 818 km backlog of unpaved roads, a total of 3 793 was prioritised by district municipalities as indicated in the Table below:

**Table 13: Summary of Provincial District Priority Summary**

District	Total (km)	Estimated budget (R'm)	Prioritised Bermuda budget (R'm)	Prioritised Political commitment budget (R'm)	Prioritised hotspot budget (R'm)	Other Prioritised Roads
Capricorn	1221	12 209	960	1616	5352	4 261
Mopani	506	5 957	1 332	1 032	872	2 721
Vhembe	406	4 049	0	0	0	2 721
Sekhukhune	513	513	5128	0	0	4 049
Waterberg	1050	1 059	585	1 327	3 423	5 258
<b>Total</b>	<b>3793</b>	<b>37 935</b>	<b>2 897</b>	<b>3 975</b>	<b>10 047</b>	<b>21 017</b>

An estimated total of about R37bn, is needed to address the prioritised roads. RAL needs a total of R2,8bn to complete prioritised Bermuda roads (289km). Further, the agency needs R3,9bn to fund the paving of roads categorised as “prioritised political commitments (397km)”. In addition, RAL needs to source R10bn to finance prioritised road paving projects (1,004km) in hotspots. The map below indicates (in red lines) the identified priority roads per district municipality

Figure 9. Limpopo Consolidated Provincial Road Prioritisation Map



# **PART C: MEASURING OUR PERFORMANCE**

## PART C: MEASURING OUR PERFORMANCE

The Theory of Change that was applied in the planning process outlines the process that was used to reach a commonly understood impact as outlined in Part B above. The planning process that was initiated on 26 June 2019 span over the period of 5 months to ensure a proper diagnosis of the problem identified in various thematic areas since the identified participating stakeholders had to be precise about the type of changes they want to achieve over the 5-year implementation period. All members of the RAL board and management participated in various planning sessions.

Problem Analysis tool that was used as a diagnostic tool followed the following steps:

- Identify and agree on a core problem: identify the core problem and challenge that should be overcome,
- Investigate the causal-effect relationship of the problem.
- Link causes and effects to ensure there are logically aligned

The resultant Solution Tree Tool aimed at demonstrating the appropriate solution the core problem identified

- Revise negative statements – Revise the negative statements from the problem tree into positive ones where the challenge has been resolved.
- Re-write into possible solutions: Write positive causes into possible solutions that can be used to achieve outcomes that were identified.
- Identify possible solutions

The results of the brainstorming sessions are reflected in the table below:

**Table 14: Summary of Problem-Outcome Statement**

Name of programme			Problem Statement	Outcome Statement
Programme 1:	Road	Infrastructure	<b><i>“Under-supported core business”</i></b>	<b><i>Adequately supported core business</i></b>
Programme 2:	Road	Infrastructure	<b><i>Poor road network</i></b>	<b><i>Improved road network</i></b>

## 10 INSTITUTIONAL PERFORMANCE INFORMATION

### 10.1 Impact Statement

The following reflects a summarised version of RAL's impact statement:

<b>Impact Statement</b>	Accessible, reliable and safe road network
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### 10.2 Measuring our Outcomes

**Table 15: Measuring Outcomes**

MTSF Priority 6: A Capable, Ethical and Developmental State			
Outcome: 1	Outcome Indicator	Baseline	Five-year target
An adequately supported core business by 2024	Organisational performance against planned targets	75% achievement of planned targets	A minimum achievement of 80% planned targets
	Clean audit	Unqualified Audit Opinion	Clean audit
MTSF Priority 1: Economic Transformation and Job Creation			
Outcome: 2	Outcome Indicator	Baseline	Five-year target
Improved roads network by 2024	Number of square metres (m <sup>2</sup> ) of surfaced roads rehabilitated	528 753 m <sup>2</sup>	925 000 m <sup>2</sup>
	Number of kilometres of gravel roads upgraded	475km	281 km

	Number of bridges completed	16 bridges	10 bridges (2 bridges completed per annum)
<b>MTSF Priority 1: Economic Transformation and Job Creation</b>			
<b>Outcome: 3</b>	<b>Outcome Indicator</b>	<b>Baseline</b>	<b>Five-year target</b>
<b>Economically empowered host communities by 2024</b>	Number of youths (18-25) employed	2566	7000 youths employed
	Number of women employed	2786	5000 women employed
	Number of people with disabilities employed	70	130 people with disabilities employed
	Number of SMMEs contracted	1391	2050 SMMEs contracted
<b>Priority 2: Education, Skills and Health</b>			
<b>Outcome 4</b>	Number of local workers trained	2408	3000
<b>Skilled and enterprising local labourers by 2024</b>			

