

# gFleeT Management

## Annual Performance Plan for 2020/21

Date of Tabling  
Revised Risk Adjusted as at July 2020



**GAUTENG PROVINCE**  
ROADS AND TRANSPORT  
REPUBLIC OF SOUTH AFRICA



## Executive Authority Statement


g-Fleet has demonstrated its continued commitment to provide Executive authorities and authorised public servants with fleet services that are accessible, predictable, comfortable, safe and secure. Its Strategic Plan emanates from the organisational changes, operational challenges and the audit opinion issued by the Auditor-General.

This Plan reflects the performance targets for the 2020-21 Financial Year and associated budget for the entity. It must be noted that g-Fleet is a self-sustainable entity that generates adequate revenue to cover its operational and administrative costs.

The Annual Budget has been prepared on a conservative budget approach, with minimal adjustments that are based on inflationary increases. The focus of the 2020-21 APP will also be to ensure maximum collection and utilisation of its revenue to realise the objectives set out in the Strategic Plan and this Annual Performance Plan. In addition, it shows how the entity intends to meet these objectives while giving effect to the Strategic Plan developed (by the Management of g-Fleet) for the next three financial years.

The APP 2020/21 is developed in accordance with Treasury prescripts. The implementation of this Plan will be timeously reported on by the trading entity, to ensure that the planned interventions and objectives are achieved throughout 2020/21, resulting in a more efficient and effective g-Fleet.

This Annual Performance Plan will allow for the planning and execution of g-Fleet's mandate and I look forward to the report on the achievement of the objectives in the Annual Report to follow. I endorse the attached Plan and indicate my support and commitment to ensuring its successful implementation in the 2020/21 financial year.




Mr. Jacob Mamabolo

Executive Authority of Department of Roads and Transport

Date: 21/07/2020

## Accounting Officer Statement

Contained herein is a programmatic narration of the contribution that g-FleeT Management is set to make towards the achievement of the objective of Growing Gauteng Together for the financial year 2020/21. This is the second tabling of the Entity's Annual Performance Plan 2020/21 and a further updated Annual Performance Plan will be re-tabled.

  
Mr. Makhukhu Mampuru 2020/07/20  
Acting Head of Department of Roads and Transport

## Official Sign-Off

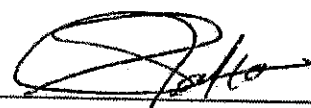
It is hereby certified that this Annual Performance Plan:

- Was developed by the management of gFleeT Management under the guidance of Mr. Jacob Mamabolo
- Takes into account all the relevant policies, legislation and other mandates for which gFleeT is responsible
- Accurately reflects the Impact, Outcomes and Outputs which gFleeT Management will endeavour to achieve over the period 2020-2021.

Ms. Ravanne Matthews  
Director: Permanent Fleet

Signature: 

Ms. Salomie Jafta  
Director: Transport Support Services

Signature: 

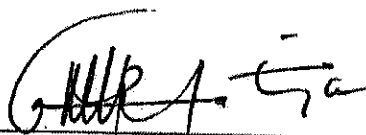
Mr. Douglas Scott  
Acting Director: VIP and Pool

Signature: 

Mr. Sifiso Mhlongo  
Acting Director: Fleet Maintenance

Signature: 

Mr. Matodzi Mamatsinya  
Acting Director: Finance

Signature: 

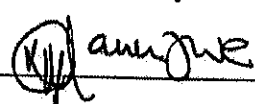
Mr. Mbasa Ngumla  
Acting Chief Financial Officer: gFleeT Management

Signature: 

Mr. Nduli Nhlakanipho  
Acting Chief Operations Officer: gFleeT Management

Signature: 

Ms. Noxolo Maninjwa  
Chief Executive Officer: gFleeT Management

Signature: 

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Ms. Hemlata Jugoo  
Director: Monitoring & Evaluation  
Department: Roads and Transport

Signature: \_\_\_\_\_



Mr. Makhukhu Mampuru  
Acting Head of Department: Roads and Transport

Signature: \_\_\_\_\_



Approved by:  
Mr. Jacob Mamabolo  
Executive Authority: Department of Roads and Transport

Signature: \_\_\_\_\_



## **Part A: Our Mandate**

### **1. Updates to the relevant legislative and policy mandates**

In accordance with the terms of the Public Finance and Management Act and National Treasury Regulation No. 19 governs the operations of the organization in terms of its policy and reporting framework, establishment, capital requirements, disposal of assets, surrender of surplus funds and financial reporting.

#### **- Transport Circular 1 of 1988**

Transport Circular 1 of 1988 – transferred the government motor transport functions and government garages to the provincial administration, following a Cabinet decision, with effect from 1 April 1988.

“The Commission for the Administration is notified under reference 8/12/1/9 of 24 June 1988 that the Cabinet approved on 25 May 1988 that the undermentioned functions of government motor transport from 1 April 1988, be transferred from the Department to the Provincial Administration.

- a) The acquisition and replacement of government and subsidised vehicles.
- b) The award of government motor transport and subsidised vehicles department as required.
- c) The maintenance of government vehicles.
- d) The management of the administration in respect of accidents and losses.
- e) The effective operation of government vehicles.
- f) The operator of department of technical advice.
- g) The receipt, storage and internal distribution of spare parts and consumables supplies.
- h) The regulation of motor transport for official events.
- i) The evaluation of economic utilisation of vehicles.
- j) The operation of a vehicle and information system in respect of government motor transport.

The provincial administration management consequently from the aforesaid date will take over the Government Garages in their respective provinces.”

The Gauteng Provincial Department of Roads and Transport established a government garage trading entity in 2004, in 2007 the Entity was re-branded as g-FleeT Management.

#### **Government Motor Transport Handbook, Version 1 of 2019**

This replaces all previous circulars issued or policies relating to government motor transport, including Transport Circular 4 of 2000.

## **2. Updates to Institutional Policies and Strategies**

To facilitate the smart mobility, the entity will develop and implement the ICT strategy 2020 – 2025. In addition, the entity will develop growth and development strategy. The entity will review the Risk Management Strategy.

## **3. Updates to Relevant Court Rulings**

There were no relevant court ruling that have a significant, ongoing impact on operations or service delivery obligations.

# **Part B: Our Strategic Focus**

## **4. Updated Situation Analysis**

### **Self-sustainability**

Over the past 4 years g-FleeT Management has continued to evolve and transform into a capable and self-sustaining Trading Entity. This is evidenced by a sustained unqualified audit reports with notable improvements on annual basis on liquidity, financial reporting and performance reporting.

### **b) Revenue Management**

Revenue from lease which is a core business of the Entity has increased from **R633.101 million** to **R865.056 million** in 2014/15 and 2018/19, this constitutes approximately 37% surgent over the 5-year period. Over the preceding MTSF the Entity has also improved the award and expenditure towards designated groups in support of the provincial procurement equity targets. The focus was to increase expenditure on designated groups based on a reformed sourcing strategy.

### c) Enhancing Economic Participation

The tables below show the improvement the Entity has achieved in the 2018/19 financial year compared to the 2017/18 year:

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: HISTORICALLY DISADVANTAGED INDIVIDUALS					
2014/15			2018/19		
Total Number (#)	Total Percentage (%)	Total Value (R)	Total Number (#)	Total Percentage (%)	Total Value (R)
113	57.23	9,272,485.14	154	63	215,284,488.62

Table 1.3.: Analysis of Awards to HDI's

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: WOMEN					
2014/14			2018/19		
Total Number (#)	Total Percentage (%)	Total Value (R)	Total Number (#)	Total Percentage (%)	Total Value (R)
63	20.18	4,725,512.61	153	32	117,471,371.36

Table 1.4.: Analysis of Awards to Women

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: YOUTH					
2014/15			2018/19		
Total Number (#)	Total Percentage (%)	Total Value (R)	Total Number (#)	Total Percentage (%)	Total Value (R)
35	16.71	1,887,031.23	13	9	23,443,610.51

Table 1.5.: Analysis of Awards to Youth

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: PEOPLE WITH DISABILITIES					
2014/15			2018/19		
Total Number (#)	Total Percentage (%)	Total Value (R)	Total Number (#)	Total Percentage (%)	Total Value (R)
5	3.11	58,963.81	1	0	13,758.48

Table 1.6: Analysis of Awards to PWD's

Source: 2014/15 and 2018/19 Gauteng Department of Roads and Transport Annual Report



## National Development Plan, 2030 & MTSF

In the next five years, the Entity is committed in making a meaningful contribution towards the priorities of the National Development Plan and Medium Term Strategic Framework (MTSF). With a keen focus on the below Priorities as set out on the MTSF: -

