



GAUTENG PROVINCE

ROADS AND TRANSPORT
REPUBLIC OF SOUTH AFRICA



GAUTENG DEPARTMENT OF ROADS AND TRANSPORT

g-FleetT MANAGEMENT TRADING ENTITY

ANNUAL PERFORMANCE PLAN

2015 - 16 FINANCIAL YEAR

2015-2016

FOREWORD BY THE MEC

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.

The Annual Performance Plan (APP 2015/16) continues to align and support the key strategic priorities embedded in the turnaround strategy. g-Fleet's strategic goals in the 2014/15 Financial Year are to:

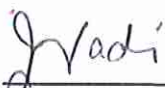
1. Build, maintain and sustain effective client relations;
2. Provide clients with safe, high quality, affordable, reliable and environmentally-sound fleet transport service;
3. Ensure that adequate internal controls and systems are in place in order to improve and ensure effective; efficient, and sound financial, asset, procurement, and human resource management.

This Plan reflects the performance targets for the 2015-16 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 zero-basis, with minimal adjustments that are based on inflationary increases. The focus of the 2015-16 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 2015/16 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 2015-16, 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 2015/16 financial year.



MR ISMAIL VADI

MEC: ROADS AND TRANSPORT

DATE: 09/03/2015

OFFICIAL SIGN OFF


It is hereby certified, that the g-FleeT Management 2015-16 Annual Performance Plan:

- ⇒ Was developed by the management of g-FleeT under the guidance of the g-FleeT: Chief Executive Officer, namely Mr. Chikane.
- ⇒ Was prepared in accordance with the current priorities of the Gauteng Provincial Government and the Gauteng Department of Roads and Transport.
- ⇒ Accurately reflects the performance targets, which g-FleeT will endeavor to achieve given the resources made available in the Budget for 2015-16 Financial Year.

MS. NATALIE GOVENDER
CFO: g-FleeT MANAGEMENT

SIGNATURE: 

MR. CHIKANE CHIKANE
CEO: g-FleeT MANAGEMENT

PP SIGNATURE: 

MR. RONALD SWARTZ
HOD: FOR ROADS AND TRANSPORT

SIGNATURE: 

APPROVED BY:

MR. ISMAIL VADI
MEC: FOR ROADS AND TRANSPORT

SIGNATURE: 

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PART A:

STRATEGIC OVERVIEW

The Entity has committed resources to procure a Fleet Management System (FMS) in the current financial year due to the advanced technologies that have been introduced within the fleet environment. This will assist a great deal in improving the Turn Around Time for the Entity in identifying problem areas and give more accurate information to clients to can make informed decisions.

The FMS would place the Entity in the same level with private fleet services organizations. The acquisition would also have to be complemented by rigorous upskilling of both g-Fleet staff and client departments.

The departments must to a larger extent be able to access information from the system without having to wait for g-Fleet to generate such information.

The second main investment is on the construction of the office space, training centres and wellness facility. This would greatly improve the morale of employees, some of whom have been working under unbearable and unhealthy work environment. This will also ensure that g-Fleet staff will be accomodated in one area and no one at ABSA Building in town, a s is the case currently.

The third is continous up skilling of g-Fleet staff to ensure that the Entity is able to meet the requirements of a changed environment.

As technology continue to evolve, the Entity's was of doing business must keep up tih the new development. The case in point is the need to have modern security system in the offices, premises to manage movement of people and resources, and at the gate to manege the movement of vehicles of the Entity and visitors.

g-Fleet will strive to persuade client departments to priotirise paying for their services and where there is no compliance, vehicles would be demobilised, and no increased services such as collection vehicles would be provided and the Entitywill continue to pay the clients within 30 days as per requirement of the law.

1. UPDATED SITUATIONAL ANALYSIS

1.1 PERFORMANCE DELIVERY ENVIRONMENT:

To-date several initiatives have contributed to the development of a vast knowledge base that has been used in this strategic planning process. This includes work undertaken in support of the:

- The Sustainability Assessment (during December 2009 and March 2010), followed by
- The South African Fleet Industry Competitive Analysis,
- The g-Fleet Management Customer Satisfaction Research (both in August 2010),
- The g-Fleet Turnaround Strategy and Implementation Plan (January 2011), and
- The Management Report and Unqualified Audit Opinion issued by the Auditor-General.

All of these initiatives have provided concrete information on developments in the fleet management industry in which g-Fleet operates. Due to negative perceptions over the quality of the fleet services delivered the Entity, a new operating model is being developed. This contains the requirements for turning the organization around and includes a range of other issues pertaining to internal controls, systems and processes.

This Plan draws extensively on this prior work and aims to build on this. The strategic overview highlights the organization's vision, mission, values and mandates as a way of demonstrating its priorities.

This document sets out what g-Fleet intends on achieving in the upcoming financial year and during the Medium Term Expenditure Framework (MTEF) to implement its Strategic Plan. In addition this document sets out the:

- Performance indicators and targets for each budget programs and sub-programs where relevant; and
- Quarterly breakdown of performance targets for the upcoming year.

The Entity's Budget Programmes, goal, strategic objectives, performance indicators and targets are therefore captured in three key planning documents:

- The Strategic Plan;
- The Annual Performance Plan; and
- The Annual Budget.

The Provincial Cabinet began a process to review its vision, mission and values, based upon the results of a survey undertaken amongst management staff in the Provincial Government. This review process resulted in the Provincial Cabinet redeveloping its vision and mission.

The strategic overview highlights the organization's vision, mission, values and mandates as a way of demonstrating its priorities.

VISION:

From a service delivery perspective, and the Provincial Government's vision, the vision, applicable to g-Fleet is:

- To be the leading provider of reliable, cost-effective, and customer focused management of fleet services to government for official purposes.

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; and
- Building and maintaining sustainable stakeholder relations.

VALUES:

Furthermore core values applicable to the Provincial Government were revised and reflect as follows:

- Competence, Accountability, Integrity and Responsiveness.

1.2. PERFORMANCE DELIVERY ENVIRONMENT:

The provision of fleet management services to government in South Africa and Gauteng has a long history, featuring many changes. During 2007 the organization was rebranded as g-FleeT, whereby a new operating model was introduced as technology continues to drive market trends within the fleet management industry.

The mandate of the Entity is to provide world class motor transportation and fleet management services to Government Departments.

The following Gauteng Provincial Government Priorities have been identified as applicable to g-FleeT:

- Strengthening the developmental state and good governance.

Over the period ahead, government will take steps to improve efficiency in public spending, eliminate wastage and improve spending and policy priorities. Further steps will also be taken to root out corruption.

g-FleeT also recognises the critical importance of competency and capability of financial practitioners to the quality of governments' management of finances. In this regard a capacity-building model for public-sector financial management has been developed and training of new and existing staff will continue over the period covered in this plan.

The provision of fleet management services coverage will be extended to every client Department, whilst considering the clients' ability to pay.

Greater focus will be paid to public sector financial management, with procurement and contract management being prioritised.

In this regard, a multifaceted approach will be applied to improve value-for-money, including greater transparency and public disclosure, more rigorous tender procedures, improved capacity of supply-chain management practitioners and factors regulating governments' supply chain architecture.

Over the next decade, g-FleeT needs to ready itself to be on par with systems and processes afforded to it by technology if it is to remain relevant.

South Africa, although not a leader in the field of fleet management, follows closely behind the trend setters in North America and Europe. However, the domestic fleet management industry is less organized compared to other regions in the world. There are a number of large industry players dominating the domestic market which include companies such as AVIS, Eqstra Fleet Management, and Imperial Fleet Management. Companies compete on the basis of wider product offerings, service quality, track record and experience, and innovation and continuous improvement.