10.3 Rationale for Choice of Outcomes Indicators

Table 16: Rational of Outcomes

NDP Five Year Implementation Plan Priority				Rationale
Outcomes	Outcome Indicator	Baseline	Five-year target	
Outcome 1: An adequately supported core business by 2024	Organisational performance against planned targets	75% achievement of planned targets	A minimum achievement of 80% planned targets	A functional, capable, efficient and responsive administration system is central to RAL's ability to deliver accessible, reliable and safe road network RAL
	Desirable audit outcome	Unqualified Audit Opinion:	Clean audit	A clean audit demonstrates RAL's commitment to deploy and utilise scarce public resources in a manner earns it the trust and confidence of the public.
Outcome2: Improved roads infrastructure network by 2024	Number of square metres (m <sup>2</sup> ) of surfaced roads rehabilitated	528 753 m <sup>2</sup>	925000 m <sup>2</sup>	An accessible, reliable and safe road network is a catalytic driver of socio-economic transformation and job creation in the province.
	Number of kilometres of gravel roads upgraded	475km	281 km	
	Number of bridges completed	16 bridges	10 bridges (2 bridges completed per annum)	

<b>Outcome 3: Economically empowered host communities by 2024</b>	Number of youths (18-25) employed	3 749	7 000 youths employed	RAL has a constitutional duty to use its road construction projects to promote economic inclusion and justice especially among historically disadvantaged groups like women, youth and people with disabilities.  Both the NDP and the LDP acknowledges the centrality of growing an economy that has a high job absorption capacity. In the past RAL has demonstrated that its road construction and maintenance projects can be catalysts for job creation by empowering among women, youth and people with disabilities
	Number of women employed	2 786	5 000 women employed	
	Number of people with disabilities employed	70	130 people with disabilities employed	
	Number of SMMEs contracted	1391	2 050 SMMEs contracted	
<b>Skilled and enterprising local labourers by 2024</b>	Number of local labourers trained	2408	3000	Skills development unlocks job opportunities for unemployed women and youth from previously disadvantaged communities.

#### 10.4 Critical Enablers

**Table 17: Critical Enablers**

Enabler	Explanation
<b>Good Governance &amp; Effective Leadership</b>	Sound governance practices and visionary leadership remains the main drivers of organisational performance, stability and effectiveness.
<b>Human Capital Management</b>	The success of this strategy is depended on the competencies, skills, commitment and strategy implementation capabilities of RAL employees.
<b>Stakeholder &amp; Customer Relations Management</b>	Continuous interactions with our stakeholders are an integral and natural part of our operations.
<b>Supply Chain Management</b>	RAL's operating model is largely supply-chain driven. An efficient and effective SCM is therefore a key driver of RAL's ability to execute its mandate
<b>IT-led Business System Integration</b>	The automation of RAL's business processes, systems, work methods and procedures in order to achieve business integration efficiencies will be the key anchor of this strategy

10.5 Outcomes' Contribution to Achieving the Intended Impact

Table 18: Contribution of Outcomes

Outcomes	Pathway to change	Interventions	Assumptions
<b>Outcome 1: An adequately supported core business by 2024</b>	Leadership drive	<ul style="list-style-type: none"> <li>• Roll-out an OD process and re-engineer organisational culture</li> <li>• Scale-up revenue enhancement through enhanced Strategic Partnerships</li> <li>• Implement consequence management</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder management</li> <li>• Compliance and adherence to approved plans and policies</li> <li>• Building HR capability</li> <li>• Revamp internal and external communication</li> <li>• Integrate business systems, processes and work methods</li> </ul>
<b>Outcome 2: A capable and professional workforce by 2024</b>	Enhanced capacity building	<ul style="list-style-type: none"> <li>• Review and improve performance management system</li> <li>• Review and develop a fit-for-purpose structure,</li> <li>• Conduct organisational climate surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen capacity in key areas such as Internal Audit, Risk Management and SCM</li> </ul>
<b>Outcome 3: Improved road network by 2024</b>	Integrated planning and focused implementation of the 2020-25 strategy	<ul style="list-style-type: none"> <li>• Review Standard Operating procedures</li> <li>• Review and update RAMS and RAMP</li> <li>• Scale-up co-funding initiative through enhanced Private-Public Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Accelerated community engagement,</li> <li>• Fast track procurement processes</li> <li>• Increased funding from government</li> <li>• Build R &amp; D capability</li> </ul>

		<ul style="list-style-type: none"> <li>• Investigate alternative construction technologies</li> <li>• Automate network monitoring and application of proactive maintenance</li> </ul>	
<b>Outcome 4: Economically empowered host communities by 2024</b>	Economic inclusion and transformation	<ul style="list-style-type: none"> <li>• Upscale job creation through RAL's road construction projects,</li> <li>• Implement emerging contractor programme.</li> </ul>	Enhanced community engagement
<b>Outcome 5: Skilled and enterprising local labourers</b>	Training for self-reliance	<ul style="list-style-type: none"> <li>• Roll-out skill development</li> <li>• Scale-up partnerships with CETA</li> </ul>	Enhanced community engagement

