

Metrobus

Business Plan 2023/24

We don't just drive buses, we drive the economy.



Head Office

Physical Address: Transportation House,
No 1 Raikes Road, Braamfontein, 2001
Postal Address: P O Box 1787, Johannesburg, 2001
Tel: 011 403 4300

www.mbus.co.za

Private hire Service

011 832 3135 /6/7

Call Centre

Tel: 0860 JOBURG (562 874)
Email: busqueries@joburg.org.za

Operating Hours: 05h00 - 21h00 (Monday to Friday)
06h00 - 14h00 (Saturday)
Closed on Sunday and Public Holidays



CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

SIGN-OFF

<p>Mr Patrick Matanhire Acting Chief Financial Officer Date: 31/05/2023</p>	<p>Signature: </p>
<p>Mr Luyanda Gidini Acting Managing Director Date: 31 May 2023</p>	<p>Signature: </p>
<p>Ms Chinelle Stevens Chairperson of the Board Date: 02.06.2023</p>	<p>Signature: </p>
<p>Councillor Kenny Kunene MMC: Transport Date: 05.06.2023</p>	<p>Signature: </p>

GLOSSARY OF TERMS / LIST OF ACRONYMS

Acronym/abbreviation Name/phrase	Acronym/abbreviation Name/phrase
AFS	Annual Financial Statements
AFC	Automated Fare Collection System
AG/AGSA/Auditor General	Auditor General of South Africa
ARC	Audit and Risk Committee
Board	Board of Directors
CNG	Compressed Natural Gas
DDF	Diesel Dual Fuel
DPSA	Department of Public Service and Administration
EAM	Enterprise Asset Management
EE	Employment Equity
ERP	Enterprise Resource Plan
FAR	Fixed Asset Register
FY	Financial Year
GDS	City of Johannesburg 2040 Growth and Development Strategy
ICT	Information and Communications Technology

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

IDP	Integrated Development Plan
NBV	Net Book Value
OOC	Out of Commission
POPI	Protection of Personal Information Act
PPE	Property, Plant and Equipment
REMCO	Human Resources and Remuneration Committee (REMCO)
SEC	Social and Ethics Committee (SEC)
SHE	Safety, Health and Environment
SDC	Service Delivery Committee
GHTS	Gauteng Household Travel Survey

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

Table of contents

SIGN-OFF.....	1
1 EXECUTIVE SUMMARY	8
2 STRATEGIC OVERVIEW	11
3 Core Mandate and Service Delivery Model	12
4 Legislation and Policy Environment.....	15
5 Strategic Objectives	19
5.1.1 Strategic alignment to Mayoral Strategic Priorities	21
5.1.2 Metrobus Strategic Programmes	22
5.1.3 Strategic Objectives.....	23
5.2 Strategic Enablers	25
5.2.1 Instil a Culture of Service Excellence.....	25
5.2.2 Enhance Financial Stewardship and Accountability	25
5.2.3 Improve Efficiencies.....	26
5.2.4 Investing in Analytics	26
5.2.5 Earn and Maintain Public Trust.....	27
5.2.6 Enhance Internal Capacity.....	27
5.2.7 Anti-corruption and Fraud	27
6 DEPARTMENTAL RESPONSES.....	29
6.1 IDP/CBP Community Issues	29
6.2 Customer Satisfaction Survey.....	29
6.3 Quality of Life Survey.....	29
7 STRATEGIC ANALYSIS.....	31
7.1 Overview	31

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

I.	The Public Transport Eco-System	32
7.1.1	Service delivery and past Performance.....	34
7.1.2	Infrastructure Backlog.....	37
7.1.3	Challenges	39
7.1.4	Future Outlook.....	40
7.2	Environmental Analysis	42
7.3	SWOT Analysis	43
7.4	PESTEL Analysis	44
8	Risk Assessment	45
9	STRATEGIC RESPONSE.....	46
9.1	Key performance areas	50
9.2	Past Performance.....	50
9.3	Corporate Scorecard	51
9.4	Technical Indicator Descriptor	52
9.5	Service Standards Charter.....	52
10	FINANCIAL IMPACT.....	53
10.1	Budget and Sources of funding.....	53
10.2	Operating Expenditure.....	53
10.3	Capital Projects	54
11	MANAGEMENT AND ORGANISATIONAL STRUCTURE.....	56
i.	Core Functions	56
ii.	Governing Structure.....	58

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

11.1	Organisation structure	59
11.2	Management Team.....	60
11.3	Capacity analysis.....	60
11.4	Employment Equity.....	60
11.4.1	Current Demographics.....	62
11.4.2	Targets and goals.....	63
12	Communication and shareholder management.....	65
12.1	Stakeholder Matrix.....	65
12.2	Communication Plan.....	66
13	AUDIT RESOLUTION.....	67
13.1	Internal Audit Overview.....	67
13.2	2022/23 Business Plan and Divisional KPI's	67
13.3	Achievement of 100% of the Internal Audit Plan	68
13.4	OPCA: Reduction of Internal and External Audit Findings	68
13.5	Quality Assurance Improvement Plan.....	69
13.6	Probity	69
	ANNEXURE A: METROBUS STRATEGIC RISK	71
	ANNEXURE B: INSTITUTIONAL SDBIP.....	77
	ANNEXURE C: TRANSVERSAL PROGRAMME	79
	ANNEXURE D: CIRCULAR 88	81
	ANNEXURE E: METROBUS 2023/24 PERFORMANCE SCORECARD	84

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

Program 1: Customer Services, Stakeholder Engagement and Communication 85

Program 2: Innovation and Green Economy 88

Program 3 Enterprise Development and Job Creation 89

Program 4: Financial Management, Viability and Sustainability 91

Program 5: Operational Excellence 93

Program 6: Technology and Business Enablement 95

ANNEXURE F: TECHNICAL INDICATOR DESCRIPTORS 96

1 EXECUTIVE SUMMARY

Metrobus operates within the confines of all applicable legislation and other relevant governing instruments including a service delivery agreement entered into with the City of Johannesburg Metropolitan Municipality, which demarcates the entity's scope of operation, outlines service level expectations, and other matters ancillary thereto.

The 2023/24 Business Plan outlines the entity's outlook towards the goal of getting the basics right in terms of the quality of our services; supporting economic development; and job creation, through sustainable eco-mobility.

Furthermore, the 2023/24 Business Plan outlines priorities in fulfilment of the entity's primary mandate of providing reliable, safe, accessible, and affordable bus service. The 2023/24 Business Plan was developed in alignment with the City of Johannesburg strategic direction and reflects the City's Mayoral priorities, which include:

- Safer City;
- Sustainable service delivery;
- Energy mix;
- Infrastructure development and refurbishment;
- Sustainable economic growth;
- Job opportunity and creation;
- Smart City;
- Active and engaged citizenry;
- Good governance;
- Financial sustainability

Metrobus will actively explore new opportunities and initiatives to meet the needs of commuters to increase patronage and revenue. Metrobus will continue to explore and harness partnerships and collaborative opportunities with SETAs, Institutions of Higher Learning, as well as other key public transport role players, spanning both the public and private sectors in a bid to complement its capacity to deliver services and strengthen its institutional arrangements.

Towards this end, Metrobus has crafted a number of complementary strategies towards

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

ensuring a sufficient capacity of fit-for-purpose fleet; infrastructure; technology, competency; analytical ability; employee value proposition, safety and wellness; and stakeholder engagement. Furthermore, an overarching corporate strategy is in place with a term ending in 2027.

Key factors hindering the entity's critical path to operational success remain firmly on management's radar; these are its continued challenge in relation to meeting revenue targets as well as maintaining the requisite levels of operational reliability through a properly maintained fleet. The trajectory of dwindling commuter numbers experienced in the past few years has taken a turn for the positive during the 2021-22 financial year. This upward trend persisted at midyear of the 2022-23 financial year (2.2 million) compared to midyear 2021-22 financial year (1.5 million). This trend signals a notable recovery from the period affected by Covid-19.

Metrobus has an inadequate bus fleet in relation to both its mandate and current demand for its services, limited financial resources and operates an unsustainable high percentage of routes that do not yield sufficient return. These factors, inter alia, make it difficult to maintain a sustainable, reliable, efficient and smart public transport service. These factors have a negative impact on passenger numbers, fare revenue, and customer experience as evidenced by successive commuter survey.

Towards achieving the milestones that characterise the 2023/24 business plan, Metrobus will focus on the following strategic and operational areas:

- Fleet enhancement strategies including leasing, refurbishment and procurement
- Robust pursuit of alternative revenue streams including mobile advertising, grant funding outside the City, and commercial multipurpose use of facilities such as Milpark depot
- Employee Relations Stabilization
- A new Funding Model
- Implementation of an optimised Route Plan
- Finalisation of Metrobus Financial Restructuring and implementation of revenue generation strategy
- Implementation of Intelligent Transport Systems (ITS)
- Implementation of the Metrobus Corporate Strategy 2022-27

BUSINESS PLAN 2023-24

- Implementation of Repairs and Maintenance Strategy
- Implementation Marketing, Communication and Stakeholder Engagement Strategy
- Implementation of Human Resources and Development Strategy

Metrobus will continue to monitor its performance against the Shareholder Compact and Key Performance Indicators (KPIs) in a holistic manner through proper consideration of financial measures, customer service measures, learning and growth measures as well as internal process measures. The 2023/24 Business plan is a continuation OF the journey of Metrobus towards an efficient operating model which will result in improved levels of financial sustainability for the entity, and digitally enabled provision of mobility solutions to the citizens of Johannesburg.

2 STRATEGIC OVERVIEW

Figure 1: Metrobus Vision, Mission and Values



PEOPLE PERFORMANCE BALANCE

3 CORE MANDATE AND SERVICE DELIVERY MODEL

The Johannesburg Metropolitan Bus Services (SOC) Ltd (“Metrobus / the company”) was incorporated in 2000 and is a wholly owned Municipal Entity of the City of Joburg. The City appointed Metrobus in terms of the Service Delivery Agreement to provide bus transport services to the residents of Johannesburg.

Metrobus is an essential partner of the City of Joburg in support of the Gauteng Province’s Strategic intent of “Growing Gauteng Together 2030”. An approach which intends to provide reliable conventional/inter modal public transportation to facilitate Gauteng “at work”, service the current route configuration which calibrated to support integrated human settlements; maintain a fare policy that is supportive of sustainable development for future generation; decreasing the cost of transportation for commuting households; and drastically reducing private cars on Gauteng’s roads.

