



## **GAUTENG PROVINCE**


ROADS AND TRANSPORT  
REPUBLIC OF SOUTH AFRICA

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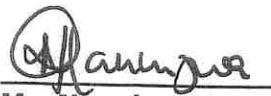
### **g-Fleet MANAGEMENT 2019/20 FINANCIAL YEAR THIRD QUARTER PERFORMANCE REPORT (01 OCTOBER – 31 DECEMBER 2019)**

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**Date: 27/01/2020**

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## **1. TRADING ENTITY PERFORMANCE**

### **1.1 OVERVIEW BY CHIEF EXECUTIVE OFFICER**

#### **a. Background**

g-Fleet was formally known as the Government Garage and also as Gauteng Government Motor Transport (GGMT), following the devolution of the Fleet Management function previously carried out at the National Sphere of Government to the Provincial Administrations in terms of the Cabinet decision taken on 25 May 1988.

The entity has been operating as a trading Entity of the former Gauteng Department of Public Transport, Roads and Works (GDPTRW), since 2001. The Department is now the Gauteng Department of Roads and Transport (GDRT) following the re-configuration of Government Departments within the Gauteng Province, which resulted in the GDPTRW being split into the GDRT and the Gauteng Department of Infrastructure Development (GDID).

#### **b. Vision**

We keep Government Service Delivery on the move.

#### **c. Mission**

We will achieve our vision by:

- Providing effective, competitive and efficient fleet services to government.
- Focusing on providing reliable fleet to meet client needs.
- Building and maintaining sustainable stakeholder relations.

**d. Values**

The values that guide the work of the staff and contractors working on behalf of the Entity are the following:

**(i) Good Governance**

We pledge to uphold sound principles of institutional management, efficient systems and processes in service delivery and implement necessary governance structures.

**(ii) Responsiveness**

Our staff and contractors shall be approachable, receptive, open and will be quick to respond to needs of clients and Gauteng citizens as well as carrying out their responsibilities.

**(iii) Innovative**

We commit to be original, inventive and novel in the execution of our mandate and activities.

**(iv) Accountability**

We pledge to be answerable to clients and citizens of Gauteng about our service delivery responsibilities.

**(v) Passion**

We undertake to deliver services with passion, excitement and enthusiasm.

**(vi) Professionalism**

We commit to show competence and an attitude of excellence at all times.

**(vii) Ethical**

We commit to be principled, fair and just in our conduct and in service to the people of Gauteng.

**(viii) Commitment**

We commit to be devoted, faithful and loyal to the citizens and clients.

## **1.2 REVISIONS TO LEGISLATIVE, POLICY AND OTHER MANDATES**

### **1.2.1 Legislative Mandates**

The Entity is operating in line with the following legislative mandates during the 2019/20 financial year:

- a. Public Finance Management Act (PFMA)
- b. Treasury Regulations
- c. Treasury practice notes
- d. Public Service Act
- e. Public Service Regulations
- f. Cabinet Memo of 1988
- g. Transport Circular 4 of 2000
- h. National Road Traffic Act of 1996
- i. Administrative Adjudication of Road Traffic Offences (AARTO)

The implementation of AARTO is creating a huge challenge for g-FleeT in that some client department's drivers do not pay their traffic fines which results in g-FleeT not being able to timeously renew the vehicles licence disks. This has led to the Entity deciding to pay these fines and bill the affected client departments' respectively.

### **1.2.2 Policy & Other Mandates**

The Entity's operations are largely regulated by the National Transport Circular No. 4 of 2000, which governs all matters relating to the utilization of government-owned transport and related transport functions. The effect of the above-mentioned circular has resulted in the withdrawal of Transport Circular No. 1 of 1975.

The implementation of the e-tolling system on identified Gauteng Provincial roads has led to slight changes to the Entity's operations. These changes included adapting systems to facilitate the management and billing of the new tolls incurred because of the utilization of g-FleeT's vehicles by clients'.