**Priority 1:** Building a Capable, Ethical and Developmental State,

**Priority 2:** Economic Transformation and Job Creation,

**Priority 7:** A better Africa and World

Government MTSF priorities	Government Outcomes	Responsible g-Fleet Programme Outcomes
Economic transformation and job creation <i>(Speeding up growth and transforming the economy to create decent work and sustainable livelihoods)</i>	Decent employment, through inclusive economic growth	<ul style="list-style-type: none"> <li>Township Economy Revitalization (TER)</li> </ul>
Building a capable, ethical and developmental state <i>(Building a developmental state, including improvement of public services and strengthening of democratic institutions)</i>	An efficient, effective and development orientated public service and empowered, fair and inclusive citizenship	<ul style="list-style-type: none"> <li>Improve efficiency &amp; customer service</li> <li>Maximise return on investment</li> <li>Safeguard state assets</li> <li>Clean administration</li> <li>Improved debt collection</li> <li>Improve turnaround times and performance through automation</li> <li>Improve customer satisfaction and loyalty</li> </ul>
A better Africa and world <i>(Pursuing African development and enhanced international cooperation)</i>	Create a better South Africa, a better Africa and a better world  Promotion of the energy efficiency and reduction of emission in all transport modes	Reduce the Entity's Carbon footprint

## **An Overview of the Five-Year Priorities/Plan/Focus**

In order to support the objectives of the 6th administration in Transport and to grow the Gauteng Economy key strategic priorities have been identified anchored around three focus areas namely Infrastructure, Operations and Institutions underpinned by Technology and green transport, integrated and fused into smart mobility that will support Gauteng's 2030 vision.

With the 4IR upon us, g-FleeT Management has an opportunity to grow and be a leading fleet management Entity within the Public Sector. This can be achieved by leveraging on Technology by providing smart fleet management solutions that will assist in accelerating service delivery and grow Gauteng.

g-Fleet strive to clearly distinguish itself from its peers by offering value services to its customers - in this regard g-FleeT will therefore continue to automate routine and high volume transactions and processes and will continue to build a robust and secure Information Technology (IT) infrastructure to ensure that we successfully carry out the Fleet mandate. The Entity will continue to provide comprehensive tracker system to ensure government assets are safe guarded.

In the next five years, the Entity will review organisational structure and service delivery model to ensure alignment 2020–2025 Strategic Plan. While reviewing the organisational structure, the entity will make provision for regional offices to be properly resourced. The Entity will maximise its performance through prudent and ethical management of its resources. The Entity wants to develop a high-performance culture and efficient fleet management operations. g-FleeT will identify, recruit and retain the right people (diverse, engaged and highly skilled) to maintain excellence in its operations.

Our employees are to be highly skilled at addressing issues of fleet operations management, customer care and be disciplined in maintaining organisational processes and governance. It is therefore essential to maintain a work environment that supports employee innovation, employee growth and development, by providing employees with the skills and tools they need to perform their jobs, and to be productive.

The Entity will continue to improve internal control systems in line with good practices of corporate governance. Furthermore, the Entity will continue to implement and streamline our governance processes to increase transparency, fairness and accountability in key

decision making processes and structures. The Entity also commit to practice prudent financial management to ensure that units use resources efficiently and operate with fiscal responsibility and discipline. Importantly, we will continue to adopt a zero-tolerance approach to fraud and corruption within and outside g-FleeT.

Reduction of hazardous environment by improving our work environment is a continuous effort. As such, g-FleeT will take the necessary steps to ensure that the identified hazardous risks are resolved. In addition, g-FleeT will strongly focus on ensuring that physical working conditions and general health and safety matters are conducive to productive work environment.

A rise in vehicle maintenance costs, fuel consumption, regulations and accidents have all made the need for better and more effective fleet management solutions and service a requirement. As such, g-FleeT will need to redesign and refocus operating model to grow our business by improving efficiencies within the system, reduce turnaround times and improve the quality of service we offer our customers while taking cognisance of budget constraints currently experienced by our customers.

The key influencers of the strategic direction are the automotive market trends, which forms the context within which service delivery is performed. The key driver, which is the client department's needs defines what services need to be performed under the service requirements. The Entity will continue to strengthen relationships with respective client departments and strive to ensure that recommendations made by clients in the 2019 Customer Satisfaction Survey are implemented.

## **THE “NEW NORMAL” CREATED BY COVID-19 PANDEMIC**

In this new unprecedented reality, we are witnessing a dramatic restructuring of the economic and social order in which business and society have traditionally operated. The shock to our livelihoods from the economic impact of virus-suppression efforts could be the biggest in nearly a century. This is likely to lead to a decline in economic activities over years to come.

The big question the entity is asking itself is what will it take to navigate this crisis, now that our traditional metrics and assumptions have been distorted?

Our answer is a call to act across three stages, leading from the crisis of today to the next normal that will emerge after the battle against coronavirus has been won: Resilience, Return, and Reimagination.

## **Resilience**

In the face of these challenges, resilience is a vital necessity. Near-term issues of cash management for liquidity and solvency are clearly paramount. But soon afterward, the entity will act on broader resilience plans as the shock begins to upturn established industry structures, resetting competitive positions forever. Our biggest challenge is the need to make difficult “through cycle” decisions that balances economic and social sustainability.

## **Return**

Returning businesses to operational health after a severe shutdown and attaining previous levels of workforce productivity is extremely challenging. We will therefore continuously reassess the entire business system and plan for contingent actions in order to return our business to effective production at pace and at scale.

## **Reimagination**

The crisis reveal not just vulnerabilities but opportunities to improve our business performance. Pursuit of operational efficiency gives way to the requirement of resilience. The online world of contactless commerce could be bolstered in ways that reshape customer behaviour forever therefore will be centre stage of our operations. In addition, decisions about how far to flex operations without loss of efficiency is of paramount importance.

As such, we will focus on pushing adoption of technology at an accelerated speed by rapid learning about what it takes to drive productivity when labour is unavailable. The result: a stronger sense of what makes business more resilient to shocks, more productive, and better able to deliver to customers.

The aftermath of the pandemic therefore provides an opportunity to learn from a plethora of social innovations and experiments, ranging from working from home to complete automated business operations.

As such, response to COVID-19 over the next five years will focus on:

- Introducing interventions to help prevent the transmission of COVID-19 by developing and monitoring of protocols for all g-FleeT vehicles
- Prudent management of liquidity and solvency
- Focused approached to Occupational Health & Safety compliance.
- Accelerated Information Technology Infrastructure Programme.

### **4.1. External Environment Analysis**

The South African weak economic environment has resulted in declining state tax revenues which necessitated the National Treasury to introduce budgets cuts across the government spectrums. The lack of economic growth in the South African economy is the most pressing issue facing our industry. The growing attention on fleet management has been based on budget shortfalls which states are now experiencing.

As such, the National Treasury is seeking to cut budget allocations by a total of 18% in this MTEF. (5% in 2020/21, 6% in 2021/22 and 7% respectively). Specifically, departments have been asked to prepare proposals on how to reduce expenditure in a way that has the least impact on service delivery.

Budget cuts are triggering reforms in the public sector. The underlying pressure comes from the need to improve services and customer experiences. The major challenge is therefore finding new ways to improve services while remaining within tight budget expenditure limits.

The effective management of any fleet is highly dependent on the use of the state of art world class fleet management technologies with real time financial and operational data that will not only highlight the way in which fleet vehicles are being driven and handled, but also show the full cost of vehicles in the fleet.

With 'going green' also being top of mind these days, proactive businesses are starting to investigate ways in which to operate in an eco-friendly manner and report as such in their sustainability reports.

Predominantly the South African fleet management industry is under the control of approximately ten (10) major players that g-FleeT Management is vie-ing in. Over the past five (5) years g-FleeT's average fleet costs have increased by an average of 9.5% per annum which is 3% below the average industry norm of approximately 12% per annum.

There is a growing desire for fleet management entities to provide integrated systems which encompass all aspects of managing a fleet, including the provision of

- Finance,
- Client profiling,
- Driver management and training,
- Maintenance of the vehicles,
- The payment of fines, and
- e-Toll administration.

With the average inflation rate of 5.2% and volatile ZAR/USD the future of fleet management in South Africa is supporting the need to reduce future fleet costs through direct cost savings or increased efficiency. This is not simply restricted to fleet management but will be achieved in conjunction with technology gains in service delivery.

In pursuing its mandate g-FleeT operates within the Transport industry, specifically in the fleet management sector along with other rental and leasing companies and entities.

The fleet management market reacts promptly to economic and political conditions that lead to currency fluctuations and increases in the repurchase rate. Pressure on business spending is probably to see slower or lower growth in new car sales.

