

g-FleeT Management
Trading Entity



Annual Performance Plan

2018– 2019



27th February 2018

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 2018/19) continues to align and support the key strategic priorities embedded in the turnaround strategy. g-Fleet's strategic goals in the 2018/19 Financial Year are to:

- 1. Provide fleet management services that are effective, efficient and client focused.**
- 2. Sustainable and well-governed organisation.**

This Plan reflects the performance targets for the 2018-19 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 2018-19 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 2018/19 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 2018/19, 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 2018/19 financial year.



DR ISMAIL VADI

MEC: ROADS AND TRANSPORT

DATE: 28/02/2018

Official Sign Off

It is hereby certified, that the g-Fleet Management 2018-19 Annual Performance Plan:

- Was developed by the management of g-Fleet under the guidance of the g-Fleet: Accounting Officer, namely Mr Ronald Swartz.
- 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 endeavour to achieve given the resources made available in the Budget for 2018-19 Financial Year.

Signature: _____



Mr. Mbasa Ngumla
Acting Chief Financial Officer
g-Fleet Management

Signature: _____



Ms. Noxolo Maninjwa
Acting Chief Executive Officer
g-Fleet Management

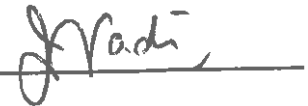
Signature: _____



Mr. Ronald Swartz
Accounting Officer
Gauteng Department of Roads and Transport

Approved By:

Signature: _____



Dr. Ismail Vadi
Member of the Executive Council
Gauteng Department of Roads and Transport

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PART A: Strategic Overview

1. Updated situational analysis

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, followed by
- The South African Fleet Industry Competitive Analysis,
- The g-Fleet Management Customer Satisfaction Research,
- The g-Fleet Turnaround Strategy and Implementation Plan, and
- The Management Report and 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. The Entity has taken a decision to be more customer focused, and in order to achieve this the Entity is developing a new operating model. 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.

1.1 Performance delivery environment

Transport cost management means that g-Fleet will continue to monitor and respond to the needs of its client department proactively. Due to the vast advances in modern means of communication, distances between people can be overcome using telephones, email, World Wide Web, and broadband connections. This has reduced the need to travel from one point to another. However, there are times when it is necessary to physically move from one place to another in order to perform official duties to enable service delivery. Hi-tech contact is not always enough. In such instances, g-Fleet provides the transport means to move government officials from one place to another, through its fleet of vehicles. Current usage of vehicle includes transport of people, individually and as groups, and transport of light goods.

In transporting people, there are instances when a vehicle is leased out over a long period to provide continued transport services. In short term leases there could be a possibility of reducing cost even further without sacrificing efficiency.

Over the period ahead, government will take steps to modernise its outputs and take proactive steps to prevent corruption. Among key actions are to improve efficiency in public spending, eliminate wastage and improve spending and policy priorities. Further steps will also be taken to root out corruption.

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

The ten pillars of Gauteng Provincial Government Priorities as outlined by the Premier at the State of the Province Address on 27 June 2014 are:

Transformation

- Radical economic transformation
- Decisive spatial transformation
- Accelerated social transformation
- Transformation of the state and governance

Modernisation

- Modernisation of the public service
- Modernisation of the economy
- Modernisation of human settlements and urban development
- Modernisation of public transport infrastructure

Re-industrialisation

- Re-industrialisation of Gauteng province
- Taking the lead in Africa's new industrial revolution

The following have been identified as applicable to g-FleeT Management:-

Re-industrialisation of Gauteng province, specifically the revitalisation of the township economy, within the context of its mandate of providing fleet services g-FleeT will participate in the re-industrialisation of the Township economy.

Through g-FleeT will provide safe and efficient fleet services to client department's officials in a manner that supports modernisation and prevents 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.

1.2 Organisational 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-FleeT'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 three other Provinces through regional offices.