Many fleet management companies have to continuously modernize the operations through the adoption of new technologies. Public sector fleet management providers experience great difficulties in the capturing of data and using such data for decision-making since government fleet departments do not have the technologically advanced systems to capture vehicle data, tracking and monitoring usage and other key functions. Furthermore, fraud in the fleet management industry is a concern for players both in the public and private sectors. Increasing the use of fraud monitoring tools is important to address this concern.

The pricing analysis undertaken by g-FleetT indicates that the Entity offers customers competitive rates across various service offerings. Also key changes to the service delivery environment will be the review of existing systems and processes to address the current challenges (project already initiated) and the subsequent adoption of new suitable systems in the short to medium term.

1.3. ORGANIZATIONAL ENVIRONMENT:

The organisational environment analysis as provided in the Strategic Plan state that there has been much discussion and debate about the nature of g-FleetT's business. There are some who argue that the organisation provides a product, while others hold the view that the organisation provides a service experience to its clients or those using its services. While the vehicles being provided to client departments are tangible products, there is a general consensus that the business of the organisation is the provision of a complete service experience to its clients over the duration of the relationship. A series of service standards should underpin all the interactions with client departments in the process of delivering the service.

The organisation provides total fleet management services to all Government Departments at National, Provincial and Local Spheres of Government. It provides its services in four other Provinces through regional offices.

2. LEGISLATIVE POLICES AND MANDATES

2.1. LEGISLATIVE POLICIES:

The terms and provisions of the Public Finance and Management Act and National Treasury Regulation No. 19 govern 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.

The following legislative mandates are applicable:

- Cross-Border Road Transport Act, Act 4 of 1998.
- Public Finance Management Act, Act 1 of 1999.
- National Environmental Management Act, 1998.
- Road Traffic Management Corporation Act, Act 20 of 1999.
- National Road Traffic Act, Act 93 of 1996.
- National Road Traffic Safety Act, Act 12 of 1972.
- Gauteng Transport Framework Revision Act, Act 8 of 2002.
- Gauteng Public Passenger Road Transport Act, Act 7 of 2001.
- Gauteng Transport Infrastructure Act, Act 8 of 2001.
- Gauteng Planning and Development Act, Act 3 of 2003.
- Provincial Road Traffic Act, Act 10 of 1997.
- Gauteng Toll-Roads Bill 2005.
- Road Traffic Act, Act 93 of 1996.
- Administrative Adjudication of Road Traffic Offences Act, Act 46 of 1998.
- Gauteng Transport Framework Revision Amendment Act, 2007.

2.2. OTHER MANDATES:

The following additional policy mandates are applicable:

- White Paper on Transport Policy.
- Gauteng Transport Legislative Framework.
- Gauteng Legislation on Development White Paper on National Transport Policy.
- National Land Transport Strategic Framework.
- Provincial Policy and Legislative Mandates Gauteng Planning.

3. OVERVIEW OF ANNUAL BUDGET ESTIMATES

3.1. ANNUAL BUDGET ESTIMATES:

During the Strategic Planning Session, Annual Budget Estimates were determined at an overall as per economic classification which also included all capital projects. The budget allocations were reviewed in line with the Department of Roads and Transport strategic review process. This Entity level review process culminated in substantial changes on both a Directorate and Sub-Directorate level.

| APPROVED BUDGET | 2014-15 FY | 2015-16 FY |
|---------------------------------|----------------------|----------------------|
| ADMINISTRATIVE COSTS: | R 11,621,728 | R 8,337,235 |
| OFFICE OF THE CEO | R 915,884 | R 378,337 |
| OFFICE OF THE CFO | R 9,189,403 | R 7,841,041 |
| OFFICE OF THE COO | R 1,516,441 | R 117,857 |
| OPERATIONAL COSTS: | R 338,987,619 | R 324,658,663 |
| TRANSPORT SUPPORT SERVICES | R 182,858,826 | R 205,104,253 |
| VIP & POOL SERVICES | R 1,446,271 | R 440,595 |
| PERMANENT SERVICES | R 3,260,524 | R 4,649,122 |
| REGIONAL OFFICES | R 659,768 | R 315,793 |
| MARKETING & COMMUNICATION | R 5,344,528 | R 3,672,199 |
| CORPORATE SERVICES | R 19,123,776 | R 14,658,544 |
| MAINTENANCE SERVICES | R 126,293,926 | R 95,818,156 |
| REMUNERATION COSTS: | R 99,798,840 | R 94,574,219 |
| BASIC SALARY | R 68,754,893 | R 89,813,819 |
| PENSION COSTS | R 20,216,658 | R 0 |
| PERFORMANCE BONUS | R 4,930,892 | R 0 |
| OVERTIME COSTS | R 2,710,000 | R 2,710,000 |
| TRAINING INLC BURSARIES | R 2,005,400 | R 2,005,400 |
| RESETTLEMENTS COSTS | R 635,997 | R 0 |
| BURSARIES TO NON-EMPLOYEES | R 500,000 | R 0 |
| SUBSCRIPTION/MEMBERSHIP FEES | R 45,000 | R 45,000 |
| CAPITAL COSTS: | R 390,725,727 | R 491,808,384 |
| CAPITAL PROJECTS - CAPEX | R 390,725,727 | R 491,808,384 |
| GRAND TOTAL EXPENDITURE: | R 841,133,914 | R 919,378,501 |

As a Trading Entity all expenditure is funded and/or financed through its own operations. The emphasis placed on the Strategic Objectives and the Key Performance Areas of the Entity is greatly influenced by the priorities informing the Medium-Term Budget. As a result the Measurable Objectives were aligned and restructured in line with the revised budget structure.

3.2. EXPENDITURE TRENDS LINKED:

The main objective for g-Fleet in respect of the financial period under review will be to enhance allocation efficiency within the context of marginal growth and resource allocation in order to achieve higher service delivery within the public service.

A conservative Budget approach was adopted in line with the objective of remaining self-sustainable whilst ensuring continuance of the Trading Entity's current financial health position

- G-Fleet 2015-16FY Approved Budget Allocations
- Adequately provides for each Units' capital and current goods and services expenditure requirements.
- Includes adequate operating expenditure and maintenance costs for all approved capital projects.
- Enables the achievement of the Entity's pre-determined targets relating to the acquisition, maintenance, replacement and retirement of state owned assets including the avoidance of deferred maintenance.

The table below represents the Entity's Year-On-Year Budget comparison for the following financial years:-