The transport industry just like any industry evolves with time and faces changes relating to fuel costs, fuel emissions, road space availability and parking space. There are attempts at powering vehicles with alternative sources of energy where fuel is concerned. There are few trends in the market which will have an impact on g-FleeT's ability to carry out its mandate.

### **Fleet Management Trends Shaping South Africa**

The shift from the Third Industrial Revolution to the Fourth Industrial Revolution is changing traditional business models. From an economy driven by digital technologies, the shift now is on technologies based on the smart use of information derived from Internet of Things (IoT) technology. Businesses now use smart technologies to gain access to vital information that will enable them to drive efficiency and productivity.

The fleet industry is currently undergoing digital shifts forced by the need to improve efficiencies and minimize the spending's. Fleets that aren't up-to-date with the latest trends and updated fleet management software may find it difficult to be relevant in the industry that continues to move ahead.

There's no denying the fact that development in the fleet industry will continue every year. But with this, the competition is also increasing. If g-FleeT want to stay ahead of the trend, it must stick to the best fleet tracking app and unlock your fleet's potential.

### **Below are some of the significant trends that revolutionize the industry.**

**Telematics and Fleet Data** - The shift to the Fourth Industrial Revolution and the rise of its related technology have helped forge a new future for the logistics industry. Whether you're operating a fleet of 5 or 10 vehicles, logistics businesses now need telematics aid to cut expenses and drive efficiency.

With the ability to produce and simplify Big Data, fleets are now able to gain insights into their vehicle activities. This has enabled fleet managers to identify and take action on important issues in their fleets.

**Data Management and Visibility** - Digitization has enabled users to instantly transfer real-time information resulting in a streamlined data collection, reduced paper work and quick access to information for administrators. The solutions for fleet management companies are continuously evolving. It is helping fleet managers to transform from being reactive to proactive, thus reducing the unexpected issues and the vehicle downtime.

**Data Protection** - In terms of vulnerability to global cybersecurity attacks, South Africa ranks sixth on the list of most-targeted nations for cyber-attacks. This is according to the global Cyber Exposure Index, which also discovered that the exposed companies scored 300 + on the Exposure Index.

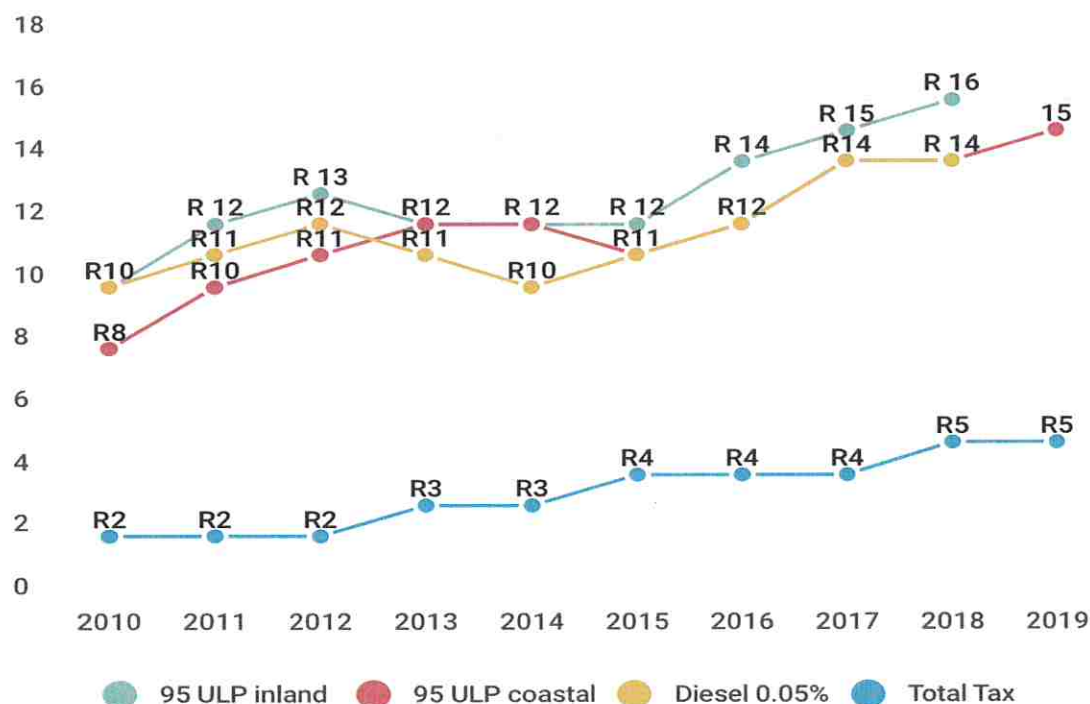
**Using Technology to Manage Fleet Costs** - Understanding costs is an important function for any business. The most considerable costs include vehicle maintenance, replacement, fuel etc. Previously, fleet managers had to spend numerous hours to update accounting numbers and this unexciting work was open to errors. As fleet management solutions continued to expand, the burden of tasks like data entry was lessened. This allowed fleet managers to calculate the cost per vehicle.

**Maintenance Management:** fleet managers ought to depend on software to decrease the work pressure. Best Fleet Management Software help to optimize the fleet operations with automatic updates, merged billing and the end of data entry. As increasingly fleet information becomes accessible, the requirement for a sorted-out fleet management database to gather and break down patterns grows exponentially.

**Fuel Consumption and Expenses:** Fuel has become a very large component of overall fleet costs. When the rand weakens, fuel prices are likely to increase due to higher transportation costs. It is estimated that fuel costs to be around 46% to 48% of operating costs, depending on the vehicle. Vehicle condition and driver behaviour are also contributing factors that will impact on fuel costs. Fuel costs can be controlled and managed with fleet reporting that indicates fuel efficiency against national averages. The cost of fuel in South Africa has nearly doubled (92.90%) over the past decade, despite a relative decline in global oil prices.

The increase can be attributed to the weak rand, which declined from around R8 to the US dollar in 2010, to R14 in December 2019 and increases in taxes on fuel (**See table 1.1**) Taxes on fuel now make up 35% of the overall fuel price, up from 28% in 2010.

**Table.1.1**



The inland petrol, coastal petrol, and diesel prices the past ten years compared to the total tax added. *Source: Business Insider*

**New Technology with Accident-prevention Features:** Parking lots pose many hazards, especially when reversing from a parking spot. According to PHH Arval's research, parking lot crashes are the most prevalent cause of harm to fleets. Moreover, the latest study by the Insurance Institute for Highway Safety (IIHS) demonstrates that 20% of all car crashes occur in parking lots. Equipped with technology capable of detecting in-reverse vehicle movement, your drivers will not blindly reverse into oncoming traffic.

**Using Dashboard Cameras to Monitor Distracted Driving:** According to the National Highway Traffic Safety Administration (NHTSA), more than 3,400 car accident fatalities in 2016 were caused by distracted driving. The major distraction was cell phone use followed by eating and drinking, private grooming, watching videos, and talking to passengers. In addition to allowing fleet managers to gain insight into poor driving practices, the integration helps fleet managers access video footage to identify risky driving behaviours that cannot be captured by telematics.



**Integrating with Other Systems and Applications:** With the growing customer requirements, it has become almost impossible to run a fleet with telematics alone. The integration of telematics with other platforms has become a real thing. This not only expands the use and efficiency of telematics but also enables fleets to improve data quality and achieve a deeper understanding of the fleet's behaviour and needs.

**Reducing Emissions:** The competition for fuel efficiency and pressures from emissions tax has led to the supply of eco-friendly vehicles with reduced emissions. In 2010 the government introduced the CO2 emissions tax. In 2016, the rate increased from R90 to R100 for every gram above 120g/km for passenger vehicles and from R125 to R140 for double cabs.

**Autonomous Fleet of Vehicles:** The introduction of electric vehicles and the launch of autonomous vehicles on a large scale. However, it is still early to discuss the potential influence of vehicle autonomy, their abilities, and the way it surpasses everyday life and productivity.

## **The Customer Survey - 2019**

The overall score achieved is 76% in 2019 compare to 93% achieved in 2017. The overall score is good considering challenges the organisation is facing. Some of the key issues highlighted by our customers included longer turnaround times on authorisation of repairs, accidents & mechanical repairs, VIP services not available at a short notice, insufficient training on Fleet Information System (FIS); the system (FIS) must fulfil the need of the customer and motor vehicle license disc not delivered on time. Some of the suggestions made by our customers includes that the organisation must improve its communication and feedback, answer calls quicker, meet with Accounts Managers on regular basis, improve turnaround times on vehicle repairs, employ more staff and improve overall service, improve and upgrade the FIS system, provide training and have user friendly systems, ensure vehicles are clean, customers must be able to take vehicle for repairs in their areas, increase number of regional offices and customer prefer to deal directly with g-FleetT officials as they are considered by customers to be more experienced and helpful.