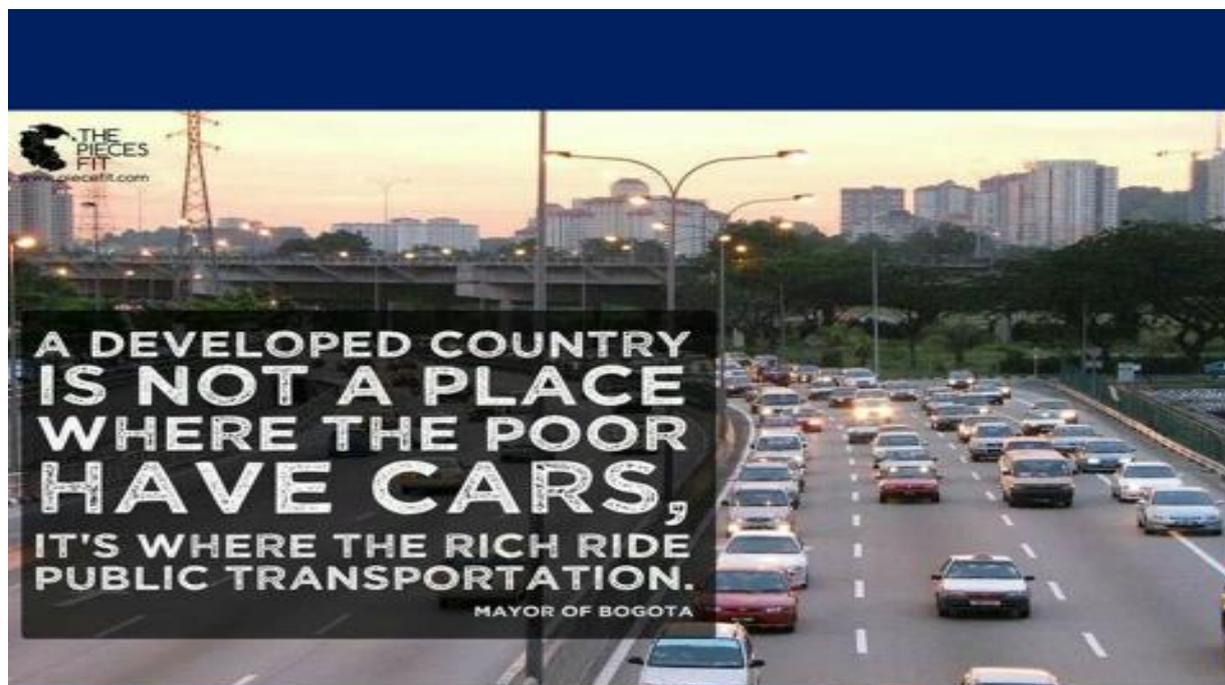
Metrobus strategy and business planning is also aligned to the City Transport Strategy whose vision is “A people-centred transport system that is transformed” in pursuit of its priorities of: Transport for economic facilitation; Access to urban opportunities; Congestion management; Modal Shift and safety; Resource Management and Saving space, fuel, emissions and passenger time spent in transit.

In the broader strategic context, the National Public Transport Strategy and the National Development Plan inform Metrobus Strategy

The main responsibility of Metrobus is to maximise the number of people that use the entity’s bus service. Increasing the use of mass public bus transport co-mobility is in fulfilment of the goal of the National Development Plan toward decreasing car usage and encouraging mass gravitation towards the use of mass public transport as a preferred mode of mobility, thus reducing the number of vehicles on the road.

BUSINESS PLAN 2023-24

Figure 2: Public transport perspective



Metrobus boasts a long history of providing public transport in the City of Johannesburg. It is the second largest municipal bus operator in South Africa and is currently operating 226 routes across the city. Recorded historical performance indicates that Metrobus has reached ridership levels of an average of 42 000-passenger trips per working day in the past. This number has decreased due to a number of internal and external challenges including operational inefficiency, rising levels of unemployment as well as stagnation in the growth of the South African economy.

The City of Johannesburg is one of the greatest cities in the world, Metrobus is proud of the role the entity plays in keeping the City moving, working and growing, contributing to enhanced quality of life for citizens. Our focus is to continue driving the economy while re-calibrating and transforming bus services to meet the needs of the contemporary commuter. We are supporting thousands of employees, scholars, pensioners and the public through competitive fares, thus contributing to a developmental use of household income.

At the core of the entity's service delivery model is the non-negotiable outcome of meeting customer expectations and delivering on the promise of safe and reliable public bus transportation services. This constitutes a multifaceted business, which, due to the nature of the operational environment, faces continuous change and varying levels of complexity.

BUSINESS PLAN 2023-24

Metrobus' service delivery model aims to achieve a balance between customer expectations and the cost of delivering attractive, value driven services. Good employee engagement and sound financial management play an equally important role in the effective delivery of services. Towards this end the implementation of deliverables of our Human Recourses and Revenue Generation strategies are key focus areas.

At the centre of our service are our existing scheduled service commuters as well as consumers of our non-scheduled bus service offering. The pace of change and new technology coupled with high customer expectations is forcing many organizations to re-imagine their customer service strategies. Metrobus is no exception. In an era where customer experience has become a defining factor for customers, organizations of all types struggle to find the unique balance between delivery of a service, the cost of delivery and customer expectations, at Metrobus we continue to strive for a workable balance in this regard in the context of our social mandate.

Metrobus understands that the commuter is at the core of our business. Our commuters define what we should do and determine if we are successful at what we do every day. Our Marketing, Communications and Stakeholder strategy, premised on substantive engagement with stakeholders, guides our approach in relation to our stakeholder management approach.

4 LEGISLATION AND POLICY ENVIRONMENT

The Constitution of the Republic of South Africa identifies the legislative responsibilities of different levels of Government with regard, inter alia, to roads and public transport. Transport is a function that is legislated and executed at all levels of government.

As a Municipal Entity providing services in public transportation, Metrobus functions within the ambit of a number of pieces of legislation and a policy context in line with the developmental and strategic objectives of the City of Johannesburg Municipality.

Table 1: Legislation and Policy

CATEGORY	RELEVANT LEGISLATION / POLICY	IMPLICATION FOR METROBUS
Legislation	The Constitution of the Republic of South Africa, 108 of 1996	The Constitution of the Republic of South Africa identifies the legislative responsibilities of different levels of Government with regard, inter alia, to roads and public transport.
	National Land Transport Act, 5 of 2009	The National Land Transport Act requires the city to develop Comprehensive Integrated Transport Plans (CITP). The first CITP was done in 2003 and subsequently done in components in line with the Transport Governance Framework. The Framework sets the transport sector’s strategic direction and policy framework; transport planning; transport promotions; road safety; cycling promotion and non-motorised transport, public transport infrastructure and the provision of public transport services
	Municipal Systems Act, 32 of 2000	The Municipal Systems Act provides the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, and ensure universal

BUSINESS PLAN 2023-24

		access to essential services that are affordable to all, including public transport services.
	Other Applicable Legislation	<ul style="list-style-type: none"> • Municipal Finance Management Act, 2003 • Transport Appeal Tribunal Act, 1998 • South African Transport Services Conditions and Service Act, 1998 • Urban Transport Act, 1977 • Administrative Adjudication of Road Traffic Offences Amendment Act, 2019
	Various Governance Legislation and Regulations	<p>LABOUR AND EMPLOYMENT</p> <ul style="list-style-type: none"> • The Occupational Health and Safety Act, 1995 • The Labour Relations Act, 1995 • The Basic Conditions of Employment Act, 1997 • The Employment Equity Act, 1998 <p>TAX</p> <ul style="list-style-type: none"> • Income Tax Act, 1962 • Value Added Tax Act, 1991 • Unemployed Insurance Fund Act, 2001 • Skills Development Levy Act, 1998 <p>PERSONAL INFORMATION</p> <ul style="list-style-type: none"> • Protection of Personal Information Act, 4 2013 • Promotion of Access to Information Act 2, 2000 • Promotion of Equality and Prevention of Unfair Discrimination Act 4, 2000 <p>FINANCE AND CORRUPTION</p> <ul style="list-style-type: none"> • Prevention & Combating of Corruption Act, 2004 • Financial Intelligence Centre Act, 2001 • Financial Institutions Act, 2001
National Policies	The National Development Plan	<ul style="list-style-type: none"> • Improved access to economic opportunities, social spaces and services by bridging geographic distances affordably, reliably and safely. • Economic development, by supporting the

BUSINESS PLAN 2023-24

		<p>movement of goods from points of production to where they are consumed, facilitating regional and international trade.</p> <ul style="list-style-type: none"> • Greater mobility of people and goods through transport alternatives that support minimised environmental harm.”
	Public Transport Strategy and Action Plan	<ul style="list-style-type: none"> • Improvement of public transport • Focus on non-motorised transport • Development of an integrated solution - modally, spatially, fare management, incorporation of existing services • Transformation of existing subsidised and unsubsidised services into new formal, scheduled services • Shift from commuter services to scheduled public transport services • Prioritisation of affordability, safety, accessibility, connectivity • Creation of a system which provides a preferred alternative to private car travel • Access for disabled and special needs passengers • Improvement of rural public transport • Shift from provinces to municipalities as the contracting authorities, and placement of the municipality at the centre of public transport functions
City of Johannesburg Policies and Instruments	Strategic Vision and Approach	This is done every ten years and was done in 2013 and is contained in a document entitled: Strategic Integrated Transport Plan Framework
	Strategic Integrated Public Transport	As part of the phased development of the City's Integrated Transport Plan (CITP), the City adopted the Strategic Integrated Transport Plan Framework

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

	Network Plan	(SITPF) in 2013. The SITPF identifies Metrobus as a primary operator for conventional bus services that would be used on medium-demand public transport routes and to extend services to new areas of captive car users in the South, Southeast, North and North-West of the City.
	Public Transport Operational Plans	There are plans for transport catchment areas like the North East, Greater Soweto or North West Quadrant of the City. North East and Greater Soweto completed but need to be verified and refined through surveys. A Metrobus operational plan was done in 2013/14.
	Business Plans	The plans are designed for the roll out of particular routes and services such as for Metrobus or Rea Vaya Phase 1C. A business plan includes a financial model for the particular route or service including the cost implications for the government, public transport operator and passenger
	Transport Master Plans	There are plans for regions, nodes or precincts which complement the above and look not only at public transport but at the integration in a region, node or precinct of the needs of public transport, non-motorised transport, freight and private vehicles.

In the current context, the overriding policy imperative for public transport is the development of sustainable Integrated Public Transport Networks. Cities such as the City of Johannesburg that receive Public Transport Network Grant (PTNG) funding are required by the conditions of the grant set out in the Division of Revenue Act (DoRA) to compile a financially and fiscally sustainable Integrated Public Transport Network (IPTN). This is an ambitious plan focused mainly on ensuring the seamless provision of transport services that facilitate the economic growth in cities and the per capita economic development of citizens of these cities. Metrobus

BUSINESS PLAN 2023-24

is an integral player in the Integrated Public Transport Network that is envisaged for the City of Johannesburg.

5 STRATEGIC OBJECTIVES

Metrobus service mandate is aligned to the National Development Plan strategic areas and planning priorities, which focus on the creation of a workable urban transit that will streamline an effective urban, transport system through:

- Provision of affordable, faster, reliable and safe public transport;
- Transport plans that are aligned with spatial development; and
- Providing incentives for public transport use.

As an entity of the City of Joburg, Metrobus has aligned its long-term strategic imperatives with the Growth and Development Strategy of the City of Joburg (GDS 2040) and contributes directly to outcome two and three of the Growth and Development strategy 2040. Outcome two (2) relates to the provision of a resilient and liveable, sustainable urban environment underpinned by smart infrastructure supportive of a low carbon economy. In relation to the GDS outcome 2, it is noteworthy that South Africa has launched the country's first Green Transport Strategy (GTS) to promote a transport system that is environmentally friendly and helps boost economic growth and create jobs. In South Africa, the transport sector is reported to be the most rapidly growing source of greenhouse gas (GHG) emissions, and its continued growth is expected to have an increasing impact on biodiversity, air quality, land resources and water quality. The industry accounts for over 90% of total emissions. For its part, out of a total of three hundred and eighty three (383) buses as at the December 2022, the entity operated one hundred and seventy four (174) dual fuel buses which significantly reduced its greenhouse emissions. The entity will persist with its efforts in this regard by maintaining an energy mix that is supportive of a green economy.