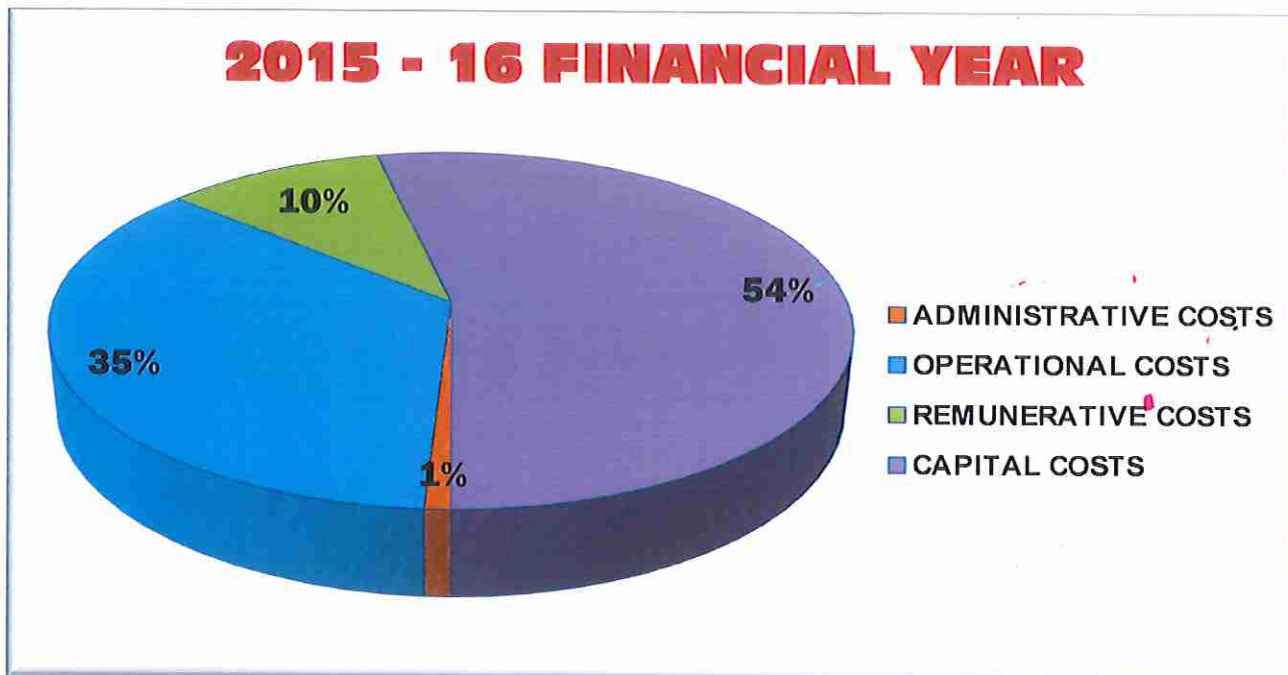
| APPROVED BUDGET | 2014-15 FY | 2015-16 FY |
|---------------------------------|----------------------|----------------------|
| ADMINISTRATIVE COSTS: | R 11,621,728 | R 8,337,235 |
| OFFICE OF THE CEO | R 915,884 | R 378,337 |
| OFFICE OF THE CFO | R 9,189,403 | R 7,841,041 |
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| TRANSPORT SUPPORT SERVICES | R 182,858,826 | R 205,104,253 |
| VIP & POOL SERVICES | R 1,446,271 | R 440,595 |
| PERMANENT SERVICES | R 3,260,524 | R 4,649,122 |
| REGIONAL OFFICES | R 659,768 | R 315,793 |
| MARKETING & COMMUNICATION | R 5,344,528 | R 3,672,199 |
| CORPORATE SERVICES | R 19,123,776 | R 14,658,544 |
| MAINTENANCE SERVICES | R 126,293,926 | R 95,818,156 |
| REMUNERATION COSTS: | R 99,798,840 | R 94,574,219 |
| BASIC SALARY | R 68,754,893 | R 89,813,819 |
| PENSION COSTS | R 20,216,658 | R 0 |
| PERFORMANCE BONUS | R 4,930,892 | R 0 |
| OVERTIME COSTS | R 2,710,000 | R 2,710,000 |
| TRAINING INLC BURSARIES | R 2,005,400 | R 2,005,400 |
| RESETTLEMENTS COSTS | R 635,997 | R 0 |
| BURSARIES TO NON-EMPLOYEES | R 500,000 | R 0 |
| SUBSCRIPTION/MEMBERSHIP FEES | R 45,000 | R 45,000 |
| CAPITAL COSTS: | R 390,725,727 | R 491,808,384 |
| CAPITAL PROJECTS - CAPEX | R 390,725,727 | R 491,808,384 |
| GRAND TOTAL EXPENDITURE: | R 841,133,914 | R 919,378,501 |

3.3. EXPENDITURE TRENDS LINKED TO STRATEGIC OUTCOME ORIENTATED GOALS

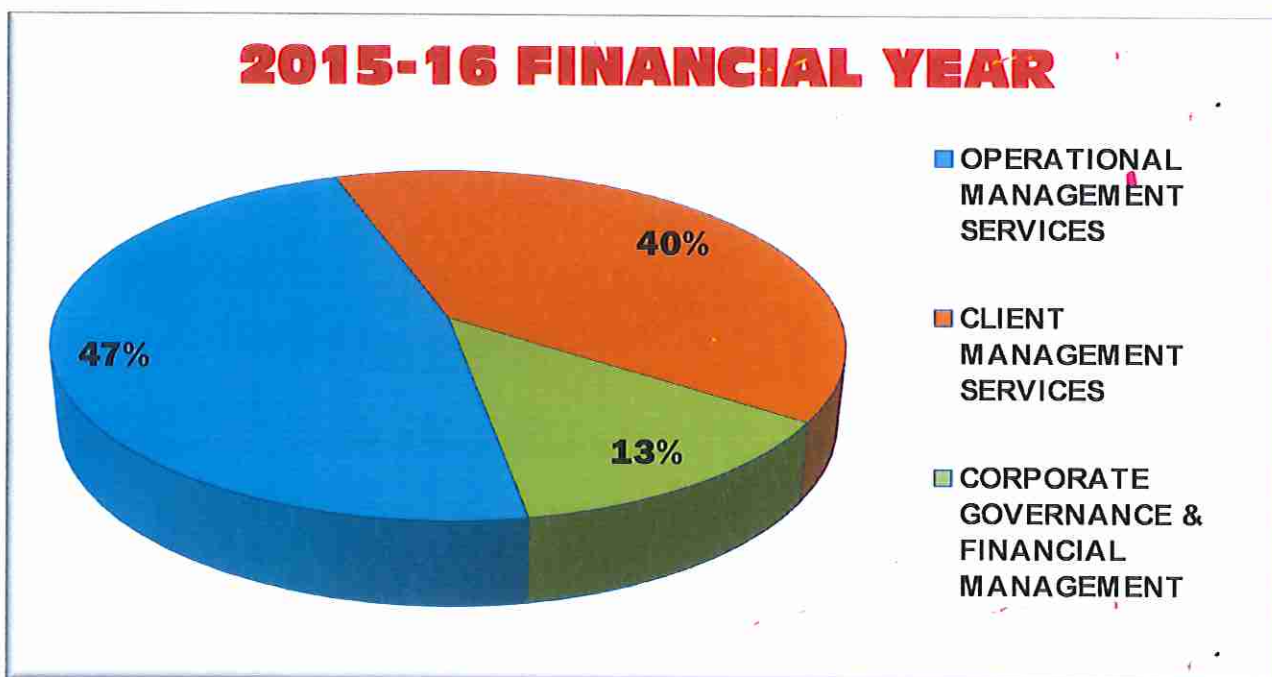
g-Fleet Management's 2015-16 Financial Year Annual Budget mainly focuses on service delivery programmes. Subsequent to the Strategic Planning Session, the total Strategic Budget (above) was then aligned to each of the 3 (Three) Key Measurable Objectives (cost drivers). Therefore taking into account the Strategic Planning, Co-ordination and Monitoring and Evaluation purposes, the Entity has adopted the approach which links the available resources to the targeted outcomes using performance budgeting. The total annual budget was then determined to each of:

- Client Management Services;
- Operational Management Services; and
- Corporate and Financial Management Services.

A reasonable provision of the related economic cost estimates are presented graphical below in the key three performance areas.