## **1.3 UPDATED SITUATIONAL ANALYSIS**

### **1.3.1 Improvement of Performance in 2019/20 Financial Year**

All efforts will be directed in ensuring that an Unqualified Audit Opinion is issued by the Auditor General (SA). Interventions will also be aimed at addressing operational challenges thereby demonstrating significant and systematic improvement of operations and customer satisfaction. Ongoing surveys and engagements with all key stakeholders throughout the current financial year will further provide an opportunity to determine whether planned and implemented initiatives have the desired effect on fleet management operations which will result in high levels of client satisfaction thereby meeting stakeholder expectations.

### **1.3.2 Service Delivery Environment**

The Entity kept the average age of fleet at less than 4 years during the quarter under review. This was due to the withdrawal of vehicles no longer fit for purpose.

The Entity achieved 89% against the 80% of the planned target for percentage of vehicles auctioned. This was due to the high popularity levels of the Entity's auction for selling vehicles that are of higher standards and at reasonable prices.

The Entity tracked 84% of in-service vehicles against the planned target of 93%. The reason for this, was that the SLA for the comprehensive Tracking solution was only signed on the 20<sup>th</sup> December 2019.

The average turnaround time for accident repairs was not achieved, this was due to vehicles awaiting parts on back order. The Entity is working closely with the RT46 service provider to monitor and manage merchant's turnaround times on back order. The average turnaround times for mechanical repairs was achieved, due to the continuous close monitoring of vehicles under repairs.

The planned target for number of days for vehicle preparation is 20 business days, due to consistent efforts to keep fitment turnaround time led to the achievement of the target.

The Entity surpassed the average percentage of rental days for both VIP and Pool fleet. This was due to an increase in client demand.

The Entity did not achieve the percentage of maintenance expenditure during the quarter under review. This was due to high withdrawal of older vehicles earmarked for auction and replacement of older vehicles with new vehicles that are under warranty.

The Entity surpassed the 20% target in decreasing average debtor days, this was contributed to the implementation of the debtor's management policy.

Delays in the late certification of invoices for payments resulted in 97.56%% of undisputed invoices within 30 days. The unit will make constant follow ups for the approval of invoices within the agreed specified turnaround times.

## **1.4 OVERVIEW OF ORGANISATIONAL ENVIRONMENT**

### **1.4.1 Overview of Functions & Services**

g-Fleet Management is the Trading Entity of the Gauteng Department of Roads and Transport (GDRT). The main aim of the Entity is to provide motor transportation services to all government departments at provincial, municipal and national levels.

The trading activities of g-Fleet focus primarily on the provision of state vehicles to enable client departments to carry out their day-to-day service delivery activities efficiently and effectively. Vehicles are procured by g-Fleet in line with client requests and through Service Level Agreements entered into. g-Fleet also procures vehicles to replace previously allocated vehicles that have become obsolete and must be withdrawn. The National Treasury RT57 contract guides the procurement of vehicles.

The fleet of vehicles is allocated to client departments for a period stipulated by the client (on Full Maintenance Lease contracts).

In return g-Fleet charges a daily, monthly or a kilometer tariff (user tariff charges) on the vehicles to cover the capital, running and overhead costs of the entity.

The Fleet Maintenance functions focus mainly on the maintenance and repair of vehicles using Transit Solutions merchants, in line with the National Treasury RT46 Contract. The RT46 contract has since been awarded to Transit Solutions with effect from 01 April 2014. Fleet management support services are also provided to clients via the management and/or administration of fuel cards, traffic fines. Any obsolete vehicles and those that cannot be repaired are sold through a public auction.

### **1.4.2 Overview of Service Network**

g-Fleet operates from Bedfordview, where the Head Office is based, with offices at 45 Commissioner Street, Johannesburg Central Business District, offices in Koedoespoort, Pretoria and a kiosk at the OR Tambo International Airport, Kempton Park.

The Entity has three (03) functional regional offices namely in Kwa-Zulu Natal, Eastern Cape, Western Cape. These mainly service regional and district offices of Gauteng-based National Departments and Municipalities who are key clients of g-Fleet. As part of the Turnaround Plan, more emphasis will be directed at ensuring that the Entity and Regional Offices have adequate capacity and fleet, to meet all client needs at the various regions/districts.