Outcome three (3) which relates to an inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens. Transportation remains a significant enabler of a smart economy. In this regards, the entity contributes to a smart economy for Johannesburg through distinct Intelligent Transport System which involves the following;

- Eye on the bus- The projects is intended to automate most of the functions in the Bus, Depots and to Advance the user experience

BUSINESS PLAN 2023-24

- Automated Fare Collection (AFC)- (AFC) system is the collection of components that automate the ticketing system of a public transportation network
- Wi-Fi on buses- The project will assist Metrobus to understand its customers and collect customer information that is accurate

Figure 3: Metrobus alignment to GDS 2040



In line with the Growth and Development Strategy 2040 outcomes to which the entity contributes, related outputs find expression specific entity priorities as outlined below

Table 2: Alignment to outcome, outputs and entity priorities

GDS/Long Term Outcomes	GDS/Long Term Outputs	Entity Contribution/ Entity Priorities
Provide a resilient, liveable, sustainable urban environment underpinned by smart infrastructure supportive of a low carbon economy.	<ul style="list-style-type: none"> • A society characterized by healthy living for all • A safe and secure city • A city characterised by social inclusivity and enhanced social cohesion 	<ul style="list-style-type: none"> • Energy mix based on the use of CNG as alternative energy • Preferential procurement • Transportation supportive of a growing economy • Technology: introduction of technology with capacity for smart commuter interface, operator behavior monitoring, general positional surveillance of buses and automated fare collection • Adherence to service level standards.
An inclusive, job intensive, resilient, competitive and smart economy that harness the potential of citizens	<ul style="list-style-type: none"> • Job-intensive economic growth • Promotion and support to 	<ul style="list-style-type: none"> • Extended job opportunities through EPWP • Development and support of SMME's

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

	informal and micro business	
--	-----------------------------	--

5.1.1 Strategic alignment to Mayoral Strategic Priorities

Metrobus contributes to key strategic priorities and will be responding to each as follows;

Table 3: Alignment to City Strategic Priorities and Priority Programs

Strategic Priorities	Priority Programmes	Entity Contribution
Good Governance	Combat corruption, fraud and maladministration.	Metrobus maintains a Fraud Tip-off line which allows members of the public as well as employees to report fraud and corruption. All employees of the entity declare any interests on an annual basis. Probity processes are undertaken for all supply chain management processes.
Financial Sustainability	Improve and Strengthen the financial position of the City of Joburg Municipality.	The entity has embarked on the implementation of a revenue generation strategy aimed at activating alternative sources of revenue in a bid to reduce the current levels of subsidy dependence. In a bid to improve its inspectorate function, the entity is in the process of recruiting 24 additional inspectors. The implementation of an interim AFC system will improve levels of collection.
Energy Mix	Improved eco-mobility	Energy mix based on the use of CNG as alternative energy
Sustainable Service Delivery	Accelerated and visible service delivery and reintroduction of co-production in the delivery of basic services.	Accelerated service delivery remains a priority, the needs of communities are constantly surveyed through various platforms including a commuter forum, and a commuter satisfaction survey conducted on an annual basis.
Job Opportunity and creation	Creation of job opportunities	The entity employs a number of citizens on the Extended Public Works Program as well as internships, learnerships and apprenticeships. The current intake in this regard is at 199.
Safer City	A safe and secure city. A city characterised by social inclusivity and enhanced social cohesion.	Metrobus maintains a cohort of route inspectors, which, inter alia, ensures that passengers are ferried safely, and that Metrobus buses remain safe zones for all commuters.
Active and engaged citizenry	Community based planning and enhanced community engagement, including mayoral imbizos.	The entity has established a commuter forum, which serves as a platform for engagement with commuters. The forum meets on a monthly basis. The entity further maintains social media platforms

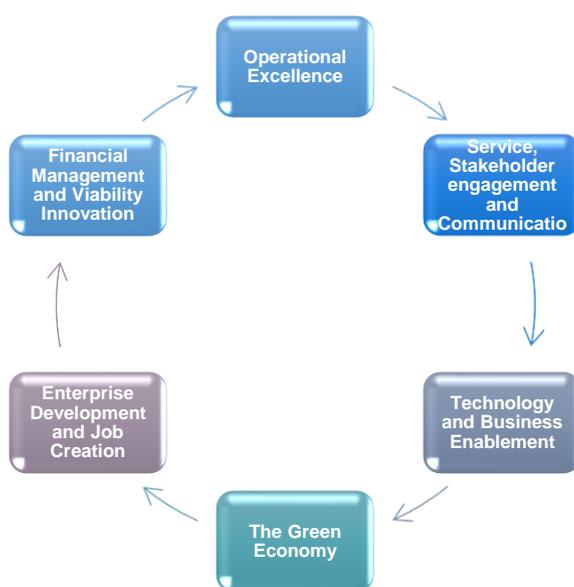
BUSINESS PLAN 2023-24

		for engaging with commuters. The entity conducts an annual customer satisfaction survey.
Sustainable Economic Growth	Development and support of SMME's.	On an annual basis the entity allocates a predetermined quantum of its capital expenditure and operational expenditure budgets for the specific benefit of SMME's. In addition a basket of non-financial support measures are directed at the development of SMME's.
Infrastructure development and refurbishment	The development and maintenance of infrastructure service delivery	The entity maintains a number of depots which includes parking, repair and maintenance capacity to support its service delivery mandate
Smart City	Smart City	The entity is currently implementing a number of Intelligent Transport Systems towards the achieving of a smart mobility in support of a Smart City. Chief among these system is "Eye-one-the-bus" with various capabilities including customer interface, fleet tracking surveillance, and trip planning.

5.1.2 Metrobus Strategic Programmes

Metrobus contribution to mayoral strategic priorities is premised on a set of six strategic programmes

Figure 3: Metrobus Strategic Programmes



BUSINESS PLAN 2023-24

5.1.3 Strategic Objectives

Metrobus Strategic Goals and Objectives

Goal 1

Ensure that Metrobus is viable and sustainable



PEOPLE PERFORMANCE BALANCE

Metrobus Strategic Goals and Objectives

Goal 2

Ensure effective and efficient bus operations



PEOPLE PERFORMANCE BALANCE

Metrobus Strategic Goals and Objectives

Goal 3

Attain, develop, and retain talent in a fit for purpose organizational structure that will deliver on our Mission



PEOPLE PERFORMANCE BALANCE

Metrobus Strategic Goals and Objectives

Goal 4

Ensure a well governed entity



PEOPLE PERFORMANCE BALANCE

Metrobus Strategic Goals and Objectives

Goal 5

Continuously monitor, evaluate and improve service



OBJECTIVE 01

Account for resources and results



OBJECTIVE 02

Proactively plan for the future



OBJECTIVE 04

Monitor and evaluate the strategic plan

PEOPLE PERFORMANCE BALANCE

5.2 Strategic Enablers

In addition, the entity continues to embark on a number of strategic enablers in various areas of operation including the following:

5.2.1 Instil a Culture of Service Excellence

To create an appealing travel experience, Metrobus continues to embark on customer experience enhancing initiatives guided by, the needs of both current customers and potential customers, and how these needs continue to evolve. Metrobus recognizes that the success of a bus services is closely linked to quality of, and integration with other local services. For current customers, we continuously seek to minimize the disruptions from shortage of buses through, inter alia, improved scheduling of buses and consistent fleet availability to meet our peak requirements.

5.2.2 Enhance Financial Stewardship and Accountability

Increasing demands on public funds means that spending must be planned to maximize shared benefits across economic, social and environmental platforms. Public Transport is unlikely to ever operate without a subsidy. However, the entity seeks to decrease subsidy dependency levels that exceeds the specified threshold through own

BUSINESS PLAN 2023-24

revenue generation.

Fares will always be our most important source of own generated revenue. We continue to pursue fare structure strategies and other options to increase revenue by increasing ridership, also helping meet our transportation mandate. New non-fare revenues will also be pursued to minimize subsidy requirements. Management will continue on the trajectory of implementing strict financial discipline, which ensures compliance with regulations, and implementation of requisite austerity measures.

5.2.3 Improve Efficiencies

Through innovation and rigorous process controls, we contain costs, improve our operational efficiencies, and cost effectiveness. We will consider the long-term benefits, make deliberate strategic choices and allocate resources based on a clear set of priorities.

Capital projects will be completed on time and on budget while meeting high standards for quality. Efficiency will also include rigorous prioritization to invest human resources where they will have greatest benefit, maximizing value for money, and helping sustain quality work over time.

By restructuring, streamlining and standardizing key processes and taking advantage of new technology, we can improve operational efficiencies while maintaining safety and reliability. We seek to explore alternative service delivery models, and new partnerships. Communications, marketing, and operations will be aligned to improve collaboration and drive efficiencies throughout the organization.

5.2.4 Investing in Analytics

Enhanced analytical and predictive capabilities will enable better asset management, more accurate ridership forecasting, and ensure that our recommendations for new projects are based on more robust business case development.

Work will be evaluated and prioritized based on business case analyses, which consider up-front costs, long-term economic and transportation benefits, and social and environmental impacts.

BUSINESS PLAN 2023-24

We will explore new fare structures, ways to attract more riders, modelling to better predict ridership, adjust schedules to accommodate customers, and complementary services to enhance our offering.

5.2.5 Earn and Maintain Public Trust

Metrobus must continue to earn the trust of all our stakeholders including customers and residents in areas impacted by our services. This involves delivering on our mandate and commitments on time, on budget and with quality. The public expects openness and transparency in order to earn their support for our work. Mutually beneficial and collaborative and mutually beneficial partnerships will be maintained through commuter platforms such the commuter forum which is currently functional.

To operate as a credible and effective entity, we will keep our stakeholders informed and involved, and we will engage in collaborative partnerships. We will make decisions in a timely and transparent manner, and meet our commitments. We will be open and transparent with communities on the benefits and inconveniences of our initiatives proactively engage in dialogue, and incorporate local input where possible. We will also explain how input was incorporated into decisions.

5.2.6 Enhance Internal Capacity

Attracting, retaining and cultivating talented employees is critical to successfully delivering our mandate. To ensure we have the right skills and approach, we will adopt best practices in organizational management, and invest in professional training and development.

Planning, communications, marketing, and operations will be aligned to improve service and project delivery. We will seek to build internal talent and expertise, and will invest in change management skills and processes to support the realignment of operations, and changes to our corporate culture. We will undertake succession planning in a way that helps preserve corporate memory through documentation, mentoring and skills transfer so that we provide continuity over time.

5.2.7 Anti-corruption and Fraud

In keeping with the culture instilled by Shareholder, Metrobus has declared fraud and corruption service delivery enemy as it hampers the potential of the entity. Our anti-corruption

BUSINESS PLAN 2023-24

and anti-fraud campaigns include using Metrobus advertising space as a platform for the City to communicate messages that discourage fraud and corruption.

On-going anti-fraud and anti- corruption workshops are being conducted, Internal Controls improvement is on-going with the objective of obtaining a clean Audit; On-going risk assessment is performed on a monthly basis.

6 DEPARTMENTAL RESPONSES

6.1 IDP/CBP Community Issues

Communities further advise that more municipal buildings should be erected for provision for the provision of services. Metrobus maintains seven sales and enquiry outlets which allow for convenient provision of services. These outlets are in Gandhi Square, Thuso House, Roodepoort Depot, Randburg Civic Centre, Protea Glen, Eldorado Park and Westgate Mall.