A reasonable provision of the related expenditure estimates are presented graphical below:



PART B:

PROGRAMME AND SUB PROGRAMME

4.1. OPERATIONAL MANAGEMENT SERVICES:

STRATEGIC OBJECTIVE: PERMENANT FLEET SERVICES

| | |
|----------------------------|--|
| STRATEGIC OBJECTIVE NO. 3: | TO RENEW THE FLEET IN ORDER TO KEEP THE FLEET AVERAGE AGE AT 3 YEARS |
| STRATEGIC OUTCOME: | TO PROVIDE AN IMPROVED, EFFICIENT, RELIABLE, SAFE, ACCESIBLE AND COST EFFECTIVE AND MARKET RESPONSIVE FLEET SERVICES SUITED TO CLIENT NEEDS. |
| ORIENTATED GOAL STATEMENT: | TO COST EFFECTIVELY REPLACE AEGING FLEET WITH SAFE, RELIABLE AND ECO-FRIENDLY WITHIN THE ECONOMIC LIFE CYCLE BY 31 MARCH 2016. |
| BASELINE: | A total of 1104 Vehicles acquired as at 31 March 2014. |

RISK PROFILE:

| | |
|-----------------|--|
| STRATEGIC RISK: | Inability to replenish fleet due to poor revenue collection and cash flow constraints |
| MITIGATION: | Implementation of Replacement Plan and Renewal Strategy Review of all process flows resulting in the enhancement of all business processes. |

4.1.1. STRATEGIC OBJECTIVE:

| NO | STRATEGIC OBJECTIVE | ANNUAL PERFORMANCE OUTCOMES | | | ESTIMATED PERFORM. 2014-15 | MEDIUM TERM TARGETS | | | |
|----|--|----------------------------------|-----------------------------------|--------------------------------|------------------------------------|------------------------|------------------------|------------------------|------------------------|
| | | ACTUAL 2013-14 | AUDITED 2012-13 | AUDITED 2011-12 | | ESTIMATE 2015-16 | ESTIMATE 2016-17 | ESTIMATE 2017-18 | ESTIMATE 2018-19 |
| | TO RENEW THE FLEET IN ORDER TO KEEP THE FLEET AVERAGE AGE AT 3 YEARS | 1 095 vehicles replaced | 938 vehicles replaced | 367 vehicles replaced | 1 300 Replacement vehicles ordered | 1 500 vehicles ordered | 1 500 vehicles ordered | 1 500 vehicles ordered | 1 500 vehicles ordered |
| | | 9 Eco-Friendly vehicles acquired | 84 Eco-Friendly vehicles acquired | Not reported in the 2011-12 FY | 100 Eco-Friendly vehicles ordered | Not applicable | Not applicable | Not applicable | Not applicable |
| | | Not reported in the 2013-14 FY | Not reported in the 2012-13 FY | Not reported in the 2013-14 FY | 350 Additional vehicles ordered | Not applicable | Not applicable | Not applicable | Not applicable |

4.1.2. KEY PERFORMANCE INDICATORS:

| NO | KEY PERFORMANCE INDICATOR | ANNUAL PERFORMANCE OUTCOMES | | | ESTIMATED PERFORM. 2014-15 | MEDIUM TERM TARGETS | | | |
|----|--|----------------------------------|-----------------------------------|--------------------------------|------------------------------------|------------------------|------------------------|------------------------|------------------------|
| | | ACTUAL 2013-14 | AUDITED 2012-13 | AUDITED 2011-12 | | ESTIMATE 2015-16 | ESTIMATE 2016-17 | ESTIMATE 2017-18 | ESTIMATE 2018-19 |
| | The No. of vehicles ordered by 31 March 2016 | 1 095 vehicles replaced | 938 vehicles replaced | 367 vehicles replaced | 1 300 Replacement vehicles ordered | 1 500 vehicles ordered | 1 500 vehicles ordered | 1 500 vehicles ordered | 1 500 vehicles ordered |
| | | 9 Eco-Friendly vehicles acquired | 84 Eco-Friendly vehicles acquired | Not reported in the 2011-12 FY | 1 00 Eco-Friendly vehicles ordered | Not applicable | Not applicable | Not applicable | Not applicable |
| | | Not reported in the 2013-14 FY | Not reported in the 2012-13FY | Not reported in the 2011-12FY | 350 Additional vehicles ordered | Not applicable | Not applicable | Not applicable | Not applicable |

4.1.3. QUARTERLY TARGETS:

| NO | KEY PERFORMANCE INDICATOR | ANNUAL TARGET | CY REPORTING PERIOD | QUARTERLY PERFORMANCE TARGETS | | | |
|----|--|------------------------|---------------------|-------------------------------|----------------------|----------------------|----------------------|
| | | | | QUARTER 1 | QUARTER 2 | QUARTER 3 | QUARTER 4 |
| | The No. of vehicles ordered by 31 March 2016 | 1 500 Vehicles ordered | Monthly | 250 vehicles ordered | 350 vehicles ordered | 450 vehicles ordered | 450 vehicles ordered |

4.1.4. RECONCILING KPI WITH APPROVED BUDGET:

| NO | MEASURABLE OBJECTIVE | PERFORMANCE INDICATOR | ANNUAL TARGET | BUDGET ALLOCATION |
|--|--|--|------------------------|-------------------|
| | TO RENEW THE FLEET IN ORDER TO KEEP THE FLEET AVERAGE AGE AT 3 YEARS | Total number of vehicles ordered by 31 March 2016. | 1 500 Vehicles ordered | R 4 649 |
| GRAND TOTAL: APPROVED BUDGET – ANNUAL ALLOCATION | | | | R 393 909 |
| The Permanent Unit supports the core mandate of the Entity with regards to effectively responding to clients fleet requirements by replacing their existing fleet in the upcoming year. This KPI represents 99 % of the Unit's total budget allocation of R 394 million. | | | | |

4.2. OPERATIONAL MANAGEMENT SERVICES:

STRATEGIC OBJECTIVE: VIP/POOL FLEET SERVICES

| | |
|----------------------------|--|
| STRATEGIC OBJECTIVE NO. 4: | TO PROVIDE AN IMPROVED, EFFICIENT, RELIABLE, SAFE, ACCESIBLE AND COST EFFECTIVE AND MARKET RESPONSIVE FLEET SERVICES SUITED TO CLIENT NEEDS. |
| STRATEGIC OUTCOME: | IMPROVED UTILISATION AND REVENUE GENERATION OF VIP AND POOL FLEET |
| ORIENTATED GOAL STATEMENT: | To optimally rent out VIP and POOL fleet to clients. |
| BASELINE: | 98 % of active VIP vehicles rented out to clients (359 vehicles). 99 % of active POOL vehicles rented out to clients (989 vehicles). |

RISK PROFILE:

| | |
|-----------------|--|
| STRATEGIC RISK: | Loss of revenue due to inefficient vehicle utilization and loss of clients |
| MITIGATION: | Compliance to the Service Standards turnaround times in respect of vehicle availability. |

4.2.1. STRATEGIC OBJECTIVE:

| NO | STRATEGIC OBJECTIVE | ANNUAL PERFORMANCE OUTCOMES | | | ESTIMATED PERFORM. 2014-15 | MEDIUM TERM TARGETS | | | |
|----|--|---|---|--|---|---|---|---|---|
| | | ACTUAL 2013-14 | AUDITED 2012-13 | AUDITED 2011-12 | | ESTIMATE 2015-16 | ESTIMATE 2016-17 | ESTIMATE 2017-18 | ESTIMATE 2018-19 |
| | TO PROVIDE AN IMPROVED, EFFICIENT, RELIABLE, SAFE, ACCESIBLE AND COST EFFECTIVE AND MARKET RESPONSIVE FLEET SERVICES SUITED TO CLIENT NEEDS. | 98 % of active VIP 359 vehicles rented out to clients. | 98.5 % of active VIP 427 vehicles rented out to clients. | 98 % of VIP and POOL vehicles 1759 (No split between VIP and POOL) | 97 % of active VIP vehicles rented out to clients. | 97 % of active VIP vehicles rented out to clients. | 97 % of active VIP vehicles rented out to clients. | 97 % of active VIP vehicles rented out to clients. | 97 % of active VIP vehicles rented out to clients. |
| | | 99 % of active POOL 989 vehicles rented out to clients. | 99.3 % of active POOL 984 vehicles rented out to clients. | 98 % of VIP and POOL vehicles 1759 (No split between VIP and POOL) | 96 % of active POOL vehicles rented out to clients. | 96 % of active POOL vehicles rented out to clients. | 96 % of active POOL vehicles rented out to clients. | 96 % of active POOL vehicles rented out to clients. | 96 % of active POOL vehicles rented out to clients. |