11 KEY RISKS AND MITIGATIONS

Table 19: Key Risks and Mitigations

Outcomes	Key Risks	Risk Mitigations
<p><b>Outcome: 1 An adequately supported core business by 2024</b></p>	<p>Inadequate Information, Communications &amp; Technology Governance</p>	<ul style="list-style-type: none"> <li>• Conduct the RAL Information, Communications &amp; Technology Maturity Assessment</li> <li>• Implement Information, Communications &amp; Technology Framework</li> <li>• Implement Information, Communications &amp; Technology Governance Strategy</li> <li>• Train EXCO members on the COBIT principles.</li> </ul>
	<p>Increase in the number of claims and litigations instituted against RAL Shortage of human resources capacity</p>	<ul style="list-style-type: none"> <li>• Capacitation of Legal Services Division</li> <li>• Train members on existing supply chain management committees (BSC, BEC and BAC) on the PFMA and Treasury Regulations principles and processes</li> <li>• Annual review and approval of the Bids documents by the Accounting Officer</li> <li>• Review Compliance Checklist approved by the Accounting Officer.</li> <li>• Approval and roll-out of the Human Resources Plan.</li> </ul>
<p><b>Outcome 2: Improved roads infrastructure network by 2024.</b></p>	<p>Shortage of funding to finance the Engineering Projects</p>	<ul style="list-style-type: none"> <li>• Implement recommendations for alternative financing mechanisms</li> <li>• Source funding for infrastructural projects from the Provincial Treasury</li> <li>• Consolidate all revenue streams for Provincial Roads.</li> </ul>

	<p>Over commitment on capex projects</p>	<ul style="list-style-type: none"> <li>• Ensure variation orders follows the Supply Chain Management process (i.e. Evaluation and Adjudication Committee)</li> <li>• Monthly tracking and reporting of over commitments</li> <li>• Monitor, track and report on adherence to the 2019/2020 Procurement Plan.</li> </ul>
	<p>Illegal structures built on the road reserves</p>	<ul style="list-style-type: none"> <li>• Identification of illegal structures within the Road Reserves in all the Five (05) Districts in the Limpopo Province</li> <li>• Planning and Design to obtain a legal opinion on the process to be adhered to, in removing the illegal structures</li> <li>• Conduct Provincial Wide Awareness Campaigns</li> <li>• Establish Regional Roads Boards.</li> </ul>
	<p>Business interruptions</p>	<ul style="list-style-type: none"> <li>• Develop Business Continuity Management Framework</li> <li>• Develop Business Continuity Management Policy</li> <li>• Develop Business Continuity Strategy</li> <li>• Communicate the Business Continuity Management Framework and/or Strategy to staff</li> <li>• Conduct business impact analysis for Divisions and /or Units and any other critical business processes</li> <li>• Perform Annual Disaster Recovery Tests</li> <li>• Present the disaster recovery test results at the Information,</li> </ul>

		Communications & Technology Steering Committee and EXCO.
	Poorly designed and maintained roads	<ul style="list-style-type: none"> <li>• Motivate for procurement of the engineering tools (Designs and Planning Software's)</li> <li>• Revise and fill Engineering Organogram</li> <li>• Benchmark with SANRAL and Johannesburg Roads Agency on road construction</li> <li>• Ensure 20% Accreditation of all the RAL's Project Managers, in accordance, with the provision of the Engineering Council of South Africa.</li> </ul>
	Ineffective contract management	<ul style="list-style-type: none"> <li>• Revise existing Organogram to appoint Contract Specialists and/or Administrators</li> <li>• Revise and implement contract management system</li> <li>• Ensure 20% Accreditation of all the RAL's Project Managers, in accordance, with the provision of the Engineering Council of South Africa.</li> </ul>
<b>Outcome 3: Economically empowered host communities by 2024</b>	Poor stakeholder (Internal & external) engagement and coordination	<ul style="list-style-type: none"> <li>• Establish quarterly internal engagement meetings between Stakeholder Relations Unit, Communications Unit and Engineering Division (Planning &amp; Design Unit, as well as Operations Unit)</li> <li>• Develop Board Approved Communications Policy</li> <li>• Communicate the Board Approved Communications Policy to staff</li> <li>• Conduct stakeholder engagements with all the District Municipalities.</li> </ul>
<b>Outcome 4: Skilled and enterprising local labourers</b>	Lack of aftercare support	<ul style="list-style-type: none"> <li>• Develop a database of all trainees</li> <li>• Link trainees with RAL contractors</li> </ul>

**PART D: TECHNICAL INDICATOR  
DESCRIPTIONS (TIDS)  
(OUTCOMES)**

**Outcome 1: An adequately supported core business by 2024****Table 20. Technical Indicator Descriptions**

<b>Indicator Title</b>	Organisational performance against planned targets
<b>Definition</b>	The measurement of RAL's performance against the planned Outcome targets on a quarterly and annual basis
<b>Source of Data</b>	The information is collected from all RAL units that have Outcome indicators, verified and collated by the Unit
<b>Method of Calculation/Assessment</b>	Dependent on the Outcome indicator the information can be both quantitative and cumulative
<b>Assumptions</b>	It is assumed that all RAL units will supply accurate information on time to the Monitoring and Evaluation unit
<b>Reporting Cycle</b>	Annual and Medium Term
<b>Indicator Responsibility</b>	Executive Manager: Monitoring and Evaluation

<b>Indicator Title</b>	Clean audit
<b>Definition</b>	Clean and consistent audit report obtained from AGSA at the starting from 2020-2021 FY. To ensure improved quality of overall financial management, control, governance and accountability
<b>Source of Data</b>	AGSA report
<b>Method of Calculation/Assessment</b>	Simple count, that is, AGSA report can be both qualitative and quantitative
<b>Assumptions</b>	The AGSA report is accurate, valid, credible and reliable
<b>Reporting Cycle</b>	Annual
<b>Indicator Responsibility</b>	Chief Financial Officer