6.2 Customer Satisfaction Survey

In relation to communication, respondents to the customer satisfaction survey indicated that the City and its entities must publicly communicate service delivery highlights and success to the community. While reports on performance are published quarterly and annually, the annual Citizens report, which is an abridged form of the annual report, will go a long way at ensuring that the community is appropriately informed. In addition, the possibility of a mid-term citizen's report may be considered.

The community further encourages the municipalities and its entities to embrace digital participation channels. In this regard, Metrobus maintains active social media platforms including Twitter, Facebook and Instagram. The ongoing installation of free Wi-Fi on our buses will further increase the ease with which our commuters are able to communicate with the entity, while ensuring that traction towards a Smart Joburg City becomes a lived reality.

6.3 Quality of Life Survey

The Quality of Live Survey (2021-22) indicates in respect to Transport that respondents from Johannesburg are more likely to feel unsafe whilst waiting for or on public transport. In this regard, Metrobus has maintained collaborating with law enforcement agencies whose uniformed members are allowed to commute on buses at no cost, thus increasing their visibility on our buses. This collaboration has yielded positive results in relation the number of security incidents on our buses. Reports on Service Level Standards which include security on buses indicate no such incidents have taken place on our buses in the last three years and more. This collaboration will continue, while commuters will be encouraged to exercise requisite vigilance at all times.

The survey further indicates that while 33% of respondents used public transport for work, 41% do so for shopping. This has significant implication for the manner in the entity structures

BUSINESS PLAN 2023-24

its service, which is currently delivered mainly on the basis of what is termed “Peak Periods” which are predetermined hours in the mornings and afternoon. However, shoppers do not keep to peak hours. A shift in our service offering is imperative to enable us to capture the “off-peak” commuter. This shift in commuter mobility is confirmed in the CSIR Travel Survey (2022) which, inter alia, considered travel preferences of commuters post the Covid-19 pandemic

43% of respondents in the City of Johannesburg indicated that their mobility is mainly through public transportation. Considering the fact that according to Johannesburg Municipality Transport Department, only 2% of commuters use Metrobus (refer to figure 4), the entity must expedite its re-fleeting initiatives to ensure sufficient fleet to capture more market share.

30% of respondents still travel for more than 30 minutes to their destination. In Johannesburg this main causal factors are spatial planning challenges as well as high levels of congestion resulting in mass public transport services rendered at average speeds of circa 12km per hour. The possibility of priority lanes for all mass public transport modes must be pursued, while longer term initiatives at correction some of the spatial planning are prioritized.

20% of respondents indicated that they feel unsafe while waiting for public transport, while 21% felt unsafe while on public transport. Whereas great strides are being achieved by the entity in relation to on-board safety, the current digitization initiatives will afford commuters and platform to monitor buses on a “live” basis, this allowing commuters to drastically minimize waiting times and consequently minimizing their exposure to danger.

7 STRATEGIC ANALYSIS

7.1 Overview

The 2023/24 business planning process is, inter alia, informed by the Metrobus Operating Environment which includes market and customer profile, the entity's role in the public transport plan of the City as well as its role in the current public transport eco-system.

The entity operates in four business segments, namely:

- The provision of daily scheduled public transport
- The rendering of private hire transport services;
- The operation of scheduled commercial contracts; and
- Special contracts for the Gauteng Province's Department of Transport in Eldorado Park.

In addition to the above services, and as part of the company's social responsibility, the following services are offered at discounted rates:

- A dedicated service to persons with disabilities;
- Subsidised pensioner services;
- Scholar services; and
- Free transportation to the South African Police Services (SAPS), the Johannesburg Metro Police Department (JMPD) and the South African National Defence Force (SANDF) officers.

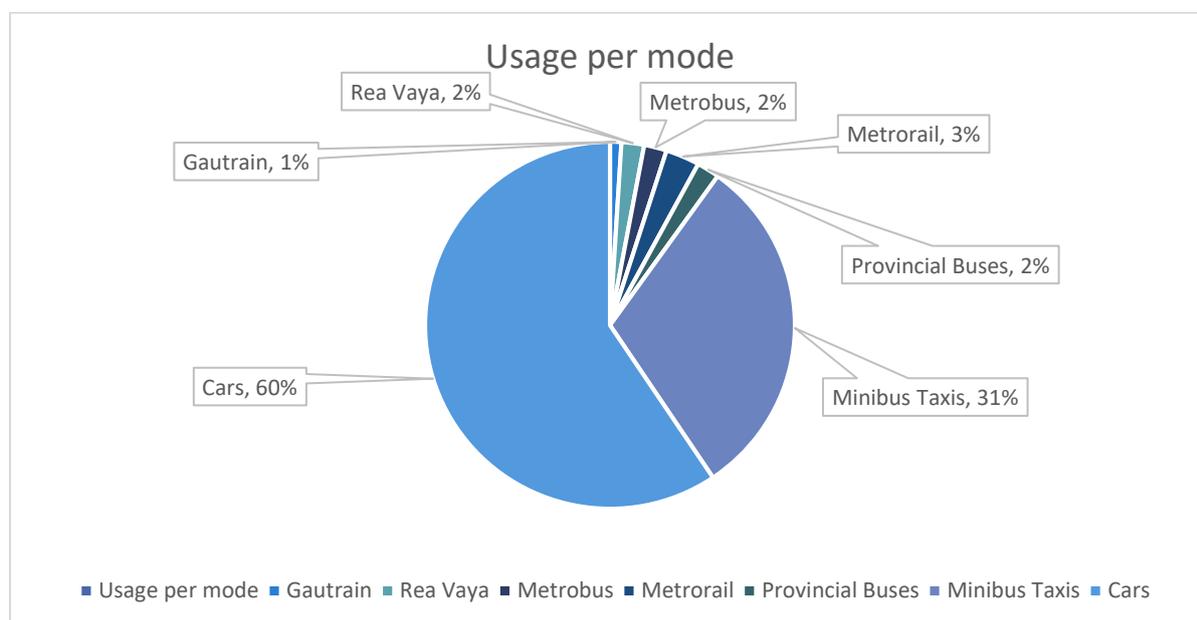
Table 4: Role of Metrobus within the Integrated Transport Plan

Modes	Role
Rail (Gautrain and PRASA)	Mass transit, high volumes, few stops at key nodes
Rea Vaya BRT	Mass transit, high to medium volumes, dedicated lanes, more frequent stops than rail
Conventional bus (Metrobus and PUTCO)	Medium transit, medium volumes, mostly in mixed traffic but with some public transport priority, frequent stops
Mini bus taxi	Low volume or high volume on short distances, mostly in mixed traffic but with some public transport priority, frequent stops
Tuk tuks, metered taxis	Low volume, last mile, no dedicated routes.

I. The Public Transport Eco-System

The public transport eco-system in the City is characterised by a number of transport providers and is currently biased towards non-mass transport systems. A significant modal shift from non-mass to mass public transport is an imperative for sustainable public transport in the city.

Figure 4: Below illustrates usage per mode.



A potential commuter in the City has a number of modes of travel from which to choose. Depending on the origin, distance, and the destination, options include private vehicle, mini bus taxes, BRT buses, privately owned buses and in some cases commuter rail. Each of these competitive modes has distinct advantages and disadvantages relative to traveling on a Metrobus.

As part of the phased development of the City's Integrated Transport Plan (CITP), the City adopted the Strategic Integrated Transport Plan Framework (SITPF) in 2013. The SITPF identifies Metrobus as a primary operator for conventional bus services that would be used on medium-demand public transport routes and to extend services to new areas of captive car users in the South, Southeast, North and North-West of the City.

BUSINESS PLAN 2023-24

II. Population Growth and Demand for Travel Choices

Transportation remains one of the critical issues in the City of Johannesburg. Demand for frequent, accessible, well integrated transportation options continues to grow, and the projected growth of population in the City will increase total demand for all forms of transportation. Investment is needed, but must be planned carefully to maximize benefits.

Rising population and increasing economic activity has to be matched by increasing levels of transportation facilities to meet various requirements and needs of diverse segments of the population. Metrobus, through its long-term planning will make sure that the service offering is always on par with the public transport demand in the City of Johannesburg.

III. Cost of Living

Transportation costs are a significant contribution to the Cost of living. A factor influences people's choice on the location where they choose to live and work. Longer commutes are often accepted in order to afford a home purchase. New rapid transit can increase the attractiveness of an area but may cause rental prices in adjacent neighbourhoods to rise. Metrobus and other partners in the City must consider how to mitigate these risks, and design both infrastructure and transport services in a way that enhances equity and access for all. The IPTN secondary Network is poised to mitigate some of these challenges.

IV. Environment and Climate Change

Transportation is the largest source of greenhouse gas emissions. Metrobus' contribution to the reduction of carbon emissions is by making the fleet and facilities more energy-efficient, and providing transportation choices that are less energy intensive.

V. Economic Growth and Competitiveness

Cities across the world are in intense competition to attract economic investment and to be cities of choice for a talented and "creative class" workforce. A flexible, efficient, and reliable transportation system is essential to demonstrate that CoJ will enable businesses to be successful, thereby enabling the City to be competitive.

VI. Innovations in Technology and Services

New technology-enabled solutions and online social media platforms are emerging which may rapidly change the nature of travel and transportation demand. Real-time information, car sharing, ridesharing, and Uber Technologies are some examples of these innovations.

BUSINESS PLAN 2023-24

Strategic planning and on-going research on innovation can work to leverage these opportunities to forward the region's transportation goals.

VII. Social Responsibility and Community Impact

The public transportation industry is facing challenging times. The rising demand for more connected, higher frequency, more appealing travel experiences is placed against a backdrop of concerns over public spending, demand for greater accountability, and increased scrutiny by stakeholders. Spending to improve transportation must be transparent and publicly accountable, and must consider the future operating and maintenance costs. To reconcile the broad range of interests, we must proactively engage stakeholders to build and sustain a consensus-based transportation vision while enhancing economic and social value for communities.

VIII. Creating Connections

Most people do not consider the municipal boundaries between where they work, live, and play, and yet these boundaries heavily influence our current transit network. A fully connected transportation system is essential to meeting our needs. We will continue to facilitate collaboration among stakeholders, working to harmonize divergent views and interests. We will pursue technology-based opportunities to further enhance integration. In this way, we create connections across political boundaries and across different modes of transit. We will also build transit in alignment with population growth and provincial planning goals.

7.1.1 Service delivery and past Performance

In keeping with its mandate, the entity considers annual passenger numbers as its litmus test for service delivery and strategic relevance. In this regard, consideration of historical trends in passenger numbers is important. Considering the last eight (8) financial years, the entity has recorded a significant decline in passenger numbers. This must be considered in light of recent research information indicating a significant demand for Metrobus services that is currently not being serviced by the entity. Service delivery backlog at Metrobus is considered to be reflected by the potential number of passengers who could be and, are willing to be serviced by Metrobus but are currently not being serviced due to, inter alia, non-reliability of Metrobus Services; and route network configuration out of sync with passenger demand. However, other socio-economic factors, including the trajectory of growth in the South African economy and unemployment rates, are significant contributory factors.