4.2.2. KEY PERFORMANCE INDICATORS:

| NO | KEY PERFORMANCE INDICATOR | ANNUAL PERFORMANCE OUTCOMES | | | ESTIMATED PERFORM. 2014-15 | MEDIUM TERM TARGETS | | | |
|----|--|---|---|--|---|---|---|---|---|
| | | ACTUAL 2013-14 | AUDITED 2012-13 | AUDITED 2011-12 | | ESTIMATE 2015-16 | ESTIMATE 2016-17 | ESTIMATE 2017-18 | ESTIMATE 2018-19 |
| | % of active VIP fleet rented out to clients by 31 March 2016. | 98 % of active VIP vehicles rented out to clients. (359) | 98.5% of active VIP vehicles rented out to clients. (427) | 98 % of VIP and POOL vehicles 1759 (No split between VIP and POOL) | 97 % of active VIP 359 vehicles rented out to clients. | 97 % of active VIP 359 vehicles rented out to clients. | 97 % of active VIP 359 vehicles rented out to clients. | 97 % of active VIP 359 vehicles rented out to clients. | 97 % of active VIP 359 vehicles rented out to clients. |
| | % of active POOL fleet rented out to clients by 31 March 2016. | 99 % of active POOL vehicles rented out to clients. (989) | 99.3 % of active POOL vehicles rented out to clients. (984) | 98 % of VIP and POOL vehicles 1759 (No split between VIP and POOL) | 96 % of active POOL 989 vehicles rented out to clients. | 96 % of active POOL 989 vehicles rented out to clients. | 96 % of active POOL 989 vehicles rented out to clients. | 96 % of active POOL 989 vehicles rented out to clients. | 96 % of active POOL 989 vehicles rented out to clients. |

4.2.3. QUARTERLY TARGETS:

| NO | KEY PERFORMANCE INDICATOR | ANNUAL TARGET | CY REPORTING PERIOD | QUARTERLY PERFORMANCE TARGETS | | | |
|-----|--|---|---------------------|---|---|---|---|
| | | | | QUARTER 1 | QUARTER 2 | QUARTER 3 | QUARTER 4 |
| 4.1 | Total % of active VIP fleet rented out to clients by 31 March 2016. | 97 % of active VIP 359 vehicles rented out to clients. | Monthly | 97 % of active VIP vehicles rented out to clients. | 97 % of active VIP vehicles rented out to clients. | 97 % of active VIP vehicles rented out to clients. | 97 % of active VIP vehicles rented out to clients. |
| 4.2 | Total % of active POOL fleet rented out to clients by 31 March 2016. | 96 % of active POOL 989 vehicles rented out to clients. | Monthly | 96 % of active Pool vehicles rented out to clients. | 96 % of active Pool vehicles rented out to clients. | 96 % of active Pool vehicles rented out to clients. | 96 % of active Pool vehicles rented out to clients. |

4.4.4. RECONCILING KPI WITH APPROVED BUDGET:

| NO | MEASURABLE OBJECTIVE | PERFORMANCE INDICATOR | ANNUAL TARGET | BUDGET ALLOCATION |
|---|--|---|---------------|-------------------|
| 4.1 | To efficiently rent out VIP vehicles to clients. | % of active VIP fleet vehicles rented by the end of each year. | 97 % | R 440 595 |
| 4.2 | To efficiently rent out Pool vehicles to clients | % of active POOL fleet vehicles rented out by the end of each year. | 96 % | |
| GRAND TOTAL: APPROVED BUDGET – ANNUAL ALLOCATION: | | | | R 440 595 |
| <p>VIP Vehicles: These are luxury vehicles i.e. SUV's offered to clients on a short-term basis at a daily rate with or without driver</p> <p>Pool Vehicles: These are vehicles are offered to clients on an ad-hoc basis for a maximum period of 3 months</p> | | | | |

4.3. FINANCIAL MANAGEMENT SERVICES:

STRATEGIC OBJECTIVE: FINANCIAL MANAGEMENT SERVICES

| | |
|-----------------------------------|---|
| STRATEGIC OBJECTIVE NO. 7: | TO ENSURE SOUND FINANCIAL MANAGEMENT AND CORPORATE GOVERNANCE |
| STRATEGIC OUTCOME: | TO DEMONSTRATE GOOD STEWARDSHIP AND EFFECTIVE UTILIZATION OF THE FINANCIAL RESOURCES ENTRUSTED TO THE ENTITY. TO PROMOTE ECONOMIC TRANSFORMATION THROUGH INCREASED OPPORTUNITIES FOR BBBEE AND SMME DEVELOPMENT WITHIN THE ECONOMY |
| ORIENTATED GOAL STATEMENT: | TO PROVIDE THE ENTITY WITH THE OVERALL FINANCIAL MANGMENT SUPPORT SERVICES REQUIRED IN ORDER TO ENSURE THAT THE ENTITY DELIVERS ON IT S MANDATE AN INTEGRATED, EFFECTIVE AND SUSTAINABLE MANNER |
| BASELINE: | 2014FY AG Audit Report - Adverse audit opinion |

RISK PROFILE:

| | |
|------------------------|--|
| STRATEGIC RISK: | Ineffective management and monitoring over the overall cash flow (including the total debt and liabilities of the Entity) |
| MITIGATION: | Compliance to legislative reporting – Monthly :-Section 40 Report Quarterly:- Performance Information Report, Interim Financial Statements, Audit Committee reporting, Treasury Compliance Reporting, Risk Management Reporting |

4.3.1. STRATEGIC OBJECTIVE:

| NO | STRATEGIC OBJECTIVE | ANNUAL PERFORMANCE OUTCOMES | | | ESTIMATED PERFORMANCE | MEDIUM TERM TARGETS | | | |
|----|---|--|------------------------------------|----------|--|--|--|--|--|
| | | ACTUAL | AUDIT | AUDIT | | ESTIMATE | ESTIMATE | ESTIMATE | ESTIMATE |
| | | 2013-14 | 2012-13 | 2011-12 | | 2015-16 | 2016/17 | 2017/18 | 2018/19 |
| | TO MONITOR AND MAXIMISE REVENUE COLLECTION AND EFFECTIVELY MANAGE TOTAL OUTSTANDING DEBT. | -133 days | 75 days | 338 days | 30 day debtor collection period. | 30 day debtor collection period. | 30 day debtor collection period. | 30 day debtor collection period. | 30 day debtor collection period. |
| | TO MONITOR AND EFFECTIVELY MANAGE THE CASH FLOW INCLUDING ALL LIABILITIES OF THE ENTITY. | 2 474 payments made within 30 days (2 596) | 1 919 payments made within 30 days | 31 days | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt |

| NO | STRATEGIC OBJECTIVE | ANNUAL PERFORMANCE OUTCOMES | | | ESTIMATED PERFORM. 2014-15 | MEDIUM TERM TARGETS | | | |
|----|---|---|---|---|---|---|---|---|---|
| | | ACTUAL | AUDIT | AUDIT | | ESTIMATE | ESTIMATE | ESTIMATE | ESTIMATE |
| | | 2013-14 | 2012-13 | 2011-12 | | 2015-16 | 2016/17 | 2017/18 | 2018/19 |
| | TO EMPOWER BBBEE SERVICE PROVIDERS AND ACHIEVE THE BBBEE EXPENDITURE TARGETS. | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD |
| | TO ACHIEVE A CLEAN AUDIT ANNUALLY | Adverse Audit Report | Unqualified Audit Report | Unqualified Audit Report | X1 Clean Audit Report | X1 Clean Audit Report | X1 Clean Audit Report | X1 Clean Audit Report | X1 Clean Audit Report |