## **4.2. Internal Environment**

### **Service Delivery Environment**

The Entity is mandated to provide effective, competitive, efficient and reliable fleet services to government departments. These services are offered to all spheres of government. During the financial year under review, the Entity owned and managed a fleet of approximately 8 000 vehicles and continued to offer various government departments a variety of fleet management services including:

- Full maintenance leases (FMLs).
- Short-term motor rentals.
- Chauffeur driven.
- Fuel card services (for paying for fuel, toll gate fees etc.).
- Managed maintenance.
- Telematics.
- Accident management.
- Roadside assistance.
- Licence and traffic fines administration.

The concept of “Growing Gauteng Together Through Smart Mobility, 2030” implies that g-FleeT Management must provide client departments with smart fleet management solutions at a cost-effective price to ensure service delivery mandates are not compromised. This will allow the clients departments to serve communities within their areas of work effectively and efficiently. The entity will continue profile each client department with a view of proactively responding to various client needs.

### **Organizational Structure and Service Delivery Model**

The Entity continued to utilise the organogram approved in 2012. The entity currently has a vacancy rate of 27% or 73 vacancies out of the total staff establishment of 275. This is way above DPSA norm of 10%.

The process of approving the proposed Service Delivery Model, Business Case and the proposed Organisational Structure that was updated in February 2017 was not concluded. The Entity through the Department of Roads and Transport has started the process of reviewing the organisational structure and services delivery model. This process is anticipated to be concluded by August 2020 and concurrence from DPSA will be obtained by March 2021.

g-FleeT is competing with the private sector directly therefore a need for adoption of strong business principles like a private leasing company to remain competitive and provide good service to its clients.

In order to grow and sustain itself, g-FleeT must develop a high-performance culture and efficient fleet management operations. g-FleeT must identify, recruit and retain the right people (diverse, engaged and highly skilled) to develop excellence in its operations and to enable implementation of future strategies.

For the operations of the Entity to fully attain the five (5) year strategic imperatives the following key aspect must be relooked and attended in the next 12 to 18 months: -

- ☐ Review and approval of the medium-term service delivery model,
- ☐ Review and approval of the organisational structure, to ensure the organisation fill all critical position with personnel who are fit for purpose,
- ☐ Development or acquisition of fleet management solution that will integrate key business operations and other systems,
- ☐ Development or acquisition of an Asset Management Solution, and
- ☐ Optimise revenue by embarking on a marketing strategy that will focus on all state institutions including SOCs, and Public Entities,

### **The Swot Analysis**

It is imperative for g-FleeT to fully take advantage of its strengths and opportunities while redressing strategic threats and weaknesses.

SWOT	DESCRIPTION
Strength	<ul style="list-style-type: none"> <li>▪ Biggest government fleet manager in Gauteng Province,</li> <li>▪ Strong balance sheet to drive and sustain growth,</li> <li>▪ Diverse list of vehicles from RT57 contract (National Treasury transversal contract),</li> <li>▪ Proven track record and experience in managing government fleet,</li> <li>▪ Footprint in other provinces (Western Cape, Eastern Cape and KwaZulu-Natal),</li> <li>▪ Long-term and intimate relations with government departments (clients) (established market segment),</li> <li>▪ Frontline staff capacitated with fleet knowledge and products</li> <li>▪ Competitive pricing</li> </ul>
Weakness	<ul style="list-style-type: none"> <li>▪ Longer turnaround times for accident repairs,</li> <li>▪ Lack of modern technologies/lack of automation of internal processes, and</li> <li>▪ Internal workshops not optimally utilised</li> </ul>

Opportunity	<ul style="list-style-type: none"> <li>▪ Use of technology to reduce turnaround times, improve internal business processes, improve services while reducing cost of doing business</li> <li>▪ Use of technology for data management, analysis and forecasting</li> <li>▪ Government departments and entities that do not utilize g-FleetT services</li> <li>▪ Exploration of the new markets &amp; services such as municipalities: Construction vehicles, Specialized municipality vehicles, Waste Management vehicles</li> <li>▪ Partnerships with other state institutions to optimise internal workshop and establish a Fleet Innovative Hub within Gauteng,</li> <li>▪ Provision of the expert advice/ consulting services on all fleet management challenges within the government sector.</li> </ul>
Threat	<ul style="list-style-type: none"> <li>▪ Minimum compliance levels to Occupational Safety Standards (OHS)</li> <li>▪ Poor document management (non-compliance to required standards, inability to retrieve documents and fire hazards)</li> <li>▪ Dependency on the RT46 for Fleet Information System, Maintenance of Vehicles and reports for management and decision making</li> <li>▪ Continuous budget cuts to our customers and tight competition from the private sector</li> <li>▪ Subsidized state vehicles to state officials</li> <li>▪ Lack of integrated ICT systems</li> <li>▪ Reliant on manual process leading to delays and errors in processing credible information.</li> <li>▪ High road accident rate in South Africa</li> </ul>

## Part C: Measuring Our Performance

### 5. Institutional Programme Performance Information

#### Programme1: Operational Management Services

Purpose: This programme is responsible for providing fleet management services that are effective, and client focused.

The following are sub-programme of the structure:

- Permanent Fleet
- Finance
- Transport Support Services
- Fleet Maintenance
- Communications

## Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19		2019/20	2020/21	2021/22
Reduced Carbon footprint from the Entity	Passenger vehicles below 120g/KM (environmentally friendly)	% of passenger vehicles with CO2 emissions below 120g/KM	n/a	n/a	n/a	n/a	1%	2%	2%
Improve efficiency & customer service	Average age of fleet	Average age of fleet				≤ 4 years	≤4 years	≤4 years	≤4 years
Maximised return on investment	Percentage of vehicles auctioned	Percentage of vehicles auctioned as per approved list by 2024	-	-	91%	80%	60%	80%	80%
Safeguard state assets	Vehicles tracked	% of in-service vehicles tracked	90%	93.6% (6230)	93.1% (6655)	93%	85%	93%	93%
Improve efficiency & customer service	Turnaround time on mechanical repairs.	Number of days taken for mechanical repairs.	19.5 days	15 days	12 days	15 days	20 days	15 days	15 days
Improve efficiency & customer service	Turnaround time on accident repairs	Number of days taken for accident repairs.	32 days	33 days	49 Days	45 days	40days	30 days	30 days
Improve client experience Improve customer satisfaction and loyalty	Percentage of Client satisfaction	% of client satisfaction	89%	-	74%	-	78%	-	85%

### Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
% of passenger vehicles with CO2 emissions below 120g/KM	1% of passenger vehicles with CO2 emissions below 120g/KM.				1%
Average age of fleet	≤4 years				≤4 years
% of vehicles auctioned	60% of vehicles auctioned				60% of vehicles auctioned throughout the year.
% of in-service vehicles tracked	85% of in-service vehicles tracked	75%	75%	80%	85%
Number of days taken for mechanical repairs	20 days	15 days	20 days	20 days	20 days
Number of days taken for accident repairs.	40 days	30 days	40 days	40 days	40 days
% of client satisfaction	78%				78%

### Programme2: Corporate and Financial Management

Purpose: This programme is responsible for ensuring a well-run organisation by designing and maintaining effective systems and processes that will result in optimal use of the Entity's assets in delivery of services.