2. Revision to legislative and other mandates

There were no revisions to the mandates.

3. Overview of annual budget and 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. 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.

3.2 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 2018/19 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, modernised 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 organisational diagnosis in terms of the current and proposed

organisational 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.

Pursuant to update of the strategic plan for Entity in November 2015 and approval in February 2016, management developed a sustainability plan that was approved in March 2017. The sustainability plan outlines the activities that need to be implemented over a two year period to ensure that the Entity remains sustainable. The interventions identified in the sustainability plan 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 R50 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.

The current fleet information system (FIS) revision project was finalised by end of March 2017. The entity launched the FIS version 3 effective from 1 April 2017 and experienced some challenges, which are in the process of being resolved by the system developer. The system will be utilised while the entity is working on further improving the control environment and digitisation of the environment which would require new fleet information system. The entity will implement Phase 2 of the approved ICT Strategy during the 2018/19 financial year.

The table below represents the entity's MTEF budget:

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
	2014/15	2015/16	2016/17	2017/18	2017/18	2017/18	2018/19	2019/20	2020/21
R thousand									
1. Administration	71 000	95 722	98 057	113 348	(25 000)	88 348	174 118	76 237	80 064
2. Operations	617 969	631 713	641 065	709 602	9 068	718 669	770 502	811 700	838 472
TOTAL	688 969	727 435	739 122	822 950	(15 932)	807 018	944 620	887 936	918 535

EXPENDITURE ESTIMATES

Economic Classification	Audited Outcomes (Actual)			Main Appropriation	Adjustment appropriation	Revised estimate	Medium Term Expenditure Estimate		
	R'000 2014/15	R'000 2015/16	R'000 2016/17				R'000 2018/19	R'000 2019/20	R'000 2020/21
R thousand									
Current Payments	391 697	419 207	397 857	444 501	2 150	446 651	505 570	532 678	562 495
Compensation of employees	79 821	84 170	80 206	85 126	-	85 126	105 295	112 277	119 610
Goods and Services	311 876	335 037	317 651	359 375	2 150	361 525	400 275	420 402	442 885
Payment for Capital Assets	297 272	308 228	341 265	378 449	(18 082)	360 367	439 050	355 258	356 041
Buildings and other fixed structures	19 236	8 302	21 038	31 274	(26 270)	5 004	94 950	-	-
Software and other intangible assets	1 364	5 345	11 000	7 803	(1 930)	5 873	2 000	3 200	3 000
Computer Hardware	728	994	1 500	2 200	1 050	3 250	1 100	410	700
Office Furniture	97	632	677	700	402	1 102	500	-	-
Acquisition of Motor Vehicles	270 495	291 945	308 000	327 096	8 666	335 762	333 000	351 648	352 460
Machinery and Equipment	5 352	1 010	50	4 376	-	4 376	7 500	-	-
Security projects				5 000	-	5 000	-	-	-
TOTAL	688 969	727 435	739 122	822 950	(15 932)	807 018	944 620	887 936	918 535

REVENUE ESTIMATES

	Audited Outcomes (Actual)			Main Estimate	Adjusted estimate	Revised estimate	Medium Term Revenue Estimate		
	R'000 2014/15 Restated	R'000 2015/16	R'000 2016/17				R'000 2018/19	R'000 2019/20	R'000 2020/21
R thousand									
Revenue from leases	723 705	682 638	819 583	760 000	-	760 000	836 000	919 600	970 178
Interest income	19 514	28 093	19 473	20 447	-	20 447	42 000	44 352	46 791
Government employee transport services	1 651	1 556	3 400	1 680		1 680	1 500	1 584	1 671
Revenue – Auctions	51 736	77 885	58 000	60 900	-	60 900	63 945	67 142	70 835
TOTAL	796 606	790 172	900 456	843 027		843 027	943 445	1 032 678	1 089 475