4.3.2. PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS

| NO | KEY PERFORMANCE INDICATOR | ANNUAL PERFORMANCE OUTCOMES | | | ESTIMATED PERFORMANCE | MEDIUM TERM TARGETS | | | |
|----|---|---|---|---|---|---|---|---|---|
| | | ACTUAL | AUDIT | AUDIT | | ESTIMATE | ESTIMATE | ESTIMATE | ESTIMATE |
| | | 2013-14 | 2012-13 | 2011-12 | | 2015-16 | 2016/17 | 2017/18 | 2018/19 |
| | Number of Debt Collection Days. | -133 days | 75 days | 338 days | 30 day debtor collection period. | 30 day debtor collection period. | 30 day debtor collection period. | 30 day debtor collection period. | 30 day debtor collection period. |
| | Number of Supplier Invoice Payment Days. | 2 474 payments made within 30 days (2 596) | 1 919 payments made within 30 days | 31 days | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt |
| | X1 Clean Audit Report | Adverse Audit Report | Unqualified Audit Report | Unqualified Audit Report | X1 Clean Audit Report | X1 Clean Audit Report | X1 Clean Audit Report | X1 Clean Audit Report | X1 Clean Audit Report |
| | Historically Disadvantaged Individuals Women Owned Youth Owned People with Disabilities | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD | % of BBBEE expenditure awarded to: 80% HDI 30% Women Owned 10% Youth 2% PWD |

NOTE These exclude vehicle procurement within the RT57 Contract

4.3.3. QUARTERLY TARGETS

| NO | KEY PERFORMANCE INDICATOR | ANNUAL TARGET | CURRENT YEAR REPORTING PERIOD | QUARTERLY PERFORMANCE TARGETS | | | |
|----|--|---|-------------------------------|---|---|---|---|
| | | | | QUARTER 1 | QUARTER 2 | QUARTER 3 | QUARTER 4 |
| | No. of Supplier Invoice Payment Days. | 30 Day payment of invoice from the date of receipt | Quarterly | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt | 30 Day payment of invoice from the date of receipt |
| | Historically Disadvantaged Individuals Women Owned Youth Owned People with Disabilities | % of BBBEE expenditure awarded to: 80% to HDI 30% to Women 10% to Youth 2% to PWD | Quarterly | % of BBBEE expenditure awarded to: 80% to HDI 30% to Women 10% to Youth 2% to PWD | % of BBBEE expenditure awarded to: 80% to HDI 30% to Women 10% to Youth 2% to PWD | % of BBBEE expenditure awarded to: 80% to HDI 30% to Women 10% to Youth 2% to PWD | % of BBBEE expenditure awarded to: 80% to HDI 30% to Women 10% to Youth 2% to PWD |
| | X1 Clean Audit Report | X1 Clean Audit Report | Annually | Not Applicable | Not Applicable | Not Applicable | X1 Clean Audit Report |

4.3.4. RECONCILING PERFORMANCE TARGET BUDGET:

| NO | MEASURABLE OBJECTIVE | PERFORMANCE INDICATOR | ANNUAL TARGET | BUDGET ALLOCATION |
|--|--|--|---|-------------------|
| | TO MONITOR AND EFFECTIVELY MANAGE THE CASH FLOW INCLUDING ALL LIABILITIES OF THE ENTITY. | Number of Supplier Invoice Payment Days. | 30 Day payment of invoice from the date of receipt | To be determined |
| | TO EMPOWER BBBEE SERVICE PROVIDERS AND ACHIEVE THE BBBEE EXPENDITURE TARGETS. | Historically Disadvantaged Individuals Women Owned Youth Owned People with Disabilities | % of BBBEE expenditure awarded to HDI 30% to Women 10% to Youth 2% to PWD | To be determined |
| | TO ACHIEVE A CLEAN AUDIT ANNUALLY | X1 Clean Audit Report | X1 Clean Audit Report | |
| GRAND TOTAL: APPROVED BUDGET – ANNUAL ALLOCATION: | | | | R 7 841 |

PART C:

LINKS TO OTHER PLANS

5. TECHNICAL INDICATORS

| | |
|----------------------------------|---|
| INDICATOR TITLE | TOTAL NO. OF VEHICLES ORDERED. |
| SHORT DEFINITION | To replace, maintained and effectively manage all state assets (motor vehicles) thereby ensuring optimal utilization. This may include motor bikes, hybrid cars and bicycles. |
| PURPOSE IMPORTANCE | Its purpose is to ensure effective fleet management and maintenance of assets. Its importance is to provide effective, efficient, economical and transparent use of state assets required for service delivery. |
| SOURCE COLLECTION OF DATA | Excel Spreadsheet and FIS Report |
| METHOD OF CALCULATION | Quantitative: Numerical data collation and analysis Purchase Order Report. |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Measurement of Performance – Effective management of state assets (motor vehicle) |
| CALCULATION TYPE | Cumulative |
| REPORTING CYCLE | Monthly |
| NEW INDICATOR | No |
| DESIRED PERFORMANCE | 1 500 new vehicles ordered by 31 March 2016. |
| INDICATOR RESPONSIBILITY | DIRECTOR: PERMEANT SERVICES – FLEET ACQUISITIONS AND LOGISTICS |

TECHNICAL INDICATOR:

| | |
|----------------------------------|--|
| INDICATOR TITLE | % of active VIP fleet rented out to clients by 31 March 2016. % of active POOL fleet rented out to clients by 31 March 2016. |
| SHORT DEFINITION | Short term executive and pool vehicle rental services |
| PURPOSE IMPORTANCE | Its purpose is to ensure sustainability of the Entity in terms of the VIP and POOL fleet's contribution towards revenue generation vis the booking and vehicle rentals by clients Its importance is to assess the effectiveness and magnitude of VIP and POOL services rendered to clients |
| SOURCE COLLECTION OF DATA | Fleet Information System |
| METHOD OF CALCULATION | Percentage of the total vehicles actually rented out to clients in comparison to the (base) total vehicles available to be rented out to clients from the VIP/POOL fleet. |
| DATA LIMITATIONS | N/A |
| TYPE OF INDICATOR | Measurement of Performance – Efficiency of service delivery within the public sector. |
| CALCULATION TYPE | Non-Cumulative |
| REPORTING CYCLE | Monthly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | 97 % of active VIP vehicles rented out to clients 96 % of active POOL vehicles rented out to clients |
| INDICATOR RESPONSIBILITY | DIRECTOR: VIP AND POOL |

TECHNICAL INDICATOR

| | |
|----------------------------------|---|
| INDICATOR TITLE | Total number of debt collection days. |
| SHORT DEFINITION | To monitor and maximise revenue collection and effectively manage total outstanding debt. |
| PURPOSE IMPORTANCE | Its purpose is to ensure the financial sustainability of the Entity through the timeous collection of all outstanding debtor balance and revenue earned for services rendered. Its importance to ensure minimal impact on the Entity's ability to meet its monthly payment obligations. |
| SOURCE COLLECTION OF DATA | Signed Service Level Agreement |
| METHOD OF CALCULATION | Count 30 days from the date of issuing the debtors invoice(s). |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Output |
| CALCULATION TYPE | Non-Cumulative |
| REPORTING CYCLE | Quarterly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | 60 Days |
| INDICATOR RESPONSIBILITY | DIRECTOR:FINANCE |