The following are sub-programmes in the structure:

- VIP and Pool
- Finance
- Information and Communication Technology
- Fleet Maintenance

## Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Maximise return on investment	Average % of rental days utilised	Average % of rental days utilised by VIP self-drive vehicles.	66.35%	64.84%	42.36%	50%	50%	54%	56%
Maximise return on investment	Average % of rental days utilised	Average % of rental days utilised for Pool vehicles	-	91.14%	85.14%	69%	69%	73%	75%
Clean Administration	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Clean Audit opinion from AGSA	Clean Audit opinion from AGSA
Township Economy Revitalization (TER)	Spending on Township businesses	30% of procurement spent on goods and services, and construction (Excluding all Transversal contracts TR3, RT15, RT46 and RT57 etc. All non-procurement spent e.g Municipal Accounts, AG, Claims Against State)	-	-	-	-	30%	30%	30%
Improved debt collection	Reduced debtor's collection	Average debtors' collection days (excluding outstanding	22% (119 days)	2% (117 days)	13.09%	20% (Excluding amounts owed by clients that have	15% (Excluding amounts owed by clients	15% (Excluding amounts owed by clients	15% (Excluding amounts owed by clients that have

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
		g balances of clients that have payment arrangements with the entity)				submitted written payment arrangements)	that have submitted written payment arrangements)	that have submitted written payment arrangements)	submitted written payment arrangements)
Improve efficiency & customer service services	ICT Strategy developed and implemented	ICT Strategy developed and implemented	-	50% of phase 1 implemented	Phase 2 implementation of ICT strategy  FIS Market research completed.  PABX implemented  Microsoft 365 implemented.	Drafting of ICT Strategy	1 Module / process approved in the strategy developed and implemented	4 Modules / processes approved in the strategy developed and implemented	4 Modules / processes approved in the strategy developed and implemented

### Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Average % of rental days utilised by VIP self-drive vehicles.	50% of rental days utilised for VIP self-drive vehicles	50% of rental days utilised for VIP self-drive vehicles	50% of rental days utilised for VIP self-drive vehicles	50% of rental days utilised for VIP self-drive vehicles	50% of rental days utilised for VIP self-drive vehicles
Average % of rental days utilised for Pool vehicles	69% of rental days utilised for Pool vehicles	69% of rental days utilised for Pool vehicles	69% of rental days utilised for Pool vehicles	69% of rental days utilised for Pool vehicles	69% of rental days utilised for Pool vehicles
Unqualified opinion from Auditor General	Unqualified opinion from Auditor General		Unqualified opinion from Auditor General		
30% of procurement spent on goods and services, and construction. (Excluding all Transversal contracts TR3,	30% of procurement spent on goods and services, and construction. (Excluding all Transversal contracts TR3,				30%



Output Indicators	Annual Target	Q1	Q2	Q3	Q4
RT15, RT46 and RT57 etc. All non-procurement spent e.g Municipal Accounts, AG, Claims Against State)	RT15, RT46 and RT57 etc. All non-procurement spent e.g Municipal Accounts, AG, Claims Against State)				
Average debtors' collection days (excluding outstanding balances of clients that have payment arrangements with the entity).	15% (excluding outstanding balances of clients that have payment arrangements with the entity)	15%	15%	15%	15%
ICT Strategy developed and implemented	1 Module/ process approved in the strategy implemented	Draft ICT strategy and Implementation Plan	Tabling of the ICT strategy and implementation plan for approval	Process Mapping of the Module approved in the strategy	1 Module / process approved in the strategy developed and implemented

## 6. Explanation of planned performance over the medium-term period

Output	Contribution of the Output to the Outcome	Enabler	Contribution of the Outcome to the Impact
Reduced Carbon footprint from the Entity.	<p><b>Outcome: Reduce Entity's Carbon footprint</b></p> <ul style="list-style-type: none"> <li>Decreasing Green-House-Gas emissions produced by road transportation as expressed in the Green Transport Strategy for South Africa (2018-2050).</li> <li>The outcome indicator of passenger vehicle with CO2 emissions below 120g/KM is relevant to the outcome of reducing the entity's carbon footprint as the entity strives to minimise the impact of its core assets (vehicles) on the environment.</li> </ul>	<ul style="list-style-type: none"> <li>A fundamental enabler for achieving this outcome is for empowered leadership (decision makers) to demonstrate the functional, financial viability and environmental benefits of low-carbon emission vehicles. Thus, setting the tone for driver behavioural and cultural change.</li> </ul>	<p><b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b></p> <ul style="list-style-type: none"> <li>The outcome contributes to the achievement of the impact insofar as the entity responsible for the procurement and management of a fleet of more than 7 000 vehicles in the Gauteng province, is optimally positioned to reduce carbon emissions through the environmentally friendly vehicles it has in its fleet.</li> </ul>
Improve efficiency & customer service	<p><b>Outcome: Improve efficiency &amp; customer service</b></p> <ul style="list-style-type: none"> <li>The output to improve turnaround time on both accident and mechanical repairs is focused on managing downtime on vehicles under repairs as agreed upon with the RT46 service provider</li> </ul>	<ul style="list-style-type: none"> <li>Positive response by RT46 service provider(s).</li> </ul>	<p><b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b></p> <p>The outcome (improve efficiency &amp; customer service) allow for efficiencies to be realised and these efficiencies will be passed on to the customer thereby making</p>

Output	Contribution of the Output to the Outcome	Enabler	Contribution of the Outcome to the Impact
	to ensure availability of vehicles to the client department. This will in turn improve efficiency and improve customer service.		transport affordable to the customer.
Maximised return on investment	<p>Maximised return on investment</p> <p>Average % of rental days utilised for VIP self-drive vehicles</p> <ul style="list-style-type: none"> <li>The outcome indicators are relevant to the outcome, as vehicle utilization by client departments, directly lead to revenue generation.</li> </ul>	<ul style="list-style-type: none"> <li>An enabler for achieving this outcome is for management to focus on the retention of current client departments by ensuring that vehicles are relatively new, available and are in line with client needs</li> </ul>	<p><b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b></p> <ul style="list-style-type: none"> <li>Ensuring maximized utilization of vehicles will increase return on investment which will contribute to strengthen the stability, growth and sustainability of the entity</li> </ul>
Improve efficiency & customer service	<p><b>Outcome: Improve efficiency &amp; customer service</b></p> <p>The outcome to improve turnaround time on both accident and mechanical repairs is focused on managing downtime on vehicles under repairs as agreed upon with the RT46 service provider to ensure availability of vehicles to the client department. This will in turn improve efficiency and improve customer service.</p>	Positive response by RT46 service provider(s).	<p><b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b></p> <p>The outcome (improve efficiency &amp; customer service by reducing turnaround times) allow for efficiencies to be realised and these efficiencies will be passed on to the customer thereby making transport affordable to the customer.</p>

Output	Contribution of the Output to the Outcome	Enabler	Contribution of the Outcome to the Impact
Improve efficiency & customer service	<p><b>Outcome: Improve efficiency &amp; customer service</b></p> <p>The outcome to improve turnaround time on both accident and mechanical repairs is focused on managing downtime on vehicles under repairs as agreed upon with the RT46 service provider to ensure availability of vehicles to the client department. This will in turn improve efficiency and improve customer service.</p>	Positive response by RT46 service provider(s).	<p><b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b></p> <p>The outcome (improve efficiency &amp; customer service by reducing turnaround times) allow for efficiencies to be realised and these efficiencies will be passed on to the customer thereby making transport affordable to the customer.</p>
Safeguard state assets	<p>Safeguard state assets</p> <ul style="list-style-type: none"> <li>▪ To contribute to the mandate of Government to safeguard state assets at all times, the core business of the entity is to provide motor transportation to all Government departments it is of utmost importance to have this target at a strategic level.</li> <li>▪ The outcome indicator of tracking all government vehicles is relevant to the outcomes linked to reliable and safety of government</li> </ul>	<ul style="list-style-type: none"> <li>▪ Functioning vehicle tracking system</li> </ul>	<p><b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b></p> <ul style="list-style-type: none"> <li>▪ The outcome (safeguarding of the state assets by installing comprehensive vehicle tracking units) allow for vehicles to be tracked and traceable. This in turn is used for route optimisation, location of a vehicle at a particular point in time, monitor mileage, speed etc. All these have a direct impact on the sustainability of the asset</li> </ul>

Output	Contribution of the Output to the Outcome	Enabler	Contribution of the Outcome to the Impact
	vehicles as part of the g-Fleet mission, vision and values.		(vehicle) and safety and efficiencies.
Clean Administration	Clean Audit	Organisational structure supporting strategy	<b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b> Good Corporate Governance and clean administration ensure that the finances of the Entity are managed effectively and efficiently thereby ensuring sustainability of the Entity.
Township Economy Revitalization (TER)	<i>Township Economy Revitalization (TER)</i> Speed up growth and transforming the economy in the townships	Central Supplier Database (CSD)	<b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b> Direct impact on speeding up growth and transforming the economy to create decent work and sustainable livelihoods in townships
Improved debt collection	Revenue Growth	Budget constraints with client departments	<b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b> Implementation of Debtors Management Strategy. Revenue growth improves the financial sustainability of the Entity.
Maximised return on investment and reliable vehicles for clients	Reliable Vehicles Revenue growth from disposal of assets.	Positive response by bidders.	<b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b>

Output	Contribution of the Output to the Outcome	Enabler	Contribution of the Outcome to the Impact
			Disposal of vehicles timeously ensures that the Entity retain safe and reliable fleet. Revenue growth improves the financial sustainability of the Entity.
Improve efficiency and customer service	ICT Strategy developed and implemented <ul style="list-style-type: none"> <li>Automation to improve internal business processes to improve efficiency and reduce turnaround times while enhancing transparency</li> </ul>	Dependency and decision making of external stakeholders/SITA/eGOV, DRT: ICT	<b>Impact: A sustainable, safe, efficient, reliable and affordable fleet management solution.</b> The outcome (improve efficiency & customer service by reducing turnaround times) allow for efficiencies to be realised and these efficiencies will be passed on to the customer thereby making transport affordable to the customer.