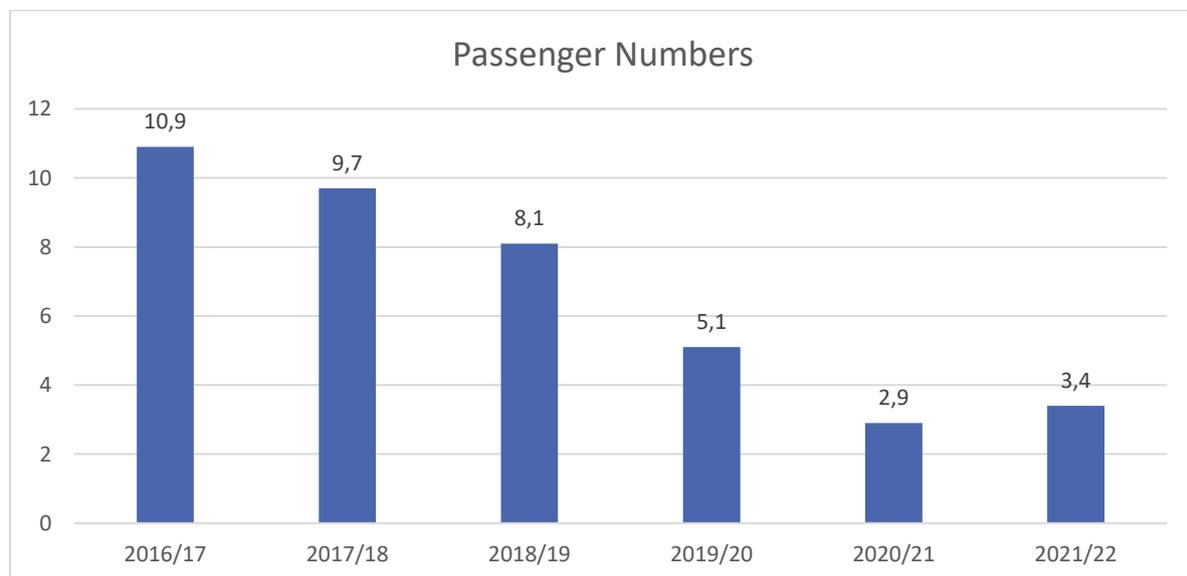
**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

Currently, youth comprise the second largest commuter segment for Metrobus at 36%. However, it remains a concern that youth unemployment remains high, directly affecting commuter numbers for Metrobus. According to the South Africa Economic Update Report by the World Bank the official unemployment rate increased by 0.5 of a percentage of 34.90% in the third quarter of 2021.

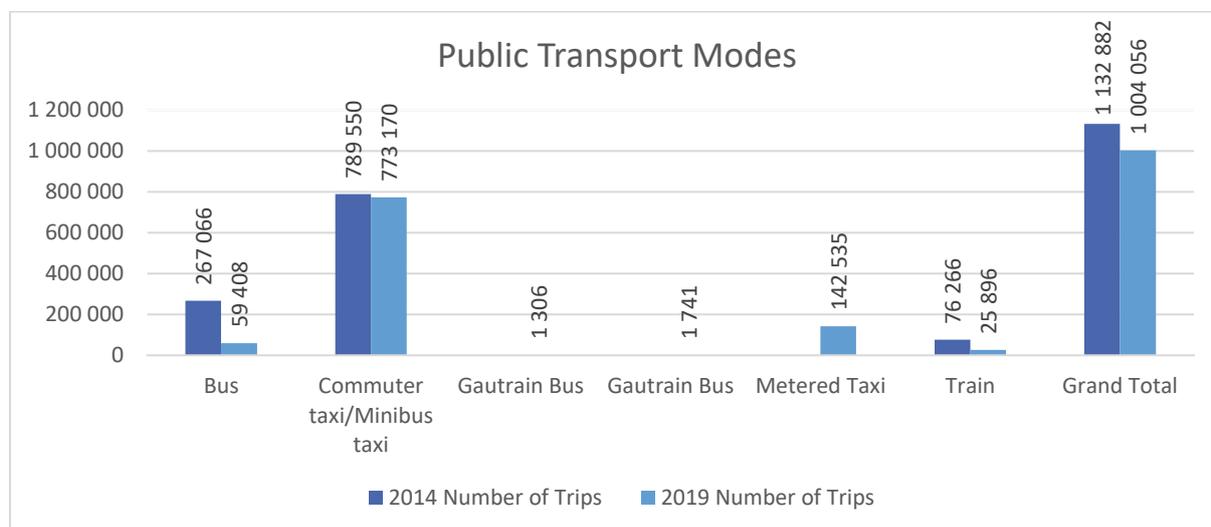
The following analysis of the Metrobus Passenger numbers for the last six (6) years indicates the genesis of an upward movement in commuter numbers

Figure 5: Metrobus Comparative Commuter Numbers



BUSINESS PLAN 2023-24

Figure 6: Number of public transport trips: 2014 and 2019 Comparative Analysis



It is estimated that given information gleaned from a number of information sources including the General Household Survey, the Gauteng Household Travel Survey, and successive Commuter Satisfaction surveys conducted by the entity, Metrobus can, contingent upon the implementation of automated fare collection system, a fee per kilometre modes and programmed refueling, reclaim its passenger numbers.

Infrastructure refers to the basic systems that an organization needs in order to function properly. Infrastructure can include Mass-Transit systems including buses. A holistic comprehension of infrastructure spans not only public works facilities, but also the operating procedures, management practices and developmental policies that interact with societal demand to facilitate, inter alia, the transportation of people and goods. Pre the advent of COVID-19 Metrobus had a peak bus requirement of three hundred and sixty-one (361) fit for purpose buses to enable the entity to operate a reliable bus service and maintain appropriate ridership numbers.

Currently, due to a number of factors including an aged fleet, high frequency of breakdowns the entity is unable to meet the peak bus requirements and the lack of a programmed refueling procurement plan. This situation is exacerbated by the non-existence of intelligent transport systems. Consequently, the entity has a significant backlog in relation to infrastructure. Plans are currently afoot to remedy this situation through, inter alia, the

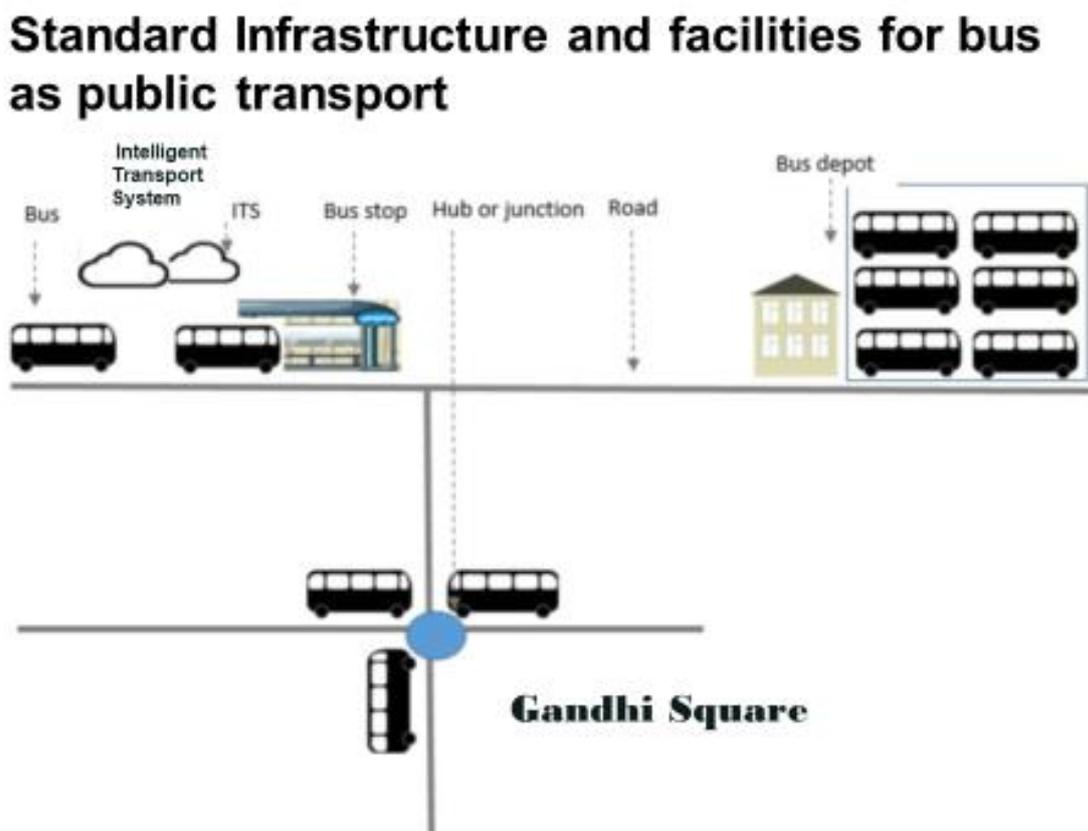
BUSINESS PLAN 2023-24

procurement of buses in the next three years as well as the refurbishment of existing fleet. The procurement of the Automated Fare Collection System is underway.

7.1.2 Infrastructure Backlog

Infrastructure refers to the basic systems that an organization needs in order to function properly. Infrastructure can include Mass-Transit systems including buses. A holistic comprehension of infrastructure spans not only public works facilities, but also the operating procedures, management practices and developmental policies that interact with societal demand to facilitate, inter alia, the transportation of people and goods.

Figure 7: Basic Infrastructure Requirement



7.1.2.1 Fleet Strength

Currently, due to a number of factors including an aged fleet, and high frequency of breakdowns, the entity is unable to meet the peak bus requirements and the lack of a programmed re-fleeting procurement plan. Plans are currently afoot to remedy this situation

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

through, inter alia, the procurement of buses in the next three years as well as the refurbishment of existing fleet.

The current fleet of Metrobus buses stands at 383 and below is a table depicting the fleet by make and model.

Table 5: Metrobus Fleet strength

Fuel Type	Asset Group	Milpark	Roodepoort	Village Main	Total
Diesel	Merc Benz 1725/59	49	5	32	86
	Merc Benz Euro 3	14	7	4	25
	Volvo B7L	42	7	39	88
	VOLVO B7R	9		1	10
Diesel Total		114	19	76	209
Duel Fuel	Merc Benz 1725/DDF	24	5		29
	Merc Benz Euro 5	55	36	54	145
Duel Fuel Total		79	41	54	174
Total		193	60	130	383

Of the 383 buses, only 44% of the fleet is within the industry useful life nom of 12 years, 56% have exceeded the nom and are prone to frequent breakdown. Breakdowns contribute to increased expenditure and workload of Technical Services. This also contributes to the high level of daily Out of Commission buses, which affect service reliability.

7.1.2.2 Intelligent Transport System Infra-structure

The current situation is exacerbated by the non-existence and/ or obsolescence intelligent transport systems. The Intelligent Transport Systems include Automated Revenue Collection System, Fleet Management System, Telematics, Automated Scheduling System, Automated Timetabling System, Real time bus tracking system.