PART B: Programme and Sub-Programme Plans

4.1 Strategic objective annual targets

Strategic outcome oriented 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 INDICATORS	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE 2017/18	MEDIUM-TERM TARGETS		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Average age of allocated fleet	New KPI	4 Years	3.4 Years	≤4 years	≤4 years	≤4 years	≤4 years
Percentage of vehicles auctioned	New KPI	New KPI	New KPI	New KPI	80%	100%	100%

Quarterly Targets

PERFORMANCE INDICATORS	REPORTING PERIOD	ANNUAL TARGET 2018/19	QUARTERLY TARGETS			
			1ST	2ND	3RD	4TH
Average age of allocated fleet	Quarterly	≤4 years	≤4 years	≤4 years	≤4 years	≤4 years
Percentage of vehicles auctioned	Quarterly	80%	80%	80%	80%	80%

Strategic Objective 2: To provide quality and value-added client service by monitoring vehicle location and maintaining turn-around times of 20 days for services to achieve client satisfaction of 70%							
PERFORMANCE INDICATORS	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE 2017/18	MEDIUM-TERM TARGETS		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Percentage of in-service vehicles tracked.	New KPI	80%	92%	93%	93%	95%	95%
Average turnaround time for accidents and mechanical repairs	New KPI	20 days	18 days	20 days	20 days	20 days	20 days
Percentage of client satisfaction level for all gFleeT's client departments	45%	-	89%	-	70%	-	-

Quarterly Targets

PERFORMANCE INDICATORS	REPORTING PERIOD	ANNUAL TARGET 2018/19	QUARTERLY TARGETS			
			1ST	2ND	3RD	4TH
Percentage of in-service vehicles tracked	Quarterly	93%	90%	90%	90%	93%
Average turnaround time for accidents and mechanical repairs	Quarterly	20 days	20 days	20 days	20 days	20 days
Percentage of client satisfaction level for all gFleeT's client departments.	Annually	70%				70%

Strategic outcome oriented 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 INDICATORS	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE 2017/18	MEDIUM-TERM TARGETS		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Average Number of business days from delivery of vehicle to g-Fleet to active vehicle contract with client (permanent vehicles only)	New KPI	29 days	23 business days	20 business days	20 business days	15 business days	15 business days
Average percentage of rental days utilized for VIP self-drive vehicle.	New KPI	71.94%	Average rental utilisation of 66.35%	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 69%	Average rental utilisation of 69%
Average percentage of rental days utilized for Pool vehicle	New KPI	New KPI	New KPI	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 69%	Average rental utilisation of 69%
Annual Tariff structure submitted to Treasury for approval	New KPI	New KPI	Reviewed tariff structure submitted to treasury for approval.	Implementatio n of the approved tariff. Review of tariff for 18/19 FY for submission to Treasury for approval	Implementatio n of the approved tariff. Review of tariff for 19/20 FY for submission to Treasury for approval	Implementatio n of the approved tariff. Review of tariff for 20/21FY for submission to Treasury for approval	Implementatio n of the approved tariff. Review of tariff for submission to Treasury for approval
Implementation of sustainability model.	New KPI	New KPI	Sustainabilit y model has been developed and approved.	Phase 1 Implementation of sustainability model	Phase 2 Implementation of sustainability model	Phase 3 Implementation of sustainability model	Implementation of sustainability model
Percentage decrease in Average debtor's days	New KPI	33%	22% (119 days)	20%	20%	25%	25%