## Programme Recourse Considerations

**Table:** Budget Allocation for programme and sub programmes as per the ENE and / or EPRE.

### EXPENDITURE ESTIMATES

Programme	Audited Outcomes (Actual)			Main Appropriation	Adjustment appropriation	Revised estimate	Medium Term Expenditure Estimate		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
R thousand	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2020/21	2021/22	2022/23
1. Administration	88 348	88 537	75 157	72 735	42 394	115 129	115 129	78 531	83 387
2. Operations	718 670	856 083	714 589	861 177	(186 728)	674 449	679 449	891 685	970 024
<b>TOTAL</b>	<b>807 018</b>	<b>944 620</b>	<b>789 746</b>	<b>933 912</b>	<b>(144 334)</b>	<b>789 578</b>	<b>789 678</b>	<b>970 216</b>	<b>1 053 411</b>

### EXPENDITURE ESTIMATES

Economic Classification	Audited Outcomes (Actual)			Main Appropriation	Adjustment appropriation	Revised estimate	Medium Term Expenditure Estimate		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
R thousand	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2020/21	2021/22	2022/23
<b>Current Payments</b>	<b>446 651</b>	<b>505 170</b>	<b>524 150</b>	<b>563 946</b>	<b>(63 008)</b>	<b>500 938</b>	<b>505 938</b>	<b>569 360</b>	<b>602 514</b>
Compensation of employees	85 126	99 436	93 779	116 124	(19 191)	96 933	96 933	110 014	115 774
Goods and Services	361 525	405 734	430 371	447 822	(43 717)	404 005	409 005	459 346	486 740
<b>Payment for Capital Assets</b>	<b>360 367</b>	<b>439 450</b>	<b>265 796</b>	<b>369 966</b>	<b>(81 326)</b>	<b>288 640</b>	<b>288 640</b>	<b>400 856</b>	<b>450 897</b>
Buildings and other fixed structures	5 004	14 520	6 524	-	27 000	27 000	27 000	-	-
Software and other intangible assets	5 873	1 400	1 500	-	5 000	5 000	5 000	-	-
Computer Hardware	3 250	1700	1 000	400	100	500	500	525	550
Office Furniture	1 102	500	-	-	-	-	-	-	-
Acquisition of Motor Vehicles	335 762	420 840	255 447	369 250	(119 250)	250 000	250 000	400 000	450 000
Machinery and Equipment	4 376	-	300	316	2 499	2 815	2 815	331	347
Security projects	-	400	-	-	2 925	2 925	2 925	-	-
Tents, Flags & Accessories	-	-	250	-	-	-	-	-	-
Audio Visuals Equipment	-	-	100	-	-	-	-	-	-
Building Air-Con System	-	-	425	-	400	400	400	-	-
Mobile Toilets	-	-	250	-	-	-	-	-	-
<b>TOTAL</b>	<b>807 018</b>	<b>944 620</b>	<b>789 946</b>	<b>933 912</b>	<b>(144 334)</b>	<b>789 578</b>	<b>789 578</b>	<b>970 216</b>	<b>1 053 411</b>

## REVENUE ESTIMATES

	Audited Outcomes (Actual)			Main Estimate	Adjusted estimate	Revised estimate	Medium Term Revenue Estimate		
	R'000 2017/18	R'000 2018/19	R'000 2019/20	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2021/22	R'000 2022/23
R thousand									
Revenue from leases	760 000	836 000	850 000	892 500	(112 500)	780 000	780 000	1 028 500	1 131 350
Interest income	20 447	42 000	72 000	75 600	(31 600)	44 000	44 000	80 000	80 000
Government employee transport services	1 680	1 500	1 700	1 700	(300)	1 400	1 400	1 700	1 700
Revenue – Auctions	60 900	63 949	70 000	70 000	(15 000)	55 000	55 000	80 000	90 000
<b>TOTAL</b>	<b>843 027</b>	<b>943 445</b>	<b>993 700</b>	<b>1 039 800</b>	<b>(159 400)</b>	<b>880 400</b>	<b>880 400</b>	<b>1 190 200</b>	<b>1 303 050</b>

## Summary of payments and estimates by sub-programme: Administration

Programme	Audited Outcomes (Actual)			Main Appropriation	Adjustment appropriation	Revised estimate	Medium Term Expenditure Estimate		
	R'000 2017/18	R'000 2018/19	R'000 2019/20	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2021/22	R'000 2022/23
R thousand									
1.Office of the CFO	10 769	8 891	9 086	8 443	102	8 545	8 545	7 757	8 147
2 Financial services	15 558	15 923	16 894	20 205	(1 085)	19 120	19 120	21 775	22 956
3.Office of the CEO	5 390	3 371	3 657	3 086	931	4 017	4 017	4 221	4 436
4.Corporate Services	56 631	60 352	45 520	41 002	42 445	83 447	83 447	44 778	47 848
<b>TOTAL</b>	<b>88 348</b>	<b>88 537</b>	<b>75 157</b>	<b>72 736</b>	<b>42 393</b>	<b>115 129</b>	<b>115 129</b>	<b>78 531</b>	<b>83 387</b>



Economic Classification	Audited Outcomes (Actual)			Main Appropriation	Adjustment appropriation	Revised estimate	Medium Term Expenditure Estimate		
	R'000 2017/18	R'000 2017/18	R'000 2019/20	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2021/22	R'000 2022/23
R thousand									
Current Payments	68 521	69 927	65 307	72 335	4 468	76 804	76 804	78 006	82 837
Compensation of employees	31 788	35 561	31 892	40 413	(5 440)	34 973	34 973	41 515	43 755
Goods and Services	36 733	34 366	33 415	31 923	9 908	41 831	41 831	36 491	39 082
Payment for Capital Assets	19 827	18 610	9 849	400	37 925	38 325	38 325	525	550
Buildings and other fixed structures	5 004	14 520	6 524	-	27 000	27 000	27 000	-	-
Software and other intangible assets	5 873	1 400	1 500	-	5 000	5 000	5 000	-	-
Computer Hardware	3 250	1 700	1 000	400	100	500	500	525	550
Office Furniture	700	500	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	2 500	2 500	2 500	-	-
Security projects	5 000	90	-	-	2 925	2 925	2 925	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Tents, Flags & Accessories	-	-	250	-	-	-	-	-	-
Audio Visuals Equipment	-	-	100	-	-	-	-	-	-
Air-Con System	-	-	50	-	400	400	400	-	-
Mobile Toilets	-	400	425	-	-	-	-	-	-
TOTAL	88 348	88 537	75 157	400	37 925	115 129	115 129	78 531	83 388

### Summary of payments and estimates by sub-programme: Operations

Programme	Audited Outcomes (Actual)			Main Appropriation	Adjustment appropriation	Revised estimate	Medium Term Expenditure Estimate		
	R'000 2017/18	R'000 2018/19	R'000 2019/20	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2020/21	R'000 2021/22	R'000 2022/23
R thousand									
1. Chief Operating Officer	1 690	444	472	1 787	(9)	1 778	1 778	1 870	1 964
2. Customer Management Services	11 367	12 257	11 886	12 432	1 562	13 994	13 994	15 696	16 525
3. VIP & Pool	16 213	21 508	21 421	22 460	(2 541)	19 919	19 919	20 955	22 008
4. Fleet Maintenance	119 218	156 009	166 012	179 198	(42 086)	137 112	137 976	184 773	193 726
5. Transport Support Services	226 862	236 786	251 233	266 047	(21 338)	244 709	244 709	261 201	278 224
6. Permanent Fleet	343 320	429 080	263 565	379 253	(122 317)	256 936	256 936	407 190	457 577
TOTAL	718 670	856 083	714 589	861 177	(186 728)	674 449	674 449	891 685	970 024

Economic Classification	Audited Outcomes (Actual)			Main Appropriation R'000 2020/21	Adjustment appropriation R'000 2020/21	Revised estimate R'000 2020/21	Medium Term Expenditure Estimate		
	R'000 2017/18	R'000 2018/19	R'000 2019/20				R'000 2020/21	R'000 2021/22	R'000 2022/23
R thousand									
Current Payments	378 130	435 243	458 842	491 611	(67 477)	424 134	424 134	491 354	519 677
Compensation of employees	53 338	63 875	61 886	75 711	(13 750)	61 961	61 961	68 500	72 018
Goods and Services	324 792	371 368	396 956	415 900	(53 727)	362 173	362 173	422 854	447 659
Payment for Capital Assets	340 540	420 840	255 747	369 566	(119 251)	250 315	250 315	400 331	450 347
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Computer Hardware	-	-	-	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-	-	-	-
Acquisition of Motor Vehicles	336 164	420 840	255 447	369 250	(119 250)	250 000	250 000	400 000	450 000
Machinery and Equipment	4 376		300	316	(1)	315	315	331	347
<b>TOTAL</b>	<b>718 670</b>	<b>856 083</b>	<b>714 589</b>	<b>861 177</b>	<b>(186 728)</b>	<b>674 449</b>	<b>674 449</b>	<b>891 685</b>	<b>970 024</b>

### Contribution of resources towards achievement of outputs.

During the Strategic Planning Session, Annual Budget Estimates were determined at an overall as per economic classification which also included all capital projects. A conservative budget approach was adopted in line with the budget guidelines:

- Adequately provides for each business units' capital and current goods and services expenditure requirements.
- Includes revenue estimates for the MTEF period.
- Includes project estimates included in the budget per economic classification for the MTEF period.
- Enables the achievement of the entity's pre-determined targets relating to providing fleet management services that are effective, efficient and client-focused and ensuring a sustainable and well governed organisation.