Digitization and the implementation of the Automated Fare Collection System will assist in turning the tide of negative fare collection rates. The procurement of the Automated Fare Collection System is underway

BUSINESS PLAN 2023-24

7.1.3 Challenges

Table 6: Metrobus Challenges

Challenges	Description
Inadequate Fleet	<ul style="list-style-type: none"> ▪ Only 63% of the fleet is operational has resulted in failure to service all the routes and overcrowding on the operational buses. ▪ Metrobus is currently unable to meet its service delivery mandate with regards to the operation of scheduled trips and punctuality
Loss of Revenue	<p>There is a major challenge of the Metrobus passengers not being fully accounted for as there is a rampant practice of drivers receiving cash from the passengers without issuing tickets and converting the cash to their personal use. This is resulting in the company losing millions of Rands in revenue.</p>
Operational Inefficiencies	<p>There are a number of factors that are causing operational inefficiencies hence, affecting service delivery including but not limited to the following:</p> <ul style="list-style-type: none"> ▪ Service reliability of the service that needs great improvement ▪ More than 70% of Metrobus fleet is at or beyond the recommended useful and economic life resulting in increased breakdown incidents ▪ Communication both internally and externally ▪ Service quality and standards are compromised ▪ Organisational structure not optimised ▪ Inadequate Business Intelligence, technology and agility ▪ Lack of planning and business management ▪ Labour instability
Solvency	<ul style="list-style-type: none"> ▪ Metrobus is technically and factually insolvent. ▪ A number of issues impact negatively on the cost structure, among which is the ever increasing cost of repairs and maintenance as well as diesel.

BUSINESS PLAN 2023-24

Security of Energy and Fuel Supply	<ul style="list-style-type: none"> • The instability of the electricity grid poses various challenges for the entity • Cash flow challenges pose a risk on the supply of diesel to meet operations requirements
------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

7.1.4 Future Outlook

7.1.4.1 Trends in the use of Public Transport and Estimates of Future Demand

The fact that private car and minibus tax modes dominate travel at peak remains a matter of concern. The principal reason why residents are not using higher capacity public transport modes is that these modes are not readily accessible. What is equally worrying is that the average travel time for daily commuting has increased markedly in the last few years, which obviously has implications for economic productivity and personal and family time.

According to the GHTS 19/20, bus users were generally more satisfied (satisfied/very satisfied) (63%) than dissatisfied (dissatisfied/very dissatisfied) (22%) with the available bus services. However, the main attributes of bus services with which users were dissatisfied were the following:

- Levels of crowding on the bus
- Service frequency during peak and off-peak times
- Facilities at bus stops and ranks

Figure 8: Future Outlook



CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

Our future must be characterised by, inter alia, the reduction of congestion of our roads and the lessening of the transport cost burden on households. Metrobus is committed to the achievement of these apex National Development objectives. Our improvement of the transport offering will contribute directly to road infrastructure protection, reduction of carbon emission and increasing the productivity and work-life balance for citizens.

Over 5000 cars can be removed daily on our roads using 75 double deck buses. An efficiently operated bus services will also contribute to the households paying less on transport costs through economies of scale

7.1.4.2 Role of Metrobus in the Integrated Public Transport Network

Metrobus has as its central theme the readiness of the entity to fulfil its role within the Integrated Public Transport Network (IPTN) of the City of Joburg. While the IPTN is intended to be implemented corridor by corridor over a significant period of time. A differentiated approach for different corridors will be implemented over different time periods. These approaches include:

- **Full IPTN:** All components/elements of an IPTN system implemented.
- **Optimisation:** Some IPTN components/elements including integrated corridor management implemented.
- **Stabilisation:** A few IPTN components/elements implemented.

The IPTN comprises an anchor network (12 Corridors) which is meant to serve as the backbone of the network. A secondary network supports the backbone of the network by providing secondary services. It is estimated that while the Anchor network would probably require 365 000 seats in the peak, the Secondary network would require circa 2 Million seats in the peak. Key milestones in the implementation of the IPTN include the development of a citywide Secondary Network (identification of key routes, best mode and key integration measure and financial implications), as well as the review of the Metrobus Operational Plan in line with the secondary network.

Table 7: Role for Metrobus in the IPTN amplified

Primary Corridor	Key Current Routes	Kind of Service
3. Soweto to CBD via Soweto Highway	Liedte & Vrede to CBD	Stabilisation
Part of secondary Network	Eastgate to CBD	Stabilisation

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

10. Kaya Sands to Randburg	Kaya Sands to CBD	Stabilisation
1. Roodepoort to CBD	Roodepoort to CBD	Optimisation
8. Roodepoort to Randburg	Roodepoort to Sandton	Optimisation
11. Diepsloot to Fourways and Sandton	Diepsloot/Fourways to Sandton	Optimisation
12. CBD to Sandton via Louis Botha Avenue 9. Tembisa to Sandton	Midrand to CBD routes on Luis Botha	Services terminated when full IPTN (Rea Vaya introduced)

7.2 Environmental Analysis

Statistics South Africa's National Household Travel Survey 2020 released in March 2021 explores transport needs and behavior, assesses attitudes towards transport services, and how South Africans travel to school, work, or other places. The NHTS revealed that the number of South Africans who had traveled during the seven days prior to the survey increased from 42.4 million in 2013 to 45.0 million in 2020. Gauteng has most of these individuals. Education remains the most prevalent reason for traveling, followed by work. It was reported that most workers used private transport (43.5%), while 35% used public transport, with approximately 20.3% walking to work. The estimated total number of worker trips using public transport decreased significantly from 5.4 million in 2013 to 4.7 million in 2020. Taxis account for most public transport users.

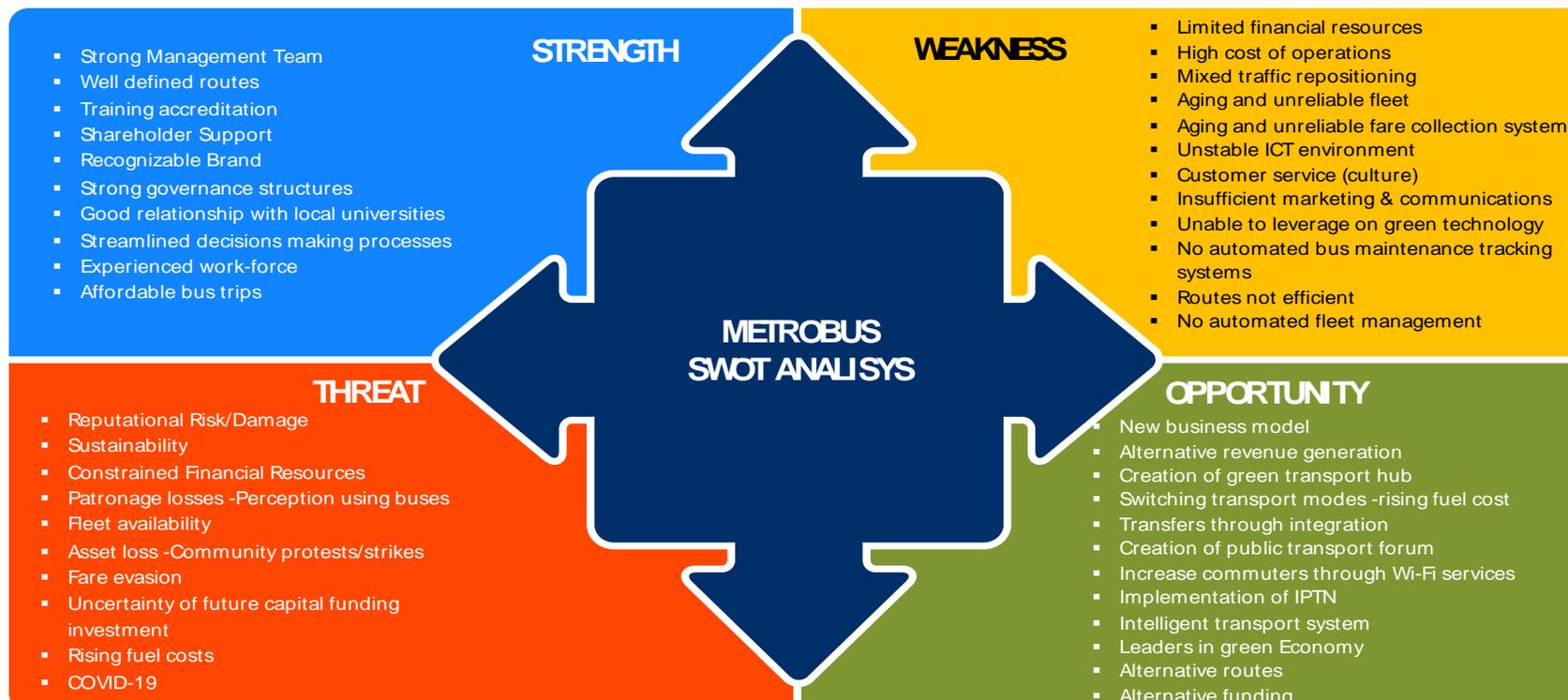
The survey reported that workers who used public transport experienced long travel time in the morning to access their workplaces, train users traveled 107 minutes, bust travelers for 84 minutes, and taxi travelers for 63 minutes while those who drove took 44 minutes

In 2020, travel cost (30.8%) surpassed travel time (23.3) as the biggest factor influencing modal choice of households. Flexibility was cited by 11.9% of households.

BUSINESS PLAN 2023-24

7.3 SWOT Analysis

Figure 9: SWOT Analysis



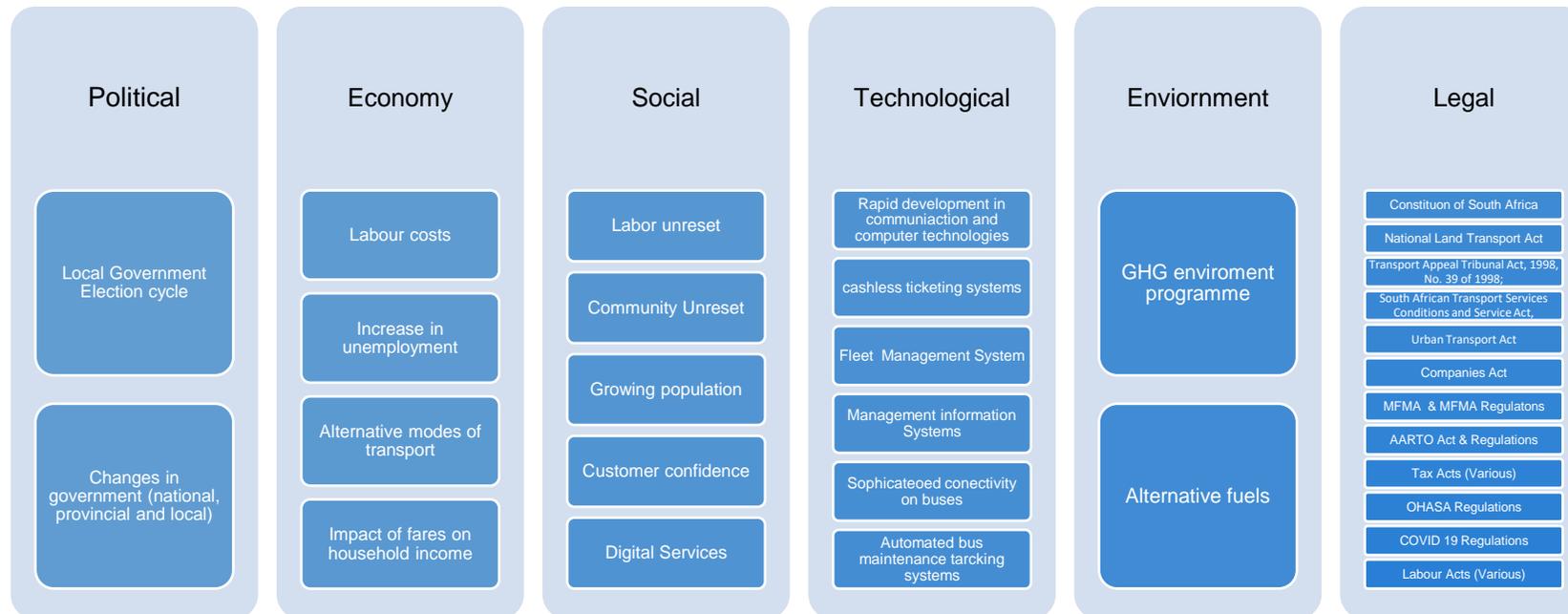
**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

7.4 PESTEL Analysis

PESTEL (Political, Economic, Social, Technological, Environmental and Legal) analysis refers to an analysis of the macro (external) forces facing an organisation. The figure below refers to the issues that Metrobus faces

Figure 10: PESTEL Analysis



8 RISK ASSESSMENT

Metrobus has established and maintains a system of risk management in accordance with the provisions of the Municipal Finance Management Act, the King Report IV on Corporate Governance and Risk management standards as applicable.