Quarterly Targets

PERFORMANCE INDICATORS	REPORTING PERIOD	ANNUAL TARGET 2018/19	QUARTERLY TARGETS			
			1ST	2ND	3RD	4TH
Average Number of business days from delivery of vehicle to g-Fleet to active vehicle contract with client (permanent vehicles only)	Quarterly	20 Business days	20 business days	20 business days	20 business days	20 business days
Average percentage of rental days utilized for VIP self-drive vehicle.	Quarterly	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 67%
Average percentage of rental days utilized for Pool vehicle	Quarterly	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 67%	Average rental utilisation of 67%
Annual Tariff structure submitted to treasury for approval	Annually	Implementation of approved tariff. Review of tariff for 19/20 for submission to Treasury for approval	-	-	-	Implementation of approved tariff. Review of tariff for 19/20 for submission to Treasury for approval
Implementation of sustainability model	Annually	Phase 2 Implementation of sustainability model	-	-	-	Phase 2 Implementation of sustainability model
Percentage decrease in Average debtor's days	Quarterly	20%	20%	20%	20%	20%

Strategic Objective 2: Engender organisational and culture change To build and maintain a healthy organisation with effective operations							
PERFORMANCE INDICATORS	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE 2017/18	MEDIUM-TERM TARGETS		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Percentage of undisputed invoices paid within 30 days from receipt of invoice	New KPI	90%	83%	100%	100%	100%	100%
Audit outcome (Auditor-General)	Unqualified Opinion	Disclaimer	Unqualified opinion	Unqualified audit for 16/17 FY	Unqualified audit for 17/18 FY	Clean audit for 18/19 FY	Clean audit for 19/20 FY
Implementation of ICT Strategy/Plan	New KPI	New KPI	ICT Strategy approved by HOD	Phase 1 Implementation of ICT Strategy	Phase 2 Implementation of ICT Strategy	Phase 3 Implementation of ICT strategy	Phase 3 Implementation of ICT strategy
Percentage of maintenance expenditure on Gauteng township businesses (automotive)	New KPI	3%	2%	4%	4%	4%	4%

Quarterly Targets

PERFORMANCE INDICATORS	REPORTING PERIOD	ANNUAL TARGET 2018/19	QUARTERLY TARGETS			
			1ST	2ND	3RD	4TH
Percentage of undisputed invoices paid within 30 days from receipt of invoice	Quarterly	100%	100%	100%	100%	100%
Audit outcome (Auditor-General)	Annually	Unqualified audit for 17/18 FY	-	Unqualified audit for 17/18 FY	-	-
Implementation of ICT Strategy/Plan	Annually	Phase 2 Implementation of ICT Strategy	-	-	-	Phase 2 Implementation of ICT strategy
Percentage of maintenance expenditure on Gauteng township businesses (automotive)	Quarterly	4%	4%	4%	4%	4%

4.2 Reconciling strategic objectives with approved budget

Table 4.2.1: 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 2014/15	R'000 2015/16	R'000 2016/17	R'000 2017/18	R'000 2017/18	R'000 2017/18	R'000 2018/19	R'000 2019/20	R'000 2020/21
R thousand									
1. Office of the CFO			14 723	10 769	-	10 769	8 891	8 156	8 622
2 Financial services	19 346	41 379	15 010	15 558	-	15 558	20 614	21 971	23 397
3. Office of the CEO	2 706	2 901	2 935	5 390	-	5 390	3 371	3 589	3 817
4. Corporate Services	48 948	51 442	65 388	81 631	(25 000)	56 631	141 242	42 521	44 227
TOTAL	71 000	95 722	98 057	113 348	(25 000)	88 348	174 118	76 237	80 063