### Expenditure trends linked

g-Fleet operates as a Trading Entity in terms of the Public Finance Management Act of 1999 [Act 1 of 1999] aligned to business principles similar to that of a private fleet company; which is not profit driven but needs to ensure that it is financially self-sustaining. g-Fleet must be able to pay for all operational expenses through revenue generated from leasing of vehicles to client departments. The entity does not receive any voted funds from Provincial Treasury.

The Entity is responsible for providing effective, competitive, efficient and reliable fleet services. The Entity acquire vehicles and lease them out to various client departments on short or long term basis. The services offered by g-Fleet are provided to National Departments, Provincial Departments and Municipalities.

The buying and leasing of vehicles is based on the need by the client departments. The entity also provides for the maintenance of vehicles as well as tracking of vehicles.

A large percentage of the Entity's budget is allocated for acquisition of motor vehicles and spending goods and services. The goods and services budget comprises of budget for maintenance of vehicles, fuel, spares, accessories, tyres, e-tolls, vehicle registration and vehicle tracking.

The Entity acquires on average 1000 vehicles annually, most of the acquisitions are replacement of old fleet with some being new acquisitions. This trend of acquiring new vehicles is expected to continue in 2020/21 and is aligned to the sustainability and growth path of the Entity. Most of the vehicles are acquired through the RT57 transversal term contract. The vehicle purchase price fluctuations are mainly due to currency exchange rates fluctuations. These inflationary anomalies are taken into consideration when developing the MTEF budget figures.

The entity developed service delivery model during the 17/18 financial year. The Service Delivery Model [SDM] provides the transformation framework towards a developmental, modernized and innovative mode of service delivery by the Entity. It shall directly contribute to a longer term and sustainable system for the delivery of a modernized, automated & client orientated mode of rendering government fleet services. The Service Delivery Model informed the organizational diagnosis in terms of the current and proposed organizational configuration of g-Fleet and will continue to inform and transform the institutional capacity and capability of the Entity over the next coming years until the optimal mode of service delivery has been achieved. The overall aims are to improve efficiency, modernize the rendering of services in line with the standards that a city region deserves, provide value for money through optimal use of resources, eliminate duplications & reduce transaction times.

Subsequent to the finalization and approval of the 2020-24 Strategic Plan for the Entity in March 2020. Whilst a number of initiatives have been implemented on the Sustainability and Growth Plan, the Entity must implement interventions which includes filling vacant positions, investing in capital assets projects, that include renovations of the buildings and information technology enablement systems. The renovations include upgrade of the security controls as recommended by safety and security state agencies. The projects involved in phase 2 are as follows: New Permanent Building Head Office Building (Visitors Centre, Canteen Building LMV Workshops, Carports and Vehicle storage and VIP Covered Parking (as per elemental estimate). As part of sustainability plan and digital transformation, the Entity is bench-marking and looking at modern ways to reduce and monitor fleet maintenance costs.

All tenders above R2 million are subjected to probity audits, as well public viewing during the bid adjudication stage of the tender process. The process seeks to ensure transparency and cements the implementation of a sound SCM system that is fair, transparent and efficient, allowing the continued assurance of government's tender procurement processes.

## 7. Updated Key Risks

Outcome	Key Risk	Risk Mitigation
Reduce the Entity's Carbon footprint	<ul style="list-style-type: none"> <li>RT57 vehicle purchasing contract not making provision for low-carbon emission vehicles.</li> </ul>	<ul style="list-style-type: none"> <li>Engage National Department of Transport and National Treasury to set appropriate criteria and targets for the procurement of low-carbon emission vehicles.</li> </ul>
Improve efficiency & customer service <i>(Reduce turnaround time for number of days taken to prepare vehicles)</i>	<ul style="list-style-type: none"> <li>Functionality of the eNatis</li> <li>Warrant of arrest arising from traffic fines blocking processing of the licenses disc</li> <li>Tracker device availability for installations</li> </ul>	<ul style="list-style-type: none"> <li>None</li> <li>Active Management of all traffic fines</li> <li>Engagement with the service provider for timeous planning of devices and installations</li> </ul>
Maximise return on investment <i>(Contribute to the sustainability of the Entity)</i> Average % of rental days utilised for VIP self-drive vehicles	<ul style="list-style-type: none"> <li>Reduced demand from clients and potential clients</li> </ul>	<ul style="list-style-type: none"> <li>Continuous alignment of the fleet population with demand</li> </ul>
Improve efficiency & customer service <i>(Improve turn-around time on mechanical repairs)</i>	<ul style="list-style-type: none"> <li>Inability for merchants to repair vehicles timeously due to shortage of parts.</li> </ul>	<ul style="list-style-type: none"> <li>RT46 Service Provider to monitor and manage merchants on turnaround times.</li> </ul>
Improve efficiency & customer service <i>(Improved turn-around time on accident repairs)</i>	<ul style="list-style-type: none"> <li>Inability for merchants to repair vehicles timeously due to shortage of parts.</li> </ul>	<ul style="list-style-type: none"> <li>RT46 Service Provider to monitor and manage merchants on turnaround times.</li> </ul>
Safeguard state assets <i>(Comprehensive Vehicle Tracking)</i>	<ul style="list-style-type: none"> <li>Unavailability of tracking devices for installations</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with the service provider for timeous planning of devices and installations</li> </ul>
Clean Administration	<ul style="list-style-type: none"> <li>Organizational structure not supporting strategy</li> </ul>	<ul style="list-style-type: none"> <li>Engage with DRT to ensure that the structure is aligned to the Strategy and is approved by DPSA</li> </ul>

Outcome	Key Risk	Risk Mitigation
Township Economy Revitalization	<ul style="list-style-type: none"> <li>Failure to respond to Request for Quotations by service providers whose businesses are situated in Townships.</li> <li>Limited number of service providers whose businesses are situated in the townships.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that service providers with a number of business addresses use the correct address that they were invited on.</li> <li><i>NB: Most service providers from Limpopo also registers business addresses from Ekurhuleni but when invited to quote they use address from Limpopo. (Observation)</i></li> </ul>
Improved debt collection	<ul style="list-style-type: none"> <li>Budget constraints from client's departments.</li> </ul>	<ul style="list-style-type: none"> <li>Implement Debtor's Management Strategy</li> </ul>
Maximised return on investment and reliable vehicles for clients	<ul style="list-style-type: none"> <li>High level of road accidents in South Africa.</li> </ul>	<ul style="list-style-type: none"> <li>Use technology to monitor driver behavior and provide training.</li> </ul>
(Improve efficiency & customer service)	<ul style="list-style-type: none"> <li>Dependency and decision making of external stakeholders/SITA/eGOV, DRT: ICT.</li> </ul>	<ul style="list-style-type: none"> <li>Continuous engagement with other stakeholders.</li> <li>Project to be driven from g-FleetT with support from other stakeholders.</li> </ul>
Improve client experience Improve customer satisfaction and loyalty	<ul style="list-style-type: none"> <li>Efficient fleet management solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Close monitoring average fleet age.</li> <li>Close monitoring of customer care service, invoicing and reports.</li> </ul>

## 8. Public Entities – Not Applicable

Name of Public Entity	Mandate	Outcomes	Current Annual Budget (R thousand)