**Outcome: 2 Improved roads infrastructure network by 2024**

<b>Indicator Title</b>	Number of square metres (m <sup>2</sup> ) of surfaced roads rehabilitated
<b>Definition</b>	<ul style="list-style-type: none"> <li>The total number of m<sup>2</sup> of surfaced roads rehabilitated (reconstruction of road layers)</li> </ul>
<b>Source of Data</b>	<ul style="list-style-type: none"> <li>Primary – Signed certificates of (practical) completion, including details of the works, and/or</li> <li>Secondary – Signed progress reports, payments certificates</li> </ul>
<b>Method of Calculation/Assessment</b>	Simple Count (Area rehabilitated measured in m <sup>2</sup> )
<b>Assumptions</b>	Timeous submission of data, good quality and accurate data
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

<b>Indicator Title</b>	Number of kilometres of gravel roads upgraded
<b>Definition</b>	Total number of kilometres of gravel roads upgraded (constructed from gravel to tar). To convert gravel roads to surfaced roads (tared roads) to improve mobility
<b>Source of Data</b>	<ul style="list-style-type: none"> <li>• Primary - Signed certificates of (practical) completion including details of the works, and/or</li> <li>• Secondary - Signed progress reports, payments certificates</li> </ul>
<b>Method of Calculation/Assessment</b>	Simple count (Measure the length of the upgraded along the centre line)
<b>Assumptions</b>	Timeous submission of data, good quality and accurate data
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

<b>Indicator Title</b>	Number of bridges completed
<b>Definition</b>	The total number of bridges that RAL will build and complete in the Financial Year. To build and complete bridges as planned in the Financial Year
<b>Source of Data</b>	<ul style="list-style-type: none"> <li>• Primary - Signed certificates of (practical) completion including details of the works, and/or</li> <li>• Secondary - Signed progress reports, payments certificates</li> </ul>
<b>Method of Calculation/Assessment</b>	<ul style="list-style-type: none"> <li>• Simple count</li> </ul>
<b>Assumptions</b>	Timeous submission of data, good quality and accurate data
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

### **Outcome: 3 Economically empowered host communities by 2024**

<b>Indicator Title</b>	Number of youths (18-25) employed
<b>Definition</b>	Number of people aged between 18 to 35 years of age who have been employed on RAL Projects. To provide employment opportunities to young people between the ages of 18 to 15 years
<b>Source of Data</b>	Employment registers
<b>Method of Calculation/Assessment</b>	Simple count
<b>Assumptions</b>	Attendance registers for employment are accurate
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

<b>Indicator Title</b>	Number of women employed
<b>Definition</b>	Number of women who have been employed on RAL Projects. To provide employment opportunities for women
<b>Source of Data</b>	Employment registers
<b>Method of Calculation/Assessment</b>	Simple count
<b>Assumptions</b>	Attendance registers for employment are accurate
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

<b>Indicator Title</b>	Number of people with disabilities employed
<b>Definition</b>	Number of people with disabilities who have been employed on RAL Projects. To provide employment opportunities for people living with disabilities during the implementation of RAL projects
<b>Source of Data</b>	Employment registers
<b>Method of Calculation/Assessment</b>	Simple count
<b>Assumptions</b>	Attendance registers for employment are accurate
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

<b>Indicator Title</b>	Number of SMMEs contracted
<b>Definition</b>	Number of SMMEs given contracts on RAL projects. To provide work opportunities for SMMEs during the implementation of RAL projects
<b>Source of Data</b>	SMMEs' contracted register
<b>Method of Calculation/Assessment</b>	Simple count
<b>Assumptions</b>	SMMEs' contracted register is accurate
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

#### **Outcome: 4 Skilled and enterprising local labourers by 2024**

<b>Indicator Title</b>	Number of local workers trained
<b>Definition</b>	To provide training for local people during RAL's implementation of its projects.
<b>Source of Data</b>	Manual Training registers
<b>Method of Calculation/Assessment</b>	Simple count
<b>Assumptions</b>	Manual attendance registers for training are accurate
<b>Reporting Cycle</b>	Annual, Medium and End of Term
<b>Indicator Responsibility</b>	General Manager: Construction and Operations

## Annexures to the Strategic Plan

## Annexure A: District Delivery Model

Areas of interventions	Five-year planning period					
	Project description	Budget allocation	District Municipality	Location: GPS coordinates	Project leader	Social partners
Water						
Sanitation						
Roads	<b>SEE TABLE B5</b>					
Stormwater						
Electricity						
Environmental Management						