### 1.4.3 Overview Staff Complement

An analysis of the current profile of employees indicate that 76% (211) of g-FleeT employees are permanent employees, whilst 3% or (7) are employed on a contract basis. The recruitment process will continue as the directive was issued by MEC to withhold the recruitment process on all vacant posts.

### 1.4.4 Summary of Posts and Vacancies

| Staff Categories                                      | Number     | Percentage |
|---|------------|------------|
|   | Q3         | Q3         |
| Total posts on approved structure                     | 275        | 100%       |
| Total staff complement                                | 211        | 76%        |
| Number of professional and managerial posts           | 8          | 3%         |
| Number of professional and managerial posts filled    | 5          | 2%         |
| Number of excess staff                                | 0          | 0%         |
| Number of positions filled by permanent staff         | 204        | 74%        |
| Number of positions filled by contract staff          | 7          | 3%         |
| Number of vacant positions excluding contract workers | 72         | 34%        |
| Number of vacant positions including contract workers | 72+7= (79) | 37%        |

### 1.4.5 Summary of Disciplinary Procedures

| Status             | Discipline | Appeals | Conciliation | Arbitration | Grievances | Disputes |
|--------------------|------------|---------|--------------|-------------|------------|----------|
| Number Lodged      | Six        | Nil     | Nil          | One         | One        | Three    |
| Number Concluded   | Nil        | Nil     | Nil          | One         | Nil        | One      |
| Number Outstanding | Six        | Nil     | Nil          | Nil         | One        | Two      |



## 2. FINANCIAL PERFORMANCE

### 2.1 ANNUAL BUDGET: FUNDING

| 3 <sup>RD</sup> QUARTER PERFORMANCE REPORT FOR THE 2019/20 FY | TOTAL BUDGET YEAR TO DATE REPORT                      |               |                |         | QUARTER 3 APP REPORT |               |                |         |
|---|---|---------------|----------------|---------|----------------------|---------------|----------------|---------|
|   | ANNUAL BUDGET   | ACTUAL SPEND  | TOTAL VARIANCE | % SPENT | BUDGET               | ACTUAL SPEND  | TOTAL VARIANCE | % SPENT |
| ANNUAL APPROVED BUDGET  | R 898,789,043   | R 533,909,803 | R 357,381,399  | 59%     | R 155,573,302        | R 170,339,340 | -R 14,766,038  | 109%    |
| RESPONSIBLE MEC   | MEC Roads and Transport – Mr. Jacob Mamabolo          |               |                |         |                      |               |                |         |
| ADMINISTERING DEPARTMENT                                      | Provincial Department of Roads and Transport          |               |                |         |                      |               |                |         |
| ACCOUNTING OFFICER  | Acting HOD Roads and Transport – Mr. Makhukhu Mampuru |               |                |         |                      |               |                |         |

### 2.2 REVENUE INVOICING: BILLING

| APP REPORT 2019/20 FY | TOTAL BUDGET YEAR TO DATE REPORT |                |                |          | QUARTER 3 APP REPORT |                |                |          |
|-----------------------|----------------------------------|----------------|----------------|----------|----------------------|----------------|----------------|----------|
|                       | ANNUAL BUDGET                    | ACTUAL BILLING | TOTAL VARIANCE | % ACTUAL | BUDGET BILLING       | ACTUAL BILLIED | TOTAL VARIANCE | % ACTUAL |
| REVENUE - EXCHANGE    | R 850,000,000                    | R 650,796,452  | R 199,203,548  | 77%      | R 212,500,000        | R 215,610,685  | -R 3,110,685   | 101%     |
| GRAND TOTAL           | R 850,000,000                    | R 650,796,452  | R 199,203,548  | 77%      | R 212,500,000        | R 215,610,685  | -R 3,110,685   | 101%     |