## 9. Infrastructure Projects

No.	Project name	Programme	Project description	Outputs	Project start date	Project completion date	Total Estimated cost	Current year Expenditure
1.	Phase Two Infrastructure Project		Upgrading and expansion of the g-Fleet Head Office to comply with OHS	Expanding and re-furbished g-Fleet Head Office	June 2021	May 2023	R232 million	None
2	Building Refurbishments (Canteen/Panel beating Workshop & Car Wash)		Refurbishments of the Canteen / Panel beating Workshop and Car Wash	Refurbished Canteen / Panel beating Workshop and Car Wash	September 2020	November 2021	R27 million	R6,5 million

## 10. Public Private Partnerships - Not Applicable

PPP	Purpose	Outputs	Current Value of Agreement	End Date of Agreement

## Part D: Technical Indicator Descriptions (TID)

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>• % of passenger vehicles with CO2 emissions below 120g/KM</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>• A percentage of the entity's passenger vehicles that are in-service and/or available for leasing with CO2 emissions below 120g /KM.</li> <li>• A passenger is a vehicle motorised vehicle, intended for the transportation of passengers and or goods and designed to seat no more than 18 persons, including the driver.</li> <li>• The 120g CO2/KM emissions is the quantity of greenhouse gas emissions allowable per vehicle before the imposition of tax.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• The "All new and in-service" report available from the Fleet Information System (FIS) or other Fleet System</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• The number of passenger vehicles with CO2 emissions below to 120g /KM as determined by OEM's is divided by the entity's total passenger vehicles multiplied by 100.</li> <li>• How the performance is assessed (qualitative)??</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• (Data received from the FIS "all new and in-service" is accurate, reliable and complete)</li> <li>• Functional FIS</li> <li>• Clients ordering/accepting vehicles with CO2 emissions below 120g /KM</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>• Non-Cumulative: the target is not aggregated into quarterly targets.</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>• Annual progress against the five-year target</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>• Target is set at desired performance level.</li> <li>• Substantially reduce GHG emissions and other environmental impacts from the transport sector by 5% by 2050 in line with green transport policy</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>• Director Permanent Fleet</li> </ul>

<b>Indicator Title</b>	Average age of fleet
<b>Definition</b>	<p>Passenger and light commercial vehicles that are new and in service on FIS. - (Excluding withdrawn and Board of Survey vehicles).</p> <ul style="list-style-type: none"> <li>• New and in-service vehicles refer to vehicles that are available to be leased to clients or has been leased to clients.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• New and in-service report (FIS): Proof of delivery (POD).</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• The average of the ages of the passenger and light commercial vehicles: reporting date minus vehicle purchase date divided by 365 equals vehicle age. Vehicle age divided by the number of vehicles equals average age.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Factors that are accepted as true and certain to happen without proof (Data received from the FIS report (new &amp; in-service) is accurate, reliable and complete); Functional FIS</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>• Non-Cumulative: the target is not aggregated into quarterly targets.</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>• Annually</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>• Target is set at desired performance level.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>• Director Permanent Fleet</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>• Average percentage of rental days utilized for VIP self-drive vehicles</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>• Calculation of daily utilization of VIP available fleet. Available fleet excludes vehicles under mechanical or accident damage repairs and other conditions outside the control of g-Fleet Management.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Utilization of VIP and Pool vehicles FIS Report.</li> <li>• 2) Client request letter, driver's license, Z186, vehicle check out/in manual contract form.</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• Average number of days that VIP self-drive vehicles were rented out, divided by the total number of days VIP self-drive vehicles were available for use x 100 to calculate the percentage.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Factors that are accepted as true and certain to happen without proof (Data received FIS is accurate, reliable and complete)</li> <li>• Functional FIS</li> </ul>



<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Target is set at desired performance level Outstanding</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>Director VIP and Pool.</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>Average percentage of rental days utilized for Pool vehicles</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>Calculation of daily utilization of Pool available fleet. Available fleet excludes vehicles under mechanical or accident damage repairs and other conditions outside the control of g-Fleet Management.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Utilization of VIP and Pool vehicles FIS Report.</li> <li>2) Client request letter, driver's license, Z186, vehicle check out/in manual contract form.</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Average number of days that Pool self-drive vehicles were rented out, divided by the total number of days Pool vehicles were available for use x 100 to calculate the percentage.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Factors that are accepted as true and certain to happen without proof (Data received from FIS is accurate, reliable and complete)</li> <li>Functional FIS</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Target is set at desired performance level</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>Director VIP and Pool</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>• Average number of days taken for vehicle mechanical repairs.</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>• Average number of working days taken to conduct vehicle mechanical repairs.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Service provider's monthly reports.</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• Total number of working days taken for mechanical repairs divided by total number of vehicles repaired.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Limitation due to reliant on the service provider.</li> <li>• (Data received from the service provider is accurate, reliable and complete)</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>• Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>• Quarterly progress reporting.</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>• Identifies whether actual performance that is higher or lower than targeted performance is desirable.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>• Director Fleet Maintenance</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>• Average number of days taken for vehicle accident repairs.</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>• Average number of working days taken to conduct vehicle accident repairs.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Service provider's monthly reports.</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• Total number of working days taken for accident repairs divided by total number of vehicles repaired.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Limitation due to reliant on the service provider.</li> <li>• (Data received from the service provider is accurate, reliable and complete)</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	N/A

<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly progress reporting.</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Identifies whether actual performance that is higher or lower than targeted performance is desirable.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>Director Fleet Maintenance.</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>Percentage of in-service vehicles tracked</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>Percentage of in-service vehicles to be tracked excluding vehicles that are exempt from being tracked, withdrawn and vehicles earmarked for auction (Board of Survey vehicles).</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>In service report (FIS) and tracking Report</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>[Total number of in service vehicles that are tracked divided by the total number of vehicles that are in service, excluding vehicles that are exempt from being tracked, withdrawn and vehicles earmarked for auction (Board of Survey vehicles)] multiply by the planned target (in percentage) %</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Factors that are accepted as true and certain to happen without proof (Data received from FIS is accurate, reliable and complete.</li> <li>Tracker equipment for installation available</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Calculation Tye</b>	<ul style="list-style-type: none"> <li>Non-Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Target is set at desired performance level</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>Director Transport Support Services</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>Percentage of vehicles auctioned</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>Number of vehicles auctioned as a percentage of vehicles approved for disposal by HOD</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>FIS All Status Reports and Report from auctioneer</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Number of vehicles sold divided by number of vehicles approved by HOD</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Public will always participate and purchase vehicle from the Entity's auction process.</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>Revenue maximisation</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>At least 60% of auctioned vehicles.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>Director Finance</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>Percentage decrease in average debtor's days</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>Percentage decrease in average debtor's days compared to prior year. (Excluding amounts owed by clients that have submitted written payment arrangements)</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Trial Balance</li> </ul>
<b>Method of Calculation / Assessment</b>	<p>Debtors days Y2 - Debtors days Y1/Debtors days Y1) %</p> <p>Debtors days is equal to average trade debtors divided by total billings multiplied by number of days in the reporting period. (Excluding amounts owed by clients that have submitted written payment arrangements)</p> <ul style="list-style-type: none"> <li>Average trade debtors equal the average of the opening and closing trade debtors balance.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>none</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>none</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>Sustainability and return on investment</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative</li> </ul>

<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Target is set at desired performance level.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>Director Finance</li> </ul>

<b>Indicator Title</b>	Minimum of 30% of procurement spent on goods and services, and construction allocated to township businesses
<b>Definition</b>	<ul style="list-style-type: none"> <li>Minimum of 30% of procurement spent on goods and services, and construction allocated to township businesses</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Payment Run Report with Purchase Orders</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Proportion Spent on Township Based Suppliers divided by Total Spent on Goods, Services and Construction multiplied by 100 (Excluding all Transversal contracts TR3, RT15, RT46 and RT57 etc. All non-procurement spent e.g Municipal Accounts, AG, Claims Against State).</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Township companies are registered on CSD and respond to request for proposal/quotes.</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Annual progress reporting.</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Target set at desired performance level</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>Director Finance</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>• Increase client satisfaction to 85% by 2024</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>• Improve client experience to increase satisfaction to 85% by 2024</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Client satisfaction survey report</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• Survey data analysis</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Clients will be up to 85% satisfied with all g-FleeT services</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>• Non-Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>• Bi-annual progress reporting.</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>• Increase client satisfaction to 85% by 2024</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>• Corporate Services: Marketing and Communications</li> </ul>

<b>Indicator Title</b>	<ul style="list-style-type: none"> <li>• Approved ICT Strategy and implementation plan.</li> </ul>
<b>Definition</b>	<ul style="list-style-type: none"> <li>• Implementation of the Approved Strategy</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• ICT Strategy and implementation plan.</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• Number of processes implement</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>• n/a</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>• Non-Cumulative</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>• Annual progress against the five-year target</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>• Targeted is set at desired performance level.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>• ICT Unit</li> </ul>