TECHNICAL INDICATOR:

| | |
|----------------------------------|---|
| INDICATOR TITLE | Total number of supplier invoices settled within 30 days after the date of receipt. |
| SHORT DEFINITION | To monitor and effectively manage the cash flow including all liabilities of the Entity. |
| PURPOSE IMPORTANCE | Its purpose is to ensure thereby preventing fruitless and wasteful expenditure through compliance to PFMA and Treasury Regulations Supplier invoices paid within 30 days [PFMA 38(1)(c) and T.R. 9.(1)(1)]. |
| SOURCE COLLECTION OF DATA | Signed Tender Award Letters/Purchase Orders issues |
| METHOD OF CALCULATION | Count 30 days from the date of receipt of the supplier invoice |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Output. |
| CALCULATION TYPE | Non-Cumulative |
| REPORTING CYCLE | Quarterly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | Tolerable number of late payments of 3% of the total number of supplier invoices due for payment. |
| INDICATOR RESPONSIBILITY | DIRECTOR:FINANCE |

TECHNICAL INDICATOR:

| | |
|----------------------------------|---|
| INDICATOR TITLE | Total number of supplier invoices settled within 30 days after the date of receipt. |
| SHORT DEFINITION | To monitor and effectively manage the cash flow including all liabilities of the Entity. |
| PURPOSE IMPORTANCE | Its purpose is to ensure thereby preventing fruitless and wasteful expenditure through compliance to PFMA and Treasury Regulations Supplier invoices paid within 30 days [PFMA 38(1)(c) and T.R. 9.(1)(1)]. |
| SOURCE COLLECTION OF DATA | Signed Tender Award Letters/Purchase Orders issues |
| METHOD OF CALCULATION | Count 30 days from the date of receipt of the supplier invoice |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Output. |
| CALCULATION TYPE | Non-Cumulative |
| REPORTING CYCLE | Quarterly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | Tolerable number of late payments of 3% of the total number of supplier invoices due for payment. |
| INDICATOR RESPONSIBILITY | DIRECTOR:FINANCE |

TECHNICAL INDICATOR:

| | |
|----------------------------------|--|
| INDICATOR TITLE | Percentage of BBBEE expenditure awarded to HDI's |
| SHORT DEFINITION | To empower BBBEE service providers and to increase the expenditure incurred on good and services procured from HDI Owned Entities |
| PURPOSE IMPORTANCE | The BBBEE Act mandates government to facilitate broad based economic empowerment by promoting economic transformation in order to enable participation of Historically Disadvantaged Individuals in the economy. |
| SOURCE COLLECTION OF DATA | CIRPO Certificates clearly states % holdings aligned to verified BBBEE Certificates |
| METHOD OF CALCULATION | Total amount awarded multiplied by the total number of shares divided by 100 |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Output |
| CALCULATION TYPE | Non-cumulative |
| REPORTING CYCLE | Quarterly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | 80% |
| INDICATOR RESPONSIBILITY | DEPUTY DIRECTOR: SUPPLY CHAIN MANAGEMENT |

TECHNICAL INDICATOR:

| | |
|----------------------------------|---|
| INDICATOR TITLE | Percentage of BBBEE expenditure awarded to Women. |
| SHORT DEFINITION | To empower BBBEE service providers and to increase the expenditure incurred on good and services procured from Women Owned Entities |
| PURPOSE IMPORTANCE | The BBBEE Act mandates government to facilitate broad based economic empowerment by promoting economic transformation in order to enable participation of Women in the economy. |
| SOURCE COLLECTION OF DATA | CIRPO Certificates clearly states % holdings aligned to verified BBBEE Certificates |
| METHOD OF CALCULATION | Total amount awarded multiplied by the total number of shares divided by 100 |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Output |
| CALCULATION TYPE | Non-cumulative |
| REPORTING CYCLE | Quarterly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | 30% |
| INDICATOR RESPONSIBILITY | DEPUTY DIRECTOR: SUPPLY CHAIN MANAGEMENT |

TECHNICAL INDICATOR:

| | |
|----------------------------------|---|
| INDICATOR TITLE | Percentage of BBBEE expenditure awarded to Youth |
| SHORT DEFINITION | To empower BBBEE service providers and to increase the expenditure incurred on good and services procured from Youth Owned Entities |
| PURPOSE IMPORTANCE | The BBBEE Act mandates government to facilitate broad based economic empowerment by promoting economic transformation in order to enable participation of Youth in the economy. |
| SOURCE COLLECTION OF DATA | CIRPO Certificates clearly states % holdings aligned to verified BBBEE Certificates |
| METHOD OF CALCULATION | Total amount awarded multiplied by the total number of shares divided by 100 |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Output |
| CALCULATION TYPE | Non-cumulative |
| REPORTING CYCLE | Quarterly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | 10% |
| INDICATOR RESPONSIBILITY | DEPUTY DIRECTOR: SUPPLY CHAIN MANAGMENT |

TECHNICAL INDICATOR:

| | |
|----------------------------------|--|
| INDICATOR TITLE | Percentage of BBBEE expenditure awarded to People with Disabilities |
| SHORT DEFINITION | To empower BBBEE service providers and to increase the expenditure incurred on good and services procured from PwD Owned Entities |
| PURPOSE IMPORTANCE | The BBBEE Act mandates government to facilitate broad based economic empowerment by promoting economic transformation in order to enable participation of People with Disabilities in the economy. |
| SOURCE COLLECTION OF DATA | CIRPO Certificates clearly states % holdings aligned to verified BBBEE Certificates |
| METHOD OF CALCULATION | Total amount awarded multiplied by the total number of shares divided by 100 |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Output |
| CALCULATION TYPE | Non-cumulative |
| REPORTING CYCLE | Quarterly |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | 5% |
| INDICATOR RESPONSIBILITY | DEPUTY DIRECTOR: SUPPLY CHAIN MANAGEMENT |

TECHNICAL INDICATOR:

| | |
|----------------------------------|--|
| INDICATOR TITLE | Clean Audit Report |
| SHORT DEFINITION | The AG performs an annual audit of the Entity. The type of audit opinion will reflect whether the Entity has a clean audit |
| PURPOSE IMPORTANCE | Demonstrates high levels of sound financial governance |
| SOURCE COLLECTION OF DATA | Audit General Audit Report |
| METHOD OF CALCULATION | Unqualified audit opinion, with no findings on APOP and not findings on compliance with laws and regulations |
| DATA LIMITATIONS | No limitations |
| TYPE OF INDICATOR | Outcome |
| CALCULATION TYPE | Non-cumulative |
| REPORTING CYCLE | Demonstrates high levels of sound financial governance. |
| NEW INDICATOR | No. |
| DESIRED PERFORMANCE | 1 Clean Audit Report |
| INDICATOR RESPONSIBILITY | DIRECTOR: FINANCE |

| NO | ACTUAL RISK | IR | RR | CONTROLS | ROOT CAUSE | MITIGATING FACTOR |
|----|-------------------------|----|----|---|--|---|
| 1. | POOR REVENUE COLLECTION | 25 | 20 | <ul style="list-style-type: none"> ⇒ Operating Manual for contracts ⇒ Permanent Operating Procedure Manual ⇒ Fleet information system ⇒ Process flows | <ul style="list-style-type: none"> • Inaccurate billing to client Departments | <ul style="list-style-type: none"> • Communication of closed and open contracts to be sent to Finance Unit. • Enhancement of all process flows • Review of processes and procedures and implementation of corrective actions • Enforce implementation of all applicable policies • Implementation of adequate monitoring systems • Enhancing the Service Level Agreements with client Departments |
| | | 25 | 12 | <ul style="list-style-type: none"> ⇒ Implementation of the Updated Debtors Management Strategy. ⇒ Hold regular meetings with client Departments | <ul style="list-style-type: none"> • Defaulting client Departments • Non-compliance to SLA • Inability to implement sanctions | <ul style="list-style-type: none"> • Enforce the implementation of the Debtors Management Strategy • Explore escalation to Audit Committee and the Office of the Provincial Accountant General. • Hold Roadshows (CEO |