### 2.3 REVENUE COLLECTIONS: RECEIPTS

| APP REPORT<br>2019/20 FY           |                      | TOTAL BUDGET<br>YEAR TO DATE REPORT |                   |             | QUARTER 3<br>APP REPORT |                       |                   |          |
|------------------------------------|----------------------|-------------------------------------|-------------------|-------------|-------------------------|-----------------------|-------------------|----------|
| LEASING OF<br>VEHICLES             | ANNUAL<br>BUDGET     | ACTUAL<br>COLLECTIONS               | TOTAL<br>VARIANCE | %<br>ACTUAL | BUDGETED<br>COLLECTIONS | ACTUAL<br>COLLECTIONS | TOTAL<br>VARIANCE | % ACTUAL |
| <b>REVENUE -<br/>EXCHANGE</b>      | <b>R 850,000,000</b> | R 657,515,773                       | R 192,484,227     | 77%         | R 212,500,000           | R 237,344,870         | -R 24,844,870     | 112%     |
| <b>REVENUE - NON-<br/>EXCHANGE</b> | <b>R 72,000,000</b>  | R 46,690,462                        | R 25,309,538      | 65%         | R 18,000,000            | R 15,759,769          | R 2,240,231       | 88%      |
| <b>TRANSPORT FEES</b>              | <b>R 1,700,000</b>   | R 1,498,844                         | R 201,156         | 88%         | R 425,000               | R 553,475             | -R 128,475        | 130%     |
| <b>AUCTION FEES</b>                | <b>R 70,000,000</b>  | R 129,750,622                       | -R 59,750,622     | 185%        | R 17,500,000            | R 89,455,715          | -R 71,955,715     | 511%     |
| <b>GRAND TOTAL</b>                 | <b>R 993,700,000</b> | R 835,455,701                       | R 158,244,299     | 84%         | R 248,425,000           | R 343,113,829         | -R 94,688,829     | 138%     |

### 2.4 EXPENDITURE: PER PROGRAMME

The table below classifies the second quarter's expenditure incurred for each Sub-Programme which also includes the following costs: -

- Payments for Capital Assets.
- Payments for Current Goods and Services which includes:
  - o Compensation for Employees.
  - o Current Year Goods and Services.

APP REPORT  
2019/20 FY

YEAR TO DATE RESULTS

QUARTER 3 RESULTS

| PER PROGRAMME                     | ANNUAL BUDGET | ACTUAL SPEND  | TOTAL VARIANCE | % SPENT | QUARTERLY BUDGET | ACTUAL SPEND  | TOTAL VARIANCE | % SPENT |
|-----------------------------------|---------------|---------------|----------------|---------|------------------|---------------|----------------|---------|
| OFFICE OF THE CEO                 | R 3,656,695   | R 2,501,392   | R 1,155,303    | 68%     | R 956,142        | R 955,209     | R 933          | 100%    |
|                                   |               |               |                |         |                  |               |                |         |
| OFFICE OF THE CFO                 | R 9,198,823   | R 5,334,795   | R 3,864,028    | 58%     | R 1,347,500      | R 1,546,241   | -R 198,741     | 115%    |
|                                   |               |               |                |         |                  |               |                |         |
| FINANCIAL ACCOUNTING              | R 19,093,935  | R 11,640,666  | R 7,453,269    | 61%     | R 4,953,965      | R 3,417,343   | R 1,536,622    | 69%     |
|                                   |               |               |                |         |                  |               |                |         |
| OPERATIONS AND CORPORATE SERVICES | R 866,839,590 | R 514,432,950 | R 352,406,640  | 59%     | R 148,315,695    | R 164,420,547 | -R 16,104,853  | 111%    |
|                                   |               |               |                |         |                  |               |                |         |
| GRAND TOTAL                       | R 898,789,043 | R 533,909,803 | R 364,879,240  | 59%     | R 155,573,302    | R 170,339,340 | -R 14,766,038  | 109%    |