The company performs Strategic risk assessment annually based on the annual business plan. Preventative and mitigation interventions are monitored and reported on quarterly. The Strategic risk register is reviewed quarterly.

The 2023/24 financial year risk assessment is based mainly on the Key Performance Indicators that outline the scope of the entity's mandate. In addition, the operations core functions; management's periodic reports; business continuity in significant decrease in grant funding; Auditor-General reports and Internal Audit reports; as well as risks related to the preparation of the entity to play a meaningful role in the Integrated Public Transport Network of the City, all contributed to the development of our strategic risk universe.

The entity's operating environment is scanned on a continuous basis. New and emerging risks are included in the risk register as when they are identified. Risk register is attached hereto as Annexure A

9 STRATEGIC RESPONSE

To deliver on its mandate, Metrobus is committed to transformational servant leadership; efficient stewardship of resources; and alignment to the shareholder strategic intent. We are continuously reviewing institutional arrangements and resourcing ourselves to ensure that we can deliver on our commitments, while appropriately engaging impacted communities. We are developing and refining business processes to make the entity more efficient, enabling us to do more with less. Metrobus strategy explores the current situation highlighted in the environmental analysis, the entity's contribution to the NDP, the GDS and Economic Growth Cluster as well as addressing the entity's current operating environment.

Metrobus strategic response advocates that the entity must move from short term, cost orientated perspective to value creation and sustained delivery of stakeholder and customer expectations, that is, "Shift from Compliance to Performance". This requires a move from focusing on governance compliance to ongoing measurement of performance utilising live data and ICT as an enabler. A move towards agreed longer term measures of continuous increase in stakeholder value through measuring performance from goal, objective, strategy, project to activity level and finally a move from focusing on organisational structure to operating model with a clear understanding of the organisational value chain including customer needs, inputs, activities, outputs and meeting customer expectations. Table 7 outlines a number of strategic issues and interventions.

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

Table 8: Strategic Issues and Interventions

No	Mayoral Priorities	Identified issues	Present situation (reality)	Interventions(Solutions)	Intervention Risks	Mitigation measures	Time frame
1	Sustainable Service Delivery	Aging and unreliable bus fleet	59% of our bus fleet older than 15 years (industry norm is 12 years).	<ul style="list-style-type: none"> • Bus leasing (one hundred high capacity buses). • Refurbishment of 30 buses. • Procurement of 50 buses. 	<ul style="list-style-type: none"> • Budget 	<ul style="list-style-type: none"> • Presentation of the fleet renewal strategy to the relevant structures to solicit funding 	<ul style="list-style-type: none"> • By 30 September 2024 • By 30 June 2024 • By 31 December 2024
2	Financial Stability	Limited financial resources (budget)	“Technically insolvent”	<ul style="list-style-type: none"> • Negotiate conditional grants for assets instead of loans. 	<ul style="list-style-type: none"> • Implementation delays on the shareholder’s part. (Possible lack of buy-in by the shareholder. 	<ul style="list-style-type: none"> • Stakeholder engagement and involvement. 	By 31 March 2024
3	Sustainable Service Delivery	Inefficient routes	53% of our routes not efficient.	<ul style="list-style-type: none"> • Reduce quantity of inefficient routes by 10% through improved planning and stakeholder engagement. 	<ul style="list-style-type: none"> • Possible lack of buy-in from Organised Labour. 	<ul style="list-style-type: none"> • Change management, communication and stakeholder engagement. 	By 30 September 2024
4	Smart City	Aging and unreliable fare	The current fare collection system is	<ul style="list-style-type: none"> • Lease interim fare collection system 	<ul style="list-style-type: none"> • Budget • Lack of buy-in from Organised Labour. 	<ul style="list-style-type: none"> • Stakeholder engagement and involvement. 	By 30 September 2024

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

		collection system	obsolete, not usable anymore, out of warranty and support.		<ul style="list-style-type: none"> • Vandalism. 	<ul style="list-style-type: none"> • Change management. 	
5	Sustainable Service Delivery	High rate of revenue pilferage	Minimum of 50% of revenue not accounted for.	<ul style="list-style-type: none"> • Inspectorate • Spots Blitz • CCTV 	<ul style="list-style-type: none"> • Lack of buy-in from Organised Labour. • Safety of personnel. • Vandalism 	<ul style="list-style-type: none"> • Stakeholder engagement and involvement. • Change management. 	By 30 September 2024
6	Smart City	Inability to track and account for utilization and deployment of buses	Less than 100% of planned scheduled services implemented (Currently on 87%).	<ul style="list-style-type: none"> • Installation of Fleet Management System 	<ul style="list-style-type: none"> • Lack of buy-in from Organised Labour. • Possible vandalism • Insufficient budget. • Insufficient computer literacy skills. 	<ul style="list-style-type: none"> • Stakeholder engagement and involvement. • Change management. 	By 30 September 2024
7	Smart City & Sustainable Service Delivery	High rate of out of commission of bus fleet (OOC)	36% of bus fleet in OOC	<ul style="list-style-type: none"> • Installation of automated bus maintenance tracking system 	<ul style="list-style-type: none"> • Insufficient computer literacy skills. • Budget 	<ul style="list-style-type: none"> • Training of staff. • Change management. 	By 30 September 2024
8	Financial Sustainability	High debt burden (historical)	"Technically insolvent"	<ul style="list-style-type: none"> • Finalise the debt restructuring process. 	<ul style="list-style-type: none"> • Implementation delays on the shareholder's part. 	<ul style="list-style-type: none"> • Stakeholder engagement and involvement. 	By 31 Dec 2023

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

9	Energy Mix & Sustainable Service Delivery	High cost of operations (fuel costs)	Currently on 11-12% of the overall OPEX budget	<ul style="list-style-type: none"> • Increase diesel to gas substitution rate. • Installation of CNG infrastructure. • Reduction of dead Kilometres 	<ul style="list-style-type: none"> • Budget. • Insufficient Euro-5 buses. • Lack of buy-in from drivers. 	<ul style="list-style-type: none"> • Change management. • Communication. • Training of staff. • Stakeholder engagement 	By 30 September 2023
10	Financial Sustainability	Uncertainty on future funding investment	Budget re-based by 153M in just one financial period.	<ul style="list-style-type: none"> • Increase market share. 	<ul style="list-style-type: none"> • Lack of buy-in from commuters. 	<ul style="list-style-type: none"> • Change management. • Communication. • Training of staff. • Stakeholder engagement 	By 30 June 2024
11	Good Governance	Labour instability (contributing factor on public commuter confidence)		<ul style="list-style-type: none"> • Three company-wide roadshows conducted per financial year. • Implemented RBO resolutions where feasible. • Monthly LMF 	<ul style="list-style-type: none"> • Lack of buy-in from Organised Labour. • Budget 	<ul style="list-style-type: none"> • Change management. • Communication. • Training of staff. • Stakeholder engagement. 	By 30 Sept 2023 Buy 31 February 2023 On-going

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

9.1 Key performance areas

The business of Metrobus is premised on six (6) key performance areas as follows:

- Customer Service, Stakeholder engagement and Communication
- Innovation and Green Economy
- Enterprise Development and Job Creation
- Financial Management, Viability and Sustainability
- Operational Excellence
- Technology, and Business Enablement

9.2 Past Performance

Metrobus maintains a performance management system based on the periodic assessment of the following important operational indicators, indicating past performance on each.

Table 9: Past Performance

Details	Actual 2018/19	Actual 2019/20	Actual 2020/21	Actual 2021/22
Main bus routes	229	229	229	229
Driver shifts	410	410	410	410
Passenger trips	33 237	20 665	14 315	13 793
Annual kilometres operated	9 178 031	6 847 685	4 622 266	6 904 114
Fleet strength	430	428	423	384
Fleet utilization	76%	75%	73%	68%
Fleet availability	293	270	241	254
Average out of service buses	136	187	185	162
Proportion of scheduled trips cancelled	5%	7%	0%	10%
Average bus occupancy/seat utilization	80%	60%	60%	60%
Performance on pre-determined objectives	73%	71%	78%	89%

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

Table 10: Past Financial Performance

Financial Performance	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
	(R 000's)					
Revenue: Exchange Trans	51 470	40 773	68 943	97 114	109 849	111 946
Rendering of services	46 402	37 708	62 941	89 844	104 146	101 061
Actuarial gain (loss)	444	104	1 073	-209	2 205	1 687
Other income	3 392	1 868	3 173	5 516	1 567	7 083
Interest received - investments	1 232	1 093	1 756	1 963	1 930	2 115
Revenue: Non-Exch.Trans	517 074	669 859	636 533	546 483	504 438	521 742
Government grants and subsidies	517 074	669 859	636 533	545 463	504 212	506 354
Other income	-	-	-	1 020	226	5 388
GPG DoT Grant	-	-	-	-	-	10 000
Total revenue	568 544	710 632	705 476	643 597	614 287	633 688
Expenditure	649 432	630 979	672 701	670 479	63 371	650 761
Employee Cost	327 992	318 928	298 208	295 562	293 135	299 390
Depreciation & Amortisation	58 266	69 733	61 883	52 235	51 206	64 924
Impairment on Assets & Inventory	2 614	42 554	6 774	7 584	24 586	3 449
Finance costs	29 164	36 869	55 973	60 900	64 718	68 888
Rentals & Operating Leases	6 022	4 967	8 891	7 772	7 383	13 551
Debt Impairment	948	-30	204	334	164	943
Repairs & Maintenance	57 131	35 939	81 052	82 870	52 476	48 609
Fuel (Buses)	67 152	31 583	58 235	76 631	74 058	72 605
Insurance	20 524	20 829	14 173	20 736	16 672	5 364
General Expenses	79 619	69 607	87 308	65 855	78 973	73 038
Operating deficit	-80 888	79 653	32 775	-26 881	-49 085	-17 073
Disposal of assets	12 051	1 765	9 262	663	9 136	2 249
Deficit for the year	-92 939	77 888	23 513	-27 545	-58 221	-19 321

9.3 Corporate Scorecard

Metrobus Corporate Scorecard is constituted of the following;

- Institutional SDBIP (Annexure B)
- Transversal Programme (Annexure C)
- Circular 88 Indicators (Annexure D)
- Entity Scorecard (Annexure E)

BUSINESS PLAN 2023-24

9.4 Technical Indicator Descriptor

Metrobus Technical indicator descriptor is attached hereto as Annexure F

9.5 Service Standards Charter

An integral part of the City of Johannesburg’s Integrated Development Plan is a Service Standards charter which outlines core services rendered to the residents of the city directly by be the municipality and through its municipal entities. The charter clearly outlines the requisite service level standard for every core service.