Item	Project No.	Road No.	Project Name	IDMS Gate	District	Municipality	SIP Category	Road - surfaced/gravel/bridges/drainage structures/erosion protection, etc.	Units (i.e. kms or lane-kms or number or square meters)	Project Start Date	Project End Date	Source of Funding	Budget programme number	Total Project Cost	Total Expenditure from previous years	MTEF Forward Estimates (20/21)	MTEF Forward Estimates (21/22)	MTEF Forward Estimates (22/23)
<b>Maintenance and Repairs(PRMG)</b>																		
1	RAL/T849	P51/3	P51/3 Groblersdal to Stofberg	Stage 7: Works	Sekhukhune	Elias Motosoaledi	6	Drainage structure, Road	7	2017/10/02	2021/03/15	PRMG	Programme 4	19 425 600	17 056 517	2 369 083	0	0
2	RAL/T883	ZZ2	Routine maintenance on Various around ZZ2	Stage 7: Works	Vhembe	Musina	6	Drainage structure, Road	8	2016/03/14	2021/03/15	PRMG	Programme 4	15 000 000	8 494 540	6 505 460	0	0
3	RAL/T985	P94/2	Routine maintenance towards Mapungube	Stage 7: Works	Vhembe	Musina	6	Drainage structure, Road	8	2019/11/20	2022/02/04	PRMG	Programme 4	15 000 000	8 494 540	6 505 460	0	0
4	RAL/T901	D3770,D3870	D3770,D3870 Maintenance	Stage 7: Works	Mopani	Greater Tzaneen	6	Drainage structure, Road	10	2017/10/02	2021/03/15	PRMG	Programme 4	19 900 980	17 557 861	2 343 119	0	0
5	RAL/T909(a)	D887	Installation of road signs, road markings on roads P94/2 and D887	Stage 7: Works	Capricorn	Blouberg	6	Drainage structure, Road	2.3	2017/10/02	2021/03/15	PRMG	Programme 4	6 941 232	6 632 806	308 426	0	0
6	RAL/T909(b)	D4190	Installation of road signs, road markings on roads D4190 & D4250	Stage 7: Works	Sekhukhune	Makhuduthamaga	6	Drainage structure, Road	1	2017/10/18	2021/03/15	PRMG	Programme 4	9 463 345	8 344 579	1 118 766	0	0
7	RAL/T909(e)	D11	Installation of road signs and road markings on roads D11	Stage 7: Works	Mopani	Greater Letaba	6	Drainage structure, Road	1.5	2017/10/02	2021/03/15	PRMG	Programme 4	7 011 000	6 295 115	715 885	0	0
8	RAL/T986	D11	Routine road maintenance on Road D11	Stage 3: Preparation and briefing or prefeasibility	Mopani	Greater Letaba	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
9	RAL/T966	D1589	Maintenance on Road Makgate to Devrede	Stage 3: Preparation and briefing or prefeasibility	Capricorn	Capricorn	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
10	RAL/T968	P18/2	Maintennace on Road P18/2 towards Zebediela	Stage 3: Preparation and briefing or prefeasibility	Capricorn	Capricorn	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
11	RAL/T969	P85/2	Maintenance on Road P85/2 Settlers to Tuinplaas	Stage 3: Preparation and briefing or prefeasibility	Waterberg	Waterberg	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
12	RAL/T970	D3500	Maintenance on road D3500 Mosesetjane to Mapile	Stage 3: Preparation and briefing or prefeasibility	Waterberg	Waterberg	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
13	RAL/T972	D887	Maintenance on Road D887 Tom Burke towards Alldays	Stage 3: Preparation and briefing or prefeasibility	Waterberg	Waterberg	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
14	RAL/T973	D4	Maintenance on road D4 Elim to Malamulele	Stage 3: Preparation and briefing or prefeasibility	Vhembe	Vhembe	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
15	RAL/T974	D1483	Maintenance on Road D1483 Musina to Pointdrift	Stage 3: Preparation and briefing or prefeasibility	Vhembe	Vhembe	6	Drainage structure, Road	1.5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
16	RAL/T975	D9	Maintenance on road D9 Giyani to Malamulele	Stage 3: Preparation and briefing or prefeasibility	Vhembe	Colins Chebane	6	Drainage structure, Road	5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
17	RAL/T976	D3200	Maintenance of Road from R81 to Makwakwaila to Mawa	Stage 3: Preparation and briefing or prefeasibility	Mopani	Greater Letaba	6	Drainage structure, Road	5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
18	RAL/T977	D3840	Maintenance of Road D3840 Krimetart to Phalaborwa	Stage 3: Preparation and briefing or prefeasibility	Mopani	Ba-Phalaborwa	6	Drainage structure, Road	5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
19	RAL/T978	D4042	Maintenance of Road D4042 Masevens	Stage 3: Preparation and briefing or prefeasibility	Sekhukhune	Ephraim Mogale	6	Drainage structure, Road	5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
20	RAL/T979	D737	Maintenance of Road D737	Stage 3: Preparation and briefing or prefeasibility	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	5	2019/11/20	2022/02/04	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
21	RAL/T980	P51/3	Maintenance of Road P51/3	Stage 3: Preparation and briefing or prefeasibility	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	5	2020/04/01	2022/02/14	PRMG	Programme 4	30 000 000	0	30 000 000	0	0
22	RAL/T981	D2537	Maintenace of Road D2537 Begerfort to Penge	Stage 3: Preparation and briefing or prefeasibility	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	5	2020/04/01	2022/02/14	PRMG	Programme 4	25 868 983	0	25 868 983	0	0
23	RAL/T982	Various roads	Maintenance projects based on RAMS	Stage 3: Preparation and briefing or prefeasibility	Limpopo	All	6	Drainage structure, Road	5	2020/04/01	2023/02/14	PRMG	Programme 4	545 132 818	0	49 641 818	495 491 000	609 961 000
24	RAL/T983	D1948	Stormwater Management on road D1948	Stage 3: Preparation and briefing or prefeasibility	Sekhukhune	Elias Motosoaledi	6	Drainage structure, Road	5	2020/04/01	2021/03/31	PRMG	Programme 4	3 500 000	0	3 500 000	0	0
25	RAL/T984	All Roads	Emergency repairs and maintenance to provincial road infrastructure	Stage 3: Preparation and briefing or prefeasibility	All Districts	All Districts	6	Drainage structure, Road	1	2018/04/02	2023/03/31	PRMG	Programme 4	250 000 000	0	50 000 000	100 000 000	100 000 000
26	RAL/T759	D523,	D523, D589 Agatha roads	Stage 3: Preparation and briefing or prefeasibility	Mopani	Greater Tzaneen	6	Drainage structure, Road	1	2017/11/06	2021/03/31	PRMG	Programme 4	6 600 000	0	6 600 000	0	0
<b>Total Maintenance and Repairs(Prmg)</b>														<b>1 343 843 957</b>	<b>72 875 957</b>	<b>575 477 000</b>	<b>595 491 000</b>	<b>709 961 000</b>