## 2.5 EXPENDITURE: PER BUSINESS UNIT

| APP REPORT<br>2019/20 FY   |               | YEAR TO DATE RESULTS |                |         | QUARTER 3 RESULTS |               |                |         |
|----------------------------|---------------|----------------------|----------------|---------|-------------------|---------------|----------------|---------|
| PER BUSINESS UNIT          | ANNUAL BUDGET | ACTUAL SPEND         | TOTAL VARIANCE | % SPENT | QUARTERLY BUDGET  | ACTUAL SPEND  | TOTAL VARIANCE | % SPENT |
| OFFICE OF THE CEO          | R 3,656,695   | R 2,501,392          | R 1,155,303    | 68%     | R 956,142         | R 955,209     | R 933          | 100%    |
| OFFICE OF THE COO          | R 1,677,419   | R 273,167            | R 1,404,252    | 16%     | R 413,823         | R 91,056      | R 322,767      | 22%     |
| OFFICE OF THE CFO          | R 9,198,823   | R 5,334,795          | R 3,864,028    | 58%     | R 1,347,500       | R 1,546,241   | -R 198,741     | 115%    |
| FINANCIAL ACCOUNTING       | R 19,093,935  | R 11,640,666         | R 7,453,269    | 61%     | R 4,953,965       | R 3,417,343   | R 1,536,622    | 69%     |
| CORPORATE SERVICES         | R 49,966,530  | R 27,927,329         | R 22,039,201   | 56%     | R 11,277,049      | R 14,392,258  | -R 3,115,209   | 128%    |
| MARKETING & COMMUNICATION  | R 11,886,481  | R 8,371,010          | R 3,515,471    | 70%     | R 2,819,009       | R 2,964,073   | -R 145,064     | 105%    |
| MAINTENANCE SERVICES       | R 169,737,029 | R 89,040,278         | R 80,696,751   | 52%     | R 42,887,086      | R 45,493,852  | -R 2,606,766   | 106%    |
| TRANSPORT SUPPORT SERVICES | R 252,733,487 | R 182,156,232        | R 70,577,255   | 72%     | R 63,286,314      | R 77,830,133  | -R 14,543,819  | 123%    |
| PERMANENT SERVICES         | R 359,417,551 | R 192,741,682        | R 166,675,869  | 54%     | R 22,432,776      | R 18,490,001  | R 3,942,775    | 82%     |
| VIP POOL SERVICES          | R 21,421,093  | R 13,923,252         | R 7,497,841    | 65%     | R 5,199,639       | R 5,159,174   | R 40,465       | 99%     |
| GRAND TOTAL                | R 898,789,043 | R 533,909,803        | R 357,381,399  | 59%     | R 155,573,302     | R 170,339,340 | -R 14,766,038  | 109%    |

### 3. NON-FINANCIAL PERFORMANCE

#### 3.1 OVERVIEW OF PROGRAMME STRUCTURE

The performance activities of g-Fleet are reported under the following programmes:

| SERVICE DELIVERY PROGRAMME                | PROGRAMME STRUCTURE  |
|---|--|
| <b>1. OPERATIONAL MANAGEMENT SERVICES</b> | PERMANENT FLEET SERVICES<br>VIP / POOL SERVICES<br>FLEET MAINTENANCE<br>TRANSPORT SUPPORT SERVICES<br>INFORMATION AND COMMUNICATION TECHNOLOGIES |
| <b>2. FINANCIAL MANAGEMENT</b>            | FINANCE  |

**3.2 SERVICE DELIVERY PERFORMANCE**

**3.2.1 OPERATIONAL MANAGEMENT SERVICES**

**STRATEGIC OUTCOME ORIENTATED GOAL 1: Provide fleet management services that are effective, efficient and client-focused**

**STRATEGIC OBJECTIVE 1: Provide clients with reliable and cost effective fleet.**

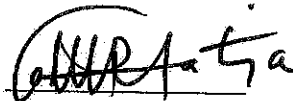
| Performance Indicator            | Audited Baseline | 2019/20 Annual Target | Quarter 1 | Quarter 2 | Quarter 3 |           | Deviation from Target |       | Reason for Deviation   | Proposed Intervention |
|----------------------------------|------------------|-----------------------|-----------|-----------|-----------|-----------|-----------------------|-------|--|-----------------------|
|                                  |                  |                       | Actual    | Actual    | Planned   | Actual    | Unit                  | %     |  |                       |
| Average age of fleet             | 3,6 years        | ≤4 Years              | 3,4 years | 3,6 years | ≤4 Years  | 3,5 years | 0,5                   | 12,5% | The withdrawal of vehicles no longer fit for purpose had a positive effect on the overall fleet age.                   | n/a                   |
| Percentage of vehicles auctioned | 80%              | 80%                   | 95%       | 88%       | 80%       | 89%       | 86                    | 9%    | High popularity level of the Entity's auction for selling vehicles that are of higher standards and reasonable prices. | Not applicable        |