Economic Classification	Audited Outcomes (Actual)			Main Appropriation	Adjustment appropriation	Revised estimate	Medium Term Expenditure Estimate		
	R'000 2014/15	R'000 2015/16	R'000 2016/17	R'000 2017/18	R'000 2017/18	R'000 2017/18	R'000 2018/19	R'000 2019/20	R'000 2020/21
R thousand									
Current Payments	48 060	82 267	64 791	66 371	2 150	68 521	75 568	72 627	76 364
Compensation of employees	26 815	23 531	31 437	31 788	-	31 788	40 502	43 192	46 017
Goods and Services	21 245	58 736	33 354	34 583	2 150	36 733	35 066	29 435	30 347
Payment for Capital Assets	22 940	13 455	33 265	46 977	(27 150)	19 827	98 550	3 910	3 700
Buildings and other fixed structures	19 236	5 474	21 038	31 274	(26 270)	5 004	94 950	-	-
Software and other intangible assets	1 364	5 345	8 500	7 803	(1 930)	5 873	2 000	3 200	3 000
Computer Hardware	728	994	994	2 200	1 050	3 250	1 100	410	700
Office Furniture	97	632	677	700	-	700	500	-	-
Security projects	-	-	-	5 000	-	5 000	-	-	-
Machinery and Equipment	1 515	1 010	50	-	-	-	-	-	-
TOTAL	71 000	95 722	98 057	113 348	(25 000)	88 348	174 118	76 237	80 063

Table 4.2.2: Summary of payments and estimates by sub-programme: Operations

Programme	Audited Outcomes (Actual)			Main Appropriation R'000 2017/18	Adjustment appropriation R'000 2017/18	Revised estimate R'000 2017/18	Medium Term Expenditure Estimate		
	R'000 2014/15	R'000 2015/16	R'000 2016/17				R'000 2018/19	R'000 2019/20	R'000 2020/21
R thousand									
1. Chief Operating Officer	10 014	1 532	2 849	1 690	-	1 690	1 770	1 880	1 992
2. Customer Management Services	12 972	10 920	6 441	11 367	-	11 367	12 257	12 501	13 327
3. VIP & Pool	11 062	16 457	15 825	16 213	-	16 213	20 958	22 332	23 792
4. Fleet Maintenance	104 501	98 633	86 373	119 218	-	119 218	157 492	158 559	167 457
5. Transport Support Services	201 531	200 275	214 673	226 862	-	226 862	236 786	256 063	270 295
6. Permanent Fleet	277 889	303 896	314 904	334 252	9 068	343 320	341 239	360 366	361 609
TOTAL	617 969	631 713	641 065	709 602	9 068	718 670	770 502	811 700	838 742

Economic Classification	Audited Outcomes (Actual)			Main Appropriation R'000 2017/18	Adjustment appropriation R'000 2017/18	Revised estimate R'000 2017/18	Medium Term Expenditure Estimate		
	R'000 2014/15	R'000 2015/16	R'000 2016/17				R'000 2018/19	R'000 2019/20	R'000 2020/21
R thousand									
Current Payments	343 637	343 014	333 065	378 130	-	378 130	430 002	460 052	486 131
Compensation of employees	53 006	60 886	48 769	53 338	-	53 338	64 793	69 085	73 593
Goods and Services	290 631	282 128	284 296	324 792	-	324 792	365 209	390 967	412 538
Payment for Capital Assets	274 332	288 699	308 000	331 472	9 068	340 540	340 500	351 648	352 340
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Computer Hardware	-	-	-	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-	-	-	-
Acquisition of Motor Vehicles	270 495	288 699	308 000	327 096	9 068	336 164	333 000	351 648	352 340
Machinery and Equipment	3 837	-	-	4 376	-	4 376	7 500	-	-
TOTAL	617 969	631 713	641 065	709 602	9 068	718 670	770 502	811 700	838 471

PART C: Links to other plans

5. Links to the long-term infrastructure and other capital plans

Infrastructure projects at the entity relate to the planned Phase 2 projects.