Item	Project No.	Road No.	Project Name	IDMS Gate	District	Municipality	SIP Category	Road - surfaced/gravel/bridges/drainage structures/erosion protection, etc.	Units (i.e. kms or lane-kms or number or square meters)	Project Start Date	Project End Date	Source of Funding	Budget programme number	Total Project Cost	Total Expenditure from previous years	MTEF Forward Estimates (20/21)	MTEF Forward Estimates (21/22)	MTEF Forward Estimates (22/23)
<b>Non-Infrastructure (PRMG)</b>																		
27	RAL/C964	All Roads	RAMS: Limpopo Road condition data (paved and unpaved) including instrumental/ automated road survey data, traffic data, safety audit report and bridge conditions	Packaged Programme	all	all	6	Non-infrastructure	20000	2018/05/15	2023/02/15	PRMG	Programme 4	80 000 000	0	53 007 000	20 000 000	20 000 000
<b>Total Non-Infrastructure</b>														<b>80 000 000</b>	<b>0</b>	<b>53 007 000</b>	<b>20 000 000</b>	<b>20 000 000</b>
<b>Total Maintenance and Repairs(Prmg)</b>														<b>1 423 843 957</b>	<b>72 875 957</b>	<b>628 484 000</b>	<b>615 491 000</b>	<b>729 961 000</b>
<b>Upgrading</b>																		
28	RAL/T652	P277/1	Makhuya to Masisi P277/1	Stage 7: Works	Vhembe	Thulamela	6	Drainage structure, Road	25.2	2014/02/07	2021/02/13	Equitable Share	Roads Infrastructure	378 407 043	333 385 065	45 021 978		0
29	RAL/T657	D3820,D3205	Babangu to Ndhengeza to Noblehoek to Maphalle D3820,D3205	Stage 7: Works	Mopani	Greater Giyani	6	Drainage structure, Road	26	2014/05/31	2021/02/13	Equitable Share	Roads Infrastructure	324 844 551	286 755 249	38 089 302		0
30	RAL/T812	D2018,D3678,D3673,D3679,D3656,D3685-Musekwa	3km of Road (D2018,D3678,D3673,D3679,D3656,D3685-Musekwa to Dolidoli to Ndouhada to Khomela to Smokey)	Stage 0: Project initiation	Vhembe	Makhado	6	Drainage structure, Road	3	2016/04/01	2021/02/13	Equitable Share	Roads Infrastructure	23 676 919	13 645 838	10 031 080		0
31	RAL/T813	D3688	3km of Road (D3688 Khubvi to Tshidzivhe to Tshatshingwe Potholes to Sendesa)	Stage 0: Project initiation	Vhembe	Thulamela	6	Drainage structure, Road	3	2016/04/01	2021/02/13	Equitable Share	Roads Infrastructure	28 339 450	7 770 817	20 568 633		0
32	RAL/T815	D4170,D4432	D4170,D4432 from Melao to Maapea (D4170=15km) and D4170 To Marula Platinum Mine (D4432=2.5km)	Stage 7: Works	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	17.5	2016/04/04	2021/02/13	Equitable Share	Roads Infrastructure	170 642 731	162 038 197	8 604 534		0
33	RAL/T816	D4166	D4166 - Ga-Riba ka Thabeng/Mofolo to R37, Upgrading	Stage 7: Works	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	13	2016/04/01	2023/02/13	Equitable Share	Roads Infrastructure	240 350 112	105 200 126	25 149 986	60 000 000	50 000 000
34	RAL/T822	D3695	D3695 Siloam to Tshixwadza to Tshandama (5km)	Stage 6a: Design documentation (Production information)	Vhembe	Musina	6	Drainage structure, Road	5	2016/03/23	2021/06/13	Equitable Share	Roads Infrastructure	85 252 132	43 853 389	24 398 743	20 000 000	0
35	RAL/T824	D1468	D1468 Senwabarwana (Bochum) to Indermark to Vivo	Stage 7: Works	Capricorn	Blouberg	6	Drainage structure, Road	10	2016/04/01	2021/02/13	Equitable Share	Roads Infrastructure	127 987 267	105 800 600	22 186 667		0
36	RAL/T825	D3810	3 km of (D3810 from Thomo/Altein (Shangoni Kruger National Park Road) to Khakhala to Gawula to Mahlati to Ndindani to Hlomela to Palaubeni to Mbaula to Phalaborwa.)	Stage 0: Project initiation	Mopani	Greater Giyani	6	Drainage structure, Road	3	2018/05/25	2021/02/13	Equitable Share	Roads Infrastructure	27 809 300	17 109 668	10 699 632		0