**SIGNED OFF:**

Director: Permanent Fleet



Acting Director: Finance



**3.2.2 OPERATIONAL MANAGEMENT SERVICES**

**STRATEGIC OBJECTIVE 2: To provide quality and value-added client service by monitoring vehicle location and maintaining turn-around times for accident and mechanical repairs.**

| Performance Indicator                        | Audited Baseline | 2019/20 Annual Target | Quarter 1    | Quarter 2    | Quarter 3  |            | Deviation from Target |     | Reason for Deviation   | Proposed Intervention  |
|--|------------------|-----------------------|--------------|--------------|------------|------------|-----------------------|-----|--|--|
|  |                  |                       | Actual       | Actual       | Planned    | Actual     | Unit                  | %   |  |  |
| Percentage of in-service vehicles tracked    | 93%              | 93%                   | 92.8% (6361) | 82.9% (5426) | 93% (5361) | 84% (4868) | 493                   | 9%  | Total current fleet = 5958 less exempt the vehicles of 193 = 5765<br><br>100% In-Service Vehicles = 5765<br><br>Exempt Vehicles Prosecuting Authority 80 Justice 100 Premier 6 Mineral 7 Total = 193 | The SLA for the Comprehensive Tracking Solution was only signed on 20 December 2019  |
| Average turnaround time for accident repairs | 20 days          | 30 days               | 49 Days      | 51 Days      | 30 Days    | 40 days    | 10 days               | 25% | Vehicles awaiting parts on back order is still a challenge, although it has improved.<br><br>High number of updates for vehicles under repairs.  | Working close with the RT46 service provider to monitor and manage merchant's turnaround time on back order.<br><br>The Entity is encouraging strip & quote where possible to minimize unforeseen damage's additional repairs which adds to extended |

| Performance Indicator                          | Audited Baseline | 2019/20 Annual Target | Quarter 1 | Quarter 2 | Quarter 3 |         | Deviation from Target |         | Reason for Deviation                                | Proposed Intervention                                  |
|--|------------------|-----------------------|-----------|-----------|-----------|---------|-----------------------|---------|---|--|
|  |                  |                       | Actual    | Actual    | Planned   | Actual  | Unit                  | %       |   |  |
|  |                  |                       |           |           |           |         |                       |         |   | turnaround time  |
| Average turnaround time for mechanical repairs | 20 days          | 15 days               | 12 Days   | 9 Days    | 15 Days   | 11 Days | +4 days               | + 26.6% | Close monitoring of vehicles booked in for repairs. | Continuous close monitoring of vehicles under repairs. |

**SIGNED OFF:**

Director: Transport Support Services



Acting Director: Fleet Maintenance





**STRATEGIC OUTCOME ORIENTATED GOAL 2: Sustainable and well-governed organisation**

**STRATEGIC OBJECTIVE 1: Optimise return on investment.**

**Optimal use of the Entity's assets in delivery of services that is cost effective and yield return to ensure sustainability.**