PROJECT ESTIMATES

No	Project Name	Municipality	Outputs	Outcome			Main Appropriation R'000	Adjustment appropriation R'000	Revised estimate R'000	Medium-term estimates		
				R'000	R'000	R'000				R'000	R'000	R'000
				2014/15	2015/16	2016/17	2017/18	2017/18	2017/18	2018/19	2019/20	2020/21
1	Permanent – Admin Block	Ekurhuleni		-	-	4 167	11 803	(9 915)	1 888	94 950	-	-
2	New Permanent Building	Ekurhuleni		-		3 000	3 186	(2 676)	510	-	-	-
3	Carports and vehicle storage	Ekurhuleni		-	5 475	2 692	2 859	(2 402)	457	-	-	-
4	Fleet Management System	Ekurhuleni		3 345	-	-	1 000	(322)	678	-	-	-
5	FIS upgrade			2 000	-	-	-	-	-	-	-	-
	New server						2 000	1 050	3 050	-	-	-
6	Client relation Management system						1 000	(322)	678	1 000	1 700	1 500
7	Key system Management						500	(161)	339	-	-	-
	Document Management system						3 500	(1 126)	2 374	1 000	1 500	1 500
8	Visitors Centre	Ekurhuleni		-	-	3 314	5 071	(4 260)	811	-	-	-
9	Security projects						5 000		5 000	-	-	-
10	Machinery & tools						4 376		4 376	7 500	-	-
9	VIP Covered Parking	Ekurhuleni		-	-	2 957	3 140	(2 638)	502	-	-	-
Total new and replacement assets				5 345	5 475	16 130	43 435	(22 772)	20 663	104 450	3 200	3 000
1	Canteen Building	Ekurhuleni		-	-	1 908	2 026	(1 702)	324	-	-	-
2	LMV Maintenance centre	Ekurhuleni		-	-	3 000	3 186	(2 676)	510	-	-	-
Total rehabilitation, renovations and refurbishments				-	-	4 908	5 094	4 908	834	-	-	-
GRAND TOTAL				5 345	5 475	21 038	48 529	(27 150)	21 497	104 450	3 200	3 000

Annexure D

Vision

Included in Strategic Plan:

We Keep Government Service Delivery on the Move

Mission

Included in Strategic Plan:

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.

Values

Included in Strategic Plan:

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

- Competence,
- Accountability,
- Integrity, and
- Responsiveness

Strategic outcome oriented goals

Included in Strategic Plan:

#	Goals	Goal Statement
1	Provide fleet management services that are effective, efficient and client-focused	Provide reliable fleet and quality services to meet our client's needs in an effective and efficient manner.
2	Sustainable and well-governed organisation	Ensure a well- run organisation by designing and maintaining effective systems and process that will results in optimal use of the entity's assets in delivery of services.

Annexure E – Technical indicator descriptions

Indicator title	Average age of allocated fleet
Short Definition	<p>Passenger and light commercial vehicles that are in service on FIS. - (Excluding withdrawn and vehicles earmarked for auction (Board Of Survey vehicles)).</p> <p>Allocated fleet refers to vehicles that are available to be leased to clients or has been leased to clients. The 4 – year age threshold refers to the age of the vehicle from the date it was purchased.</p>
Purpose/Importance	To ensure that all vehicles provided to clients are reliable
Source/collection of data	New and In service report (FIS)
Method of calculation	The average of the ages of the vehicles that are allocated.
Data limitations	No limitation
Type of indicator	Output
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Continues without significant changes.
Desired performance	Target is set at desired performance level
Indicator responsibility	Permanent Fleet Unit

Indicator title	Percentage of vehicles auctioned
Short Definition	Number of vehicles auctioned as a percentage of vehicles approved for disposal by HOD.
Purpose/Importance	To de-fleet vehicles that are unreliable, minimize maintenance costs and maximize return on investment.
Source/collection of data	FIS All Status Reports and Report from auctioneer
Method of calculation	Number of vehicles sold divided by number of vehicles approved by HOD
Data limitations	FIS Downtime
Type of indicator	Input
Calculation Type	Cumulative
Reporting cycle	Quarterly
New indicator	New Indicator
Desired performance	Target is set at desired performance level
Indicator responsibility	Finance Unit