37	RAL/T857	D4200	D4200 Jane Furse to Mphanama to Apel	Stage 7: Works	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	20	2016/03/01	2023/02/13	Equitable Share	Roads Infrastructure	347 319 212	182 026 865	15 292 347	10 000 000	61 821 017
38	RAL/T866	D4182,D4185,D4432,D4180	D4182,D4185,D4432,D4180	Stage 7: Works	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	20	2016/07/04	2023/02/13	Equitable Share	Roads Infrastructure	147 674 444	66 435 808	15 973 636	10 000 000	35 265 000
39	RAL/T902	D4253	3 Km of (D4253 ) Ga-Masemola	Stage 0: Project initiation	Sekhukhune	Makhuduthamaga	6	Drainage structure, Road	3	2018/05/24	2021/04/13	Equitable Share	Roads Infrastructure	57 997 003	8 160 386	30 000 000	18 003 010	0
40	RAL/T910	D3187	3 km of Road ((Mageva to Makhuva (D3187 & D3843))	Stage 1: Infrastructure planning	Mopani	Greater Letaba	6	Drainage structure, Road	3	2017/11/02	2021/02/13	Equitable Share	Roads Infrastructure	34 987 940	2 823 347	32 164 593		0
41	RAL/T944	D3200	3 km (D3200 Upgrading (Gravel To Bituminous Surface) Of Road Mkwakwaila to Mawa)	Stage 0: Project initiation	Mopani	Greater Letaba	6	Drainage structure, Road	3	2018/05/24	2021/02/13	Equitable Share	Roads Infrastructure	21 555 626	2 720 046	18 835 580		0
42	RAL/T945	D3377	3 km of road D3377 Lamburg to Matlala)	Stage 0: Project initiation	Capricorn	Polokwane	6	Drainage structure, Road	3	2018/05/25	2021/02/13	Equitable Share	Roads Infrastructure	28 454 450	4 693 019	23 761 431		0
43	RAL/T392B	D1234,D869,D1309,D2702	P20/2,D1234,D869,D1309,D2702 Koedoeskop to Northam to Dwaalboom	Stage 7: Works	Waterberg	Thabazimbi	6	Drainage structure, Road	18	2016/02/29	2023/02/13	Equitable Share	Roads Infrastructure	183 303 961	100 671 786	22 632 175	10 000 000	30 000 000
44	RAL/T530B	D3770,D3771,D2009,D3878,D3898	3km Balloon to Sekororo	Stage 7: Works	Mopani	Maruleng	6	Drainage structure, Road	3	2017/10/02	2021/02/13	Equitable Share	Roads Infrastructure	37 887 229	8 211 223	29 676 007		0
45	RAL/T539C	D4370	Upgrading of road D4370 Tompi Seleka to Mogaladi to Phokwane	Stage 7: Works	Sekhukhune	Makhuduthamaga	6	Drainage structure, Road	24	2015/04/01	2023/02/14	Equitable Share	Programme 4	252 048 717	104 572 875	17 475 842	20 000 000	12 692 336
46	RAL/T630B	D2664,D2919,D2922	Upgrading of Road D2664,D2919,D2922 Tshikanosi to Malebitsa	Stage 3: Preparation and briefing or prefeasibility	Sekhukhune	Ephraim Mogale	6	Drainage structure, Road	13.4	2016/02/29	2022/02/14	Equitable Share	Programme 4	108 374 192	37 833 609	20 540 584	20 000 000	0
47	RAL/T634B	D15,D3150	Upgrading of Roads D15,D3150 from Morebeng to Sekgosese	Stage 7: Works	Capricorn	Molemole	6	Drainage structure, Road	22.3	2017/04/01	2023/02/14	Equitable Share	Programme 4	414 148 205	167 128 976	46 064 005	10 262 738	5 116 000
48	RAL/T637B	D3727,D879,D1356	D3727,D879,D1356 Bokisi (P99/1) to Mashamba to Tshitale to Morebeng (Soekmeaar, P54/1)	Stage 7: Works	Vhembe	Makhado	6	Drainage structure, Road	8	2016/04/01	2021/02/13	Equitable Share	Roads Infrastructure	175 025 997	141 938 398	23 087 599		0
49	RAL/T640B	D192,D3561,D3505,D3560,D3556	D192,D3561,D3505,D3560,D3556 Marken to Segole to Gilead (N11)	Stage 7: Works	Waterberg	Mogalakwena	6	Drainage structure, Road	6	2016/03/23	2021/02/13	Equitable Share	Roads Infrastructure	73 442 700	51 439 949	22 002 751		0