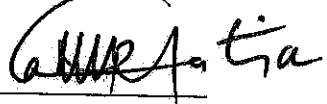
| Performance Indicator   | Audited Baseline   | 2019/20 Annual Target   | Quarter 1        | Quarter 2        | Quarter 3                         |                  | Deviation from Target |         | Reason for Deviation   | Proposed Intervention |
|---|--|---|------------------|------------------|-----------------------------------|------------------|-----------------------|---------|--|-----------------------|
|   |  |   | Actual           | Actual           | Planned                           | Actual           | Units                 | %       |  |                       |
| Average number of business days from delivery of vehicle to active vehicle contract with client (lease vehicles only from Permanent unit) | 20 business days   | 20 business days  | 19 business days | 20 business days | 20 business days                  | 20 business days | 0                     | 0%      | Consistent effort to keep to firm turnaround times led to the achievement of the target. | n/a                   |
| Average percentage of rental days utilised for VIP self-drive vehicles  | Average rental utilisation of 67%  | Average rental utilisation of 50%   | 59.51%           | 55.90%           | Average rental utilisation of 50% | 56.77%           |                       | +6.77%  | Increased client demand.   | N/A                   |
| Average percentage of rental days utilised for Pool vehicles  | Average rental utilisation of 67%  | Average rental utilisation of 69%   | 73.59%           | 84.36%           | Average rental utilisation of 69% | 85.67%           |                       | +16.67% | Increased client demand.   | N/A                   |
| Annual Tariff structure for 2020/21 submitted to Treasury for approval  | Submission of reviewed annual tariff structure for 2019/20 financial year submission to Provincial Treasury for approval | Annual Tariff structure for 2020/21 submitted to Provincial Treasury for approval |                  |                  |                                   |                  |                       |         |  |                       |
| Implementation of sustainability model  | Phase 2 Implementation of Sustainability Model   | Completion of Implementation of Phase 2 of the Sustainability Model               |                  |                  |                                   |                  |                       |         |  |                       |

| Performance Indicator                      | Audited Baseline | 2019/20 Annual Target  | Quarter 1 | Quarter 2 | Quarter 3  |        | Deviation from Target |        | Reason for Deviation   | Proposed Intervention |
|--|------------------|--|-----------|-----------|--|--------|-----------------------|--------|--|-----------------------|
|  |                  |  | Actual    | Actual    | Planned  | Actual | Unit                  | %      |  |                       |
| Percentage decrease in average debtor days | 20%              | 20% (Excluding amounts owed by clients that have submitted written payment arrangements) | 21%       | 27%       | 20% (Excluding amounts owed by clients that have submitted written payment arrangements) | 31.07% | 11.25 days            | 11.07% | Implementation of the debtors' management policy which requires constant follow-ups. | Not applicable.       |

**SIGNED OFF:**

Director: Permanent Fleet 

Acting Director: VIP and Pool Services 

Acting Director: Finance 

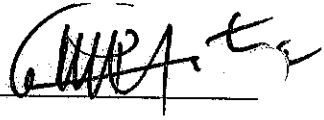
Director: Corporate Services 

**STRATEGIC OBJECTIVE 2: 1. Engender organisational and culture change.  
2. To build and maintain a healthy organisation with effective operations**

| Performance Indicator   | Audited Baseline                                 | 2019/20 Annual Target                                   | Quarter 1 | Quarter 2   | Quarter 3 |                  | Deviation from Target |       | Reason for Deviation   | Proposed Intervention   |
|---|--|---|-----------|---|-----------|------------------|-----------------------|-------|--|---|
|   |  |   | Actual    | Actual  | Planned   | Actual           | Unit                  | %     |  |   |
| Percentage of undisputed invoices paid within 30 days from receipt of invoice     | 100%   | 100%  | 91%       | 95,81%  | 100%      | 97,56%           | 6                     | 2,44% | Late certification of invoices for payment.                              | Constant follow-ups for approval of invoices within the agreed specified turnaround time.   |
| Audit Report from the Auditor General of South Africa                             | Unqualified audit for the 2017/18 financial year | Unqualified audit report for the 2018/19 financial year |           | Unqualified audit report for the 2018/19 financial year |           |                  |                       |       |  |   |
| Implementation of ICT Strategy/Plan   | Phase 2 implementation of the ICT Strategy       | 2019/20 ICT Plan Implemented                            |           |   |           |                  |                       |       |  |   |
| Percentage of maintenance expenditure on Gauteng township businesses (automotive) | 4%   | 5%  | 2,2%      | 3% (R882 295,75)  | 5%        | 3% (R735 281,10) | R490 187,40           | -2%   | Replacement of older vehicles with new vehicles that are under warranty. | Review engagement mandate with the service provider to have repairs that are not affecting warranty prioritize for Township business. Engagement mandate is currently under review. |

**SIGNED OFF:**

Acting Director: Finance



Deputy Director: Information and Communication Technologies



Acting Director: Fleet Maintenance