Indicator title	Percentage of in-service vehicles tracked.
Short Definition	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).
Purpose/Importance	Safeguard and monitor vehicles and ensure vehicles are traceable to ensure availability and on time delivery to clients
Source/collection of data	In service report (FIS) and tracking Report
Method of calculation	[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)] %
Data limitations	No limitation.
Type of indicator	Input
Calculation Type	Cumulative
Reporting cycle	Quarterly
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator responsibility	Transport Support Services Unit

Indicator title	Average turnaround time for major accidents and mechanical repairs
Short Definition	Average number of days taken to complete major accidents and mechanical repairs administered in-house. These are vehicles that are reported directly to the Entity for repairs
Purpose/Importance	To provide quality and value-added client service by reducing down-time.
Source/collection of data	Major accidents and mechanical repair report
Method of calculation	Total number of days taken for major repairs divided by total number of vehicles repaired.
Data limitations	No limitation
Type of indicator	Input
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator responsibility	Maintenance Unit

Indicator title	Percentage of client satisfaction level for all g-Fleet's client departments.
Short Definition	The indicator measures the quality of the relationship between g-Fleet and its clients based on a sample.
Purpose/Importance	To gauge the level of client loyalty and identify issues to be addressed to improve it
Source/collection of data	Client Survey report
Method of calculation	Qualitative and quantitative measurement
Data limitations	No limitation
Type of indicator	Output
Calculation Type	Non- Cumulative
Reporting cycle	Every second year
New indicator	No
Desired performance	Target is set as desired level
Indicator responsibility	Communications

Indicator title	Average number of business days from delivery of vehicle to gFleet to active vehicle contract with client (permanent vehicles only)
Short Definition	Average Number of business days from the date of delivery of vehicles to g-Fleet to the date the vehicle contract is activated on FIS (permanent vehicles only)
Purpose/Importance	The Entity optimizes billing on purchased vehicles by ensuring that vehicles are allocated to clients within a reasonable timeframe.
Source/collection of data	New and in-service FIS report with active vehicle contract.
Method of calculation	The average of the difference between the purchase date and the vehicle contract start date.
Data limitations	No limitation
Type of indicator	Input
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator responsibility	Permanent Fleet Unit

Indicator title	Average percentage of rental days utilized for VIP self-drive vehicles
Short Definition	Calculation of daily utilization of VIP available fleet. Available excludes vehicles under mechanical or accident damage repairs and other conditions outside the control of gFleet Management.
Purpose/Importance	To ensure that the Entity's assets are optimally utilized to generate revenue
Source/collection of data	FIS – raw data for processing and compiling utilization reports.
Method of calculation	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.
Data limitations	No limitation
Type of indicator	Input
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator responsibility	VIP and Pool Services Unit

Indicator title	Average percentage of rental days utilized for Pool vehicle
Short Definition	Calculation of daily utilization of available Pool fleet. Available excludes vehicles under mechanical or accident damage repairs and other conditions outside of gFleet Management.
Purpose/Importance	To ensure that the Entity's assets are optimally utilized to generate revenue
Source/collection of data	FIS – raw data for processing and compiling utilization reports.
Method of calculation	Average number of days that Pool vehicles were rented out, divided by the total number of days Pool vehicles were available for use x 100 to calculate the percentage.
Data limitations	No limitation
Type of indicator	Input
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator responsibility	VIP and Pool Services Unit

Indicator title	Implementation of approved tariff structure
Short Definition	Implementation of the approved tariff structure for 2017/18
Purpose/importance	To ensure sustainable Entity through correct pricing
Source/collection of data	Approved Tariff structure
Method of calculation	N/A
Data limitations	No limitation
Type of indicator	Input
Calculation Type	Non-Cumulative
Reporting cycle	Annually
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator Responsibility	Office of the CFO

Indicator title	Review of tariff structure for 18/19 for submission to Treasury for approval.
Short Definition	Review, adjustment of the current tariff and submission for approval to Treasury
Purpose/importance	To ensure sustainable Entity through correct pricing
Source/collection of data	Tariff structure submission
Method of calculation	N/A
Data limitations	No limitation
Type of indicator	Input
Calculation Type	Non-Cumulative
Reporting cycle	Annually
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator Responsibility	Office of the CFO