Item	Project No.	Road No.	Project Name	IDMS Gate	District	Municipality	SIP Category	Road - surfaced/gravel/bridges/drainage structures/erosion protection, etc.	Units (i.e. kms or lane-kms or number or square meters)	Project Start Date	Project End Date	Source of Funding	Budget programme number	Total Project Cost	Total Expenditure from previous years	MTEF Forward Estimates (20/21)	MTEF Forward Estimates (21/22)	MTEF Forward Estimates (22/23)
50	RAL/T641B	D2536	Roads D2536 from Settlers to Witlaagte	Stage 7: Works	Waterberg	Bela-Bela	6	Drainage structure, Road	16	2016/02/29	2023/02/13	Equitable Share	Roads Infrastructure	167 264 661	78 466 309	48 798 353	20 000 000	20 000 000
51	RAL/T757(A)	D4109-D4045	D4109-D4045 (Lebowakgomo to Jane Furse) to Marulaneng village, Phase A Improvements to increase structural capacity of existing pavement layers by adding new granular layers	Stage 7: Works	Capricorn	Lepele-Nkumpi	6	Drainage structure, Road	7	2020/04/01	2021/02/13	Equitable Share	Roads Infrastructure	77 551 036	0	7 755 104	39 795 932	
52	RAL/T987	D4180	Atok Mine Sefateng to Ga-Selepe to Modimolle	Stage 3: Preparation and briefing or prefeasibility	Sekhukhune	Greater Tubatse/Fetakgomo	6	Drainage structure, Road	31	2020/04/01	2023/08/13	Equitable Share	Roads Infrastructure	310 000 000	0	10 000 000	31 000 000	10 000 000
53	RAL/T988	D3278	Blouberg Hospital to Buffelshoek Clinic	Stage 3: Preparation and briefing or prefeasibility	Capricorn	Blouberg	6	Drainage structure, Road	10	2020/04/01	2023/06/13	Equitable Share	Roads Infrastructure	100 000 000	0	10 000 000	40 000 000	22 191 664
54	RAL/T928	D1639	D1639 in the Waterberg district	Stage 3: Preparation and briefing or prefeasibility	Waterberg	Thabazimbi	6	Drainage structure, Road	16	2020/04/01	2022/08/14	Equitable Share	Roads Infrastructure	121 000 000	0	44 914 943	26 085 057	
55	RAL/T814B	D3114,D3102,D3109,D3117	Roads to Gaseleka, D3114,D3102,D3109,D3117 Continuation	Stage 7: Works	Waterberg	Lephalale	6	Drainage structure, Road	7	2016/01/11	2022/02/14	Equitable Share	Roads Infrastructure	77 550 856	58 366 584	19 184 272		0
<b>TOTAL - Upgrading and Additions</b>														<b>4 142 895 735</b>	<b>2 091 048 128</b>	<b>662 909 776</b>	<b>335 146 738</b>	<b>247 086 017</b>
<b>Non-Infrastructure</b>																		
56	RAL/Admin	Admin	Administration	Stage 7: Works	-	-	-	Non-infrastructure	-	2020/04/03	2023/03/26	Equitable Share	Admin	437 117 000	0	146 178 000	141 814 000	149 125 000
57	RAL/Infr/Admin	Admin	Administration	Stage 7: Works	-	-	-	Non-infrastructure	-	2020/04/03	2023/03/26	Equitable Share	Admin	133 756 469	0	41 104 224	44 472 262	48 179 983
<b>Total Non-Infrastructure</b>														<b>570 873 469</b>	<b>0</b>	<b>187 282 224</b>	<b>186 286 262</b>	<b>197 304 983</b>
<b>PRMG Required</b>														<b>1 423 843 957</b>	<b>72 875 957</b>	<b>628 484 000</b>	<b>615 491 000</b>	<b>729 961 000</b>
<b>EQS Infrastructure Required</b>														<b>4 142 895 735</b>	<b>2 091 048 128</b>	<b>662 909 776</b>	<b>335 146 738</b>	<b>247 086 017</b>
<b>EQS Admin Required</b>														<b>0</b>	<b>0</b>	<b>187 282 224</b>	<b>186 286 262</b>	<b>197 304 983</b>
<b>Grand Total</b>														<b>5 566 739 692</b>	<b>2 163 924 086</b>	<b>1 478 676 000</b>	<b>1 136 924 000</b>	<b>1 174 352 000</b>
<b>PRMG Budget</b>														<b>1 973 936 000</b>	<b>0</b>	<b>628 484 000</b>	<b>615 491 000</b>	<b>729 961 000</b>
<b>EQS Infrastructure Budget</b>														<b>1 245 142 531</b>	<b>0</b>	<b>662 909 776</b>	<b>335 146 738</b>	<b>247 086 017</b>
<b>Admin Budget</b>														<b>570 874 469</b>	<b>0</b>	<b>187 282 224</b>	<b>186 286 262</b>	<b>197 305 983</b>
<b>Total RAL Budget</b>														<b>3 789 953 000</b>	<b>0</b>	<b>1 478 676 000</b>	<b>1 136 924 000</b>	<b>1 174 353 000</b>
<b>Total Infrast Budget</b>														<b>3 219 078 531</b>	<b>0</b>	<b>1 291 393 776</b>	<b>950 637 738</b>	<b>977 047 017</b>