| NO | RISK | IR | RR | CONTROLS | ROOT CAUSE | MITIGATING FACTOR |
|----|-------------------------------------|----|----|--|--|---|
| | | | | <ul style="list-style-type: none"> ⇒ Reporting to Legislature ⇒ Meetings and continuous engagement with key stakeholders from relevant client Departments in order to discuss the non-compliance to the terms and conditions stated in the signed SLA's. | | <ul style="list-style-type: none"> Meetings) with the Executive officials (HOD, CFO and DDG Corporate Services) from responsible Departments. • Seek political intervention |
| | | 25 | 09 | <ul style="list-style-type: none"> ⇒ Monthly monitoring of Budget Commitments. | Insufficient fleet budget (on the side of Departments) | <ul style="list-style-type: none"> • Hold meetings with client Departments for adequate budget provision. |
| 2. | INEFFICIENCIES IN SYSTEM OPERATIONS | 25 | 20 | <ul style="list-style-type: none"> ⇒ Upgraded Fleet Information System (FIS) ⇒ 3 way Fixed Asset reconciliation. | Lack of Integrated Systems (Asset Management, Fleet Information System, Tracking, Pastel, CRM) | <ul style="list-style-type: none"> • Procurement of new Fleet Management System |
| | | 25 | 20 | | Manual/ duplication of processes | <ul style="list-style-type: none"> • Automation of Systems interfaces with clients. • Streamlining of Business Processes |
| | | 25 | 20 | | Non alignment of the Information Communication and Technology (ICT) and Business Strategy | <ul style="list-style-type: none"> • Development and implementation of ICT strategy in line with the Business Strategy • Implementation of enhanced FIS (V3) |

| NO | RISK | IR | RR | CONTROLS | ROOT CAUSE | MITIGATING FACTOR |
|----|---|----|----|--|--|--|
| | | | | | | <ul style="list-style-type: none"> Solidification of relationship with SITA |
| | | 25 | 20 | | Ineffective Business Process | <ul style="list-style-type: none"> Enhancement of all process flows. |
| 3. | FRAUD AND CORRUPTION | 25 | 12 | ⇒ Code of Ethics | <ul style="list-style-type: none"> Lack of Anti -Fraud and Corruption awareness System manipulations | <ul style="list-style-type: none"> Training and awareness on Anti -Fraud and Corruption for all employees Induction programme to be conducted for all new appointees |
| | | 25 | 12 | ⇒ Gauteng Provincial Government Anti-Fraud and Corruption Strategy ⇒ Disciplinary code (Open criminal case) | <ul style="list-style-type: none"> Lack of g-FleeT Fraud Prevention Plan. Inadequate consequence management. Inadequate Management oversight. | <ul style="list-style-type: none"> Participate in Fraud Risk Assessment conducted by Gauteng Forensic Services. Develop and implement the g-FleeT Fraud Prevention Plan. Consistent application of the Disciplinary code. |
| | | 25 | 12 | <ul style="list-style-type: none"> National and Provincial Fraud Hotline Whistle Blower Act Protected Disclosure Act | <ul style="list-style-type: none"> Unethical behaviour Collusion Inadequate SLA (with client Departments) | <ul style="list-style-type: none"> Publicize the Premiers and Public Service hotline Liaise with Anti-Fraud and Corruption units from client Departments Follow up with client Department on reported cases. |
| 4. | INABILITY TO RESPOND TO DISASTER | 25 | 09 | ⇒ Approved Data Recovery Plan (DRP) ⇒ DRT OHS Policy | <ul style="list-style-type: none"> Lack of Business Continuity Plan | <ul style="list-style-type: none"> Conduct a Business Impact Analysis (BIA) for the Entity Develop and communicate the Business Continuity Plan Implementation of the |

| NO | RISK | IR | RR | CONTROLS | ROOT CAUSE | MITIGATING FACTOR |
|----|---------------------|----|----|---|---|---|
| | | | | | | DRT OHS Policy |
| | | 25 | 09 | ⇨ Off Site Back-up systems in place ⇨ Daily back-ups | Lack of Disaster Recovery Site | <ul style="list-style-type: none"> Equipment of the current disaster recovery workstation. Testing of the Back-ups for critical systems Review and update the ICT Data Recovery Plan. |
| 5. | LOSS OF CLIENT BASE | 25 | 09 | ⇨ Recruitment and Personal Development Plan. | Capacity constraints (Skills, numbers) | <ul style="list-style-type: none"> Filling of critical positions Implementation of the PMDS |
| | | 25 | 09 | ⇨ Service Level Agreement (SLA) with RT46 Service Providers | Non-compliance with Service Level Agreement (with client Departments and g-Fleet). | <ul style="list-style-type: none"> Structured interaction with client Departments at all levels Regular meetings with clients (discuss the content of the SLA) Manage and facilitate effective contract management (SLA) |
| | | 25 | 09 | ⇨ Price Competitiveness Survey | Perception of high Tariffs by Clients | <ul style="list-style-type: none"> Customer Satisfaction Survey to be conducted annually. Implementation of the recommendation of Customer Survey. |
| | | 25 | 09 | ⇨ Stakeholder Management Strategy ⇨ Management of Client Relations Key Account Managers (KAMs) | <ul style="list-style-type: none"> Inadequate Customer Relationship Management | <ul style="list-style-type: none"> Continuously skill the Key Account Management (KAMs) team. Source and implement Customer Relationship Management (CRM) System. |

| NO | RISK | IR | RR | CONTROLS | ROOT CAUSE | MITIGATING FACTOR |
|----|---------------------------------|----|----|---|--|--|
| | | | | ⇒ Transport Forums. | | <ul style="list-style-type: none"> Monitoring the usage of the Customer Relationship Managers (CRM). |
| 6. | Inadequate Corporate Governance | 25 | 09 | ⇒ Year calendar (schedule of meetings) ⇒ Senior Management Team (SMT) Corporate Governance and Risk Management Training ⇒ Occupational Health and Safety (OHS) Training ⇒ Risk Management/ / Management Committee Meeting (MANCO) ⇒ Risk management part of agenda items of SMT (monthly RMC meeting) | <ul style="list-style-type: none"> Inadequate Policies Inconsistent implementation of Policies Lack of awareness and knowledge on Policies and Procedures | <ul style="list-style-type: none"> Monitoring of Annual Calendar of committee meetings Identification of all policies that needs to be developed and implemented Review and approval of Policies Communication of Policies to all Staff. Establishment of all legislative committees |
| | | 25 | 09 | ⇒ Approved Committee Charters | <ul style="list-style-type: none"> Inadequate Legislated Committees (e.g. Occupational Health and Safety Committee) Inconsistent Committee meetings | <ul style="list-style-type: none"> Review of non-functional Committees Development of OPS Committee Charter Finalization of OHS Committee Monthly reporting on compliance. |
| | | 25 | 09 | ⇒ Corporate Governance Champion | <ul style="list-style-type: none"> Non-compliance with legislation | <ul style="list-style-type: none"> Develop a Compliance Checklist for all applicable legislation whereby continuous communication of governance issues to staff. |
| | | 25 | 09 | | <ul style="list-style-type: none"> Lack of ICT Governance | <ul style="list-style-type: none"> Develop and implement |

| NO | RISK | IR | RR | CONTROLS | ROOT CAUSE | MITIGATING FACTOR |
|----|------|----|----|----------|-------------------------|---|
| | | | | | Framework and Committee | <p>the ICT Governance Framework.</p> <ul style="list-style-type: none"> Establish the ICT Committee. |