Indicator title	Implementation of the Sustainability Model – Phase 2.
Short Definition	Entity's sustainability model to be implemented.
Purpose/importance	To ensure a sustainable Entity
Source/collection of data	Approved Sustainability plan
Method of calculation	N/A
Data limitations	No limitation
Type of indicator	Input/output
Calculation Type	Non-Cumulative
Reporting cycle	Annually
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator Responsibility	Corporate Services

Indicator title	Percentage decrease in average debtor's days
Short Definition	Percentage decrease in average debtor's days compared to prior year.
Purpose/Importance	To ensure timely collection of revenue due to the Entity.
Source/collection of data	Trial Balance
Method of calculation	<p>$(\text{Debtors days Y2} - \text{Debtors days Y1}) / \text{Debtors days Y1} \%$</p> <p>Debtors days is equal to average trade debtors divided by total billings multiplied by number of days in the reporting period.</p> <p>Average trade debtors equal the average of the opening and closing trade debtors balance.</p>
Data limitations	No limitation
Type of Indicator	Input/output
Calculation Type	Cumulative
Reporting cycle	Quarterly
New Indicator	Continues without significant changes
Desired performance	Average debtor's days 30.
Indicator Responsibility	Finance Unit

Indicator title	Percentage of undisputed invoices paid within 30 days from receipt of invoice
Short Definition	A percentage of undisputed invoices paid within 30 days from receipt of invoices from suppliers.
Purpose/Importance	To ensure the Entity pay suppliers within the legislated timeframes
Source/collection of data	SAP 30 days' payments report
Method of calculation	Average of monthly percentage per SAP 30 days payment report, excluding invoices under dispute
Data limitations	No limitation
Type of Indicator	Activity
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly
New Indicator	Continues without significant changes
Desired performance	100%
Indicator Responsibility	Finance Unit

Indicator title	Audit Outcome for 17/18 FY
Short Definition	Outcome of the statutory financial audit conducted by the AGSA or on behalf of AGSA
Purpose/Importance	To ensure a healthy and well governed Entity
Source/collection of data	Audit Report
Method of calculation	Audit Opinion
Data limitations	Audit opinion issued after the audit
Type of Indicator	Input/output
Calculation Type	Non-Cumulative
Reporting cycle	Annually
New indicator	Continues without significant changes
Desired performance	Clean Audit
Indicator Responsibility	Finance Unit

Indicator title	Phase 2 Implementation of ICT Strategy (CRM – Implementation, DRMS – appointment & Implementation, Fleet System – Market Research completed and tender process finalized)
Short Definition	Implementation of the phase 2 ICT strategy projects.
Purpose/Importance	To ensure effective and efficient operational systems
Source/collection of data	Approved ICT Strategy and implementation plan.
Method of calculation	N/A
Data limitations	No limitation
Type of Indicator	Input
Calculation Type	Non-Cumulative
Reporting cycle	Annually
New indicator	Continues without significant changes
Desired performance	Target is set at desired level
Responsibility	ICT Unit

Indicator title	Percentage of maintenance expenditure on Gauteng township businesses (automotive)
Short Definition	Percentage of the rand value of maintenance spend on Gauteng township businesses compared to total spend in Gauteng province
Purpose/Importance	To contribute to modernisation of townships and support township businesses
Source/collection of data	Maintenance expenditure breakdown from RT46 service provider
Method of calculation	Maintenance spend on Gauteng township businesses divided by total maintenance spend in Gauteng province
Data limitations	Depends on timely availability of the input from the RT46 service provider.
Type of Indicator	output
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Continues without significant changes
Desired performance	Target is set at desired performance level
Indicator Responsibility	Maintenance Unit