In keeping with the Service Standards Charter, the following are core services rendered by Metrobus and the requisite service level standard:

Table 11: Service Standards

Core Service	Monthly Service Standard Target
% of scheduled public bus trip arriving on time	90%
Bus timetable	90-95% adherence to daily bus schedule (<5 min headway)
Safety of passengers	100% compliance to health and safety legislation 1) Zero safety and security incidents on buses 2) Zero fatalities
	Enforcing of bus seating-standing in line with applicable regulations
Response time for walk in enquiries	All walk in queries acknowledged within 1 hour

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

10 FINANCIAL IMPACT

Overview

The Integrated Development Plan of the City of Johannesburg positions the enhancement of financial sustainability as pivotal to the achievement of its developmental agenda. Metrobus seeks to contribute to this important strategic enabler by, inter alia, ensuring responsible and accountable stewardship of its finances as well as implementing austerity measures wherever possible. The apex contribution of Metrobus to the City's financial health is maintaining an acceptable level of own revenue vis-à-vis subsidy received from the City of Joburg

10.1 Budget and Sources of funding

The approved budget to fund the 2023/24 business plan is as follows:

Table 12: Metrobus Source of Funding

Expenditure Type	Budget (R 000's)	Funding Source		
		Shareholder Loan (R 000's)	Subsidy (R 000's)	Own Revenue / Reserves (R 000's)
Operating	662 080	-	599 576	62 504
Capital	306 146	306 146		
Total	968 226	306 146	599 576	62 504
Capital budget indicative	63 146	63 146		

10.2 Operating Expenditure

Table 13: Operating Expenditure

Projected	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20
	(R 000's) Projected	(R 000's) Projected	(R 000's) Projected	(R 000's) Budget	(R 000's) Actual	(R 000's) Actual	(R 000's) Actual
Revenue							
Rendering of Services	68 648	65 566	62 504	55 906	46 402	37 709	62 941
Miscellaneous other revenue	1 294	1 294	1 178	4 569	5 068	2 960	6 002
Grant	624 800	617 656	599 576	570 927	517 074	669 859	636 533
Total Revenue	694 742	684 516	663 258	631 402	568 544	710 528	705 476

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

Expenditure							
Personnel	(364 912)	(349 198)	(333 204)	(316 133)	(327 992)	(315 689)	(298 208)
Depreciation and amortisation	(77 831)	(74 480)	(71 206)	(67 622)	(58 266)	(69 694)	(61 883)
Finance Costs	(52 063)	(49 116)	(47 001)	(44 636)	(29 164)	(36 869)	(55 973)
Repairs and maintenance	(38 891)	(41 654)	(41 935)	(44 408)	(57 131)	(79 603)	(81 052)
General expenses	(98 868)	(102 892)	(102 304)	(90 740)	(89 203)	(72 190)	(103 177)
Fuels	(58 798)	(62 852)	(63 168)	(55 226)	(67 152)	(31 583)	(58 235)
Insurance expense	(3 379)	(4 325)	(4 440)	(12 637)	(20 524)	(25 247)	(14 173)
<i>Total Expenditure</i>	(694 742)	(684 516)	(663 258)	(631 402)	(649 432)	(630 875)	(672 701)
Operating (Deficit)/Surplus	-	-	-	-	(80 888)	79 653	32 775
Loss on disposal of assets and liabilities					(12 051)	(1 765)	(9 262)
(Deficit)/Surplus for the year	-	-	-	-	(92 939)	77 888	23 513

10.3 Capital Projects

The following are the main Capital projects proposed for 2023/24 financial year ((R 000's)):

Table 14: Overview of capital projects

Metrobus	Approved Budget	Adjustments	Adjusted	Draft	Draft	Funding
	2023/24		2023/24	2024/25	2025/26	
	R'000	R'000	R'000	R'000	R'000	
Purchasing of New Buses	60 000		60 000			Provisional Grant
Plant and Machinery	8 146		8 146	5 000	5 000	Provisional Grant
Engine and Gear box refurbishment	40 000		40 000	12 000	12 000	Provisional Grant
IT Equipment, New Computers and Hardware Computer Hardware	15 000		15 000	15 000	15 000	Provisional Grant
Bus Refurbishment	55 000	22 000	77 000	30 000	30 000	Provisional Grant
Cashless Ticketing System, Bus CCTV, on board machine	99 000	1 000	100 000	100 000	-	Provisional Grant
Furniture and fittings	-	1 000	1 000	3 000	1 000	Provisional Grant
Buildings improvements	-	5 000	5 000	30 000	10 000	Provisional Grant

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

Sub Total	277 146	29 000	306 146	195 000	73 000	
Indicatives from the city	277 146	214 000	63 146	32 000	32 000	

New capital projects includes the implementation of the new revenue management plan, as well as the purchase of buses.

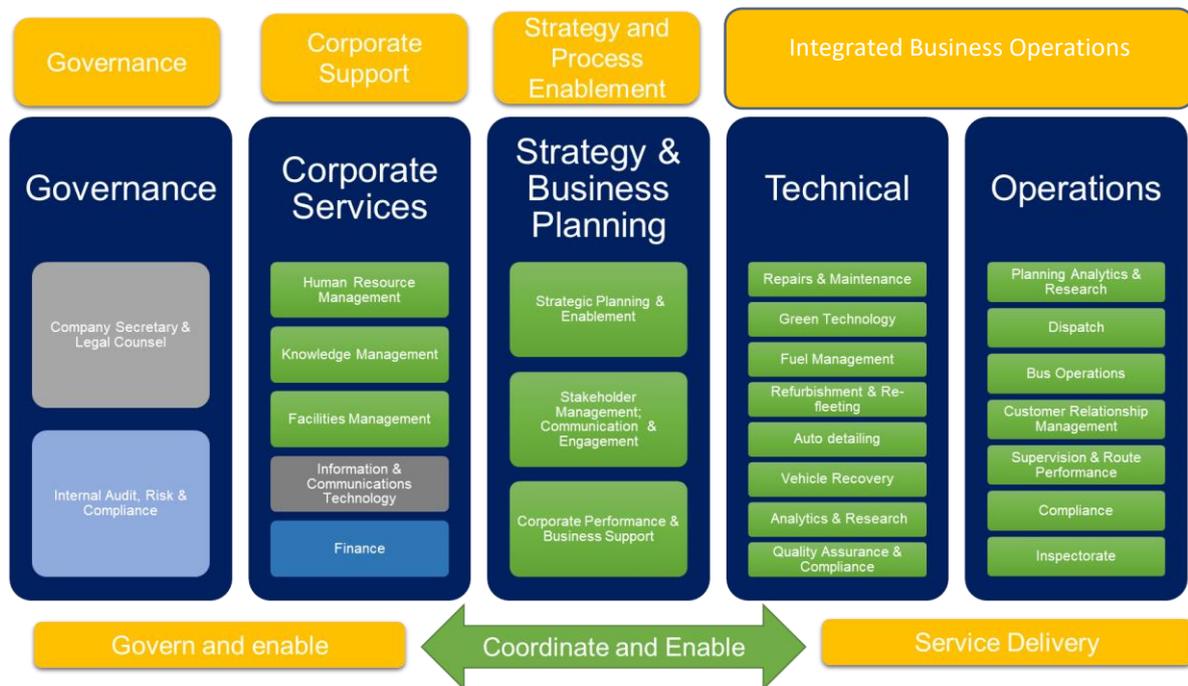
11 MANAGEMENT AND ORGANISATIONAL STRUCTURE

Overview

Metrobus considers the development and maintenance of appropriate organizational structures as an important element of its integrated human resources strategy. In this regard, the important maxim that structure follows strategy is considered instructive.

Accordingly, the entity’s functional structure is designed along five main areas in pursuit of the attainment of strategic objectives, administrative excellence and proper delegation of duties:

Figure 11: Metrobus Functional Design



i. Core Functions

Core to the delivery of Metrobus services is the Integrated Business Operations (IBO) Department which includes operations and Technical Services.

The Operations unit of the IBO is responsible for the planning of routes, dispatching of buses, and transportation of the citizenry of Johannesburg, supervision, inspections on route as well as the operation of a dedicated service that ensures the mobility of passengers with disabilities.

BUSINESS PLAN 2023-24

The planning or scheduling section of the Operations Department has a huge responsibility to ensure the optimal use of human resources especially bus drivers and assets which in the main refer to the buses. Both of these if not scheduled efficiently can lead to unnecessary expenses. In this regard, the entity will have to invest in a software programme, which will allow our planners or schedulers to make changes to our schedules efficiently and quickly. The continued investment in the information technology to automate key operations functions is an important strategic enabler for operational and excellence and financial viability for the entity.

Furthermore, the Operations unit is responsible for compliance with laws and regulations applicable to bus operations and all road users. In this regard, the Department has to ensure that: -

- Buses are operating with valid licenses;
- Route Operating licenses are valid;
- Drivers have the necessary valid licenses and professional driving permits;
- Fines for traffic violations are paid or deferred to the offenders especially bus drivers. If this is not done, then the proxy of the Company could possibly face arrest;
- Buses have valid Certificate of Road Worthiness (COR). Our Technical Services Department ensures that buses are prepared for inspection by the Testing Stations conducting roadworthy tests.
- Annually, fares have to be increased and our fare increase proposal has to be approved by Council before it can be implemented on 1st July every year.

Tasked with ensuring that operational fleet requirement is available is the Technical Services unit of the IBO, which is the entity's support mechanical engineering arm responsible for the regular maintenance and repairs to the entity's fleet. The TSD is tasked, primarily with the Cost effective maintenance of buses i.e. ensuring that the buses are Available to the Operations Division and that the same buses are Reliable (no Breakdowns), and are Environmentally friendly (Clean and Pollution-free), and above all Safe for the commuters, public and our employees.

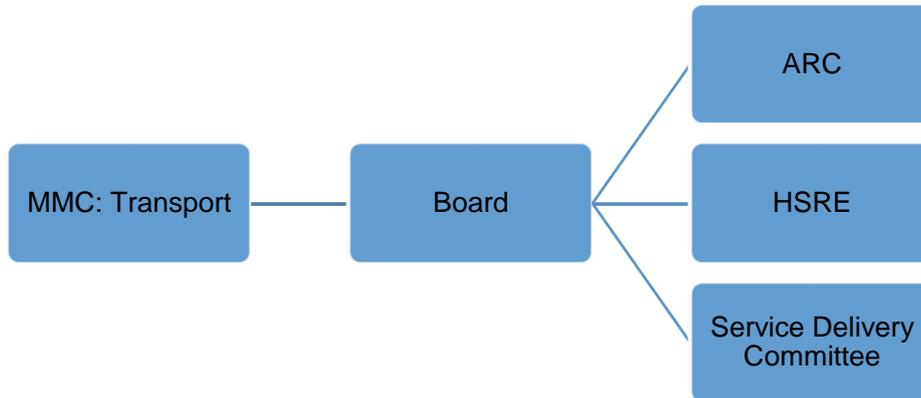
Technical Services Unit is also charged with implementing, testing and monitoring of the green transport innovation, which Metrobus has introduced with the procurement and conversion of some of the entity's diesel fleet to Diesel Dual Fuel buses.

BUSINESS PLAN 2023-24

ii. Governing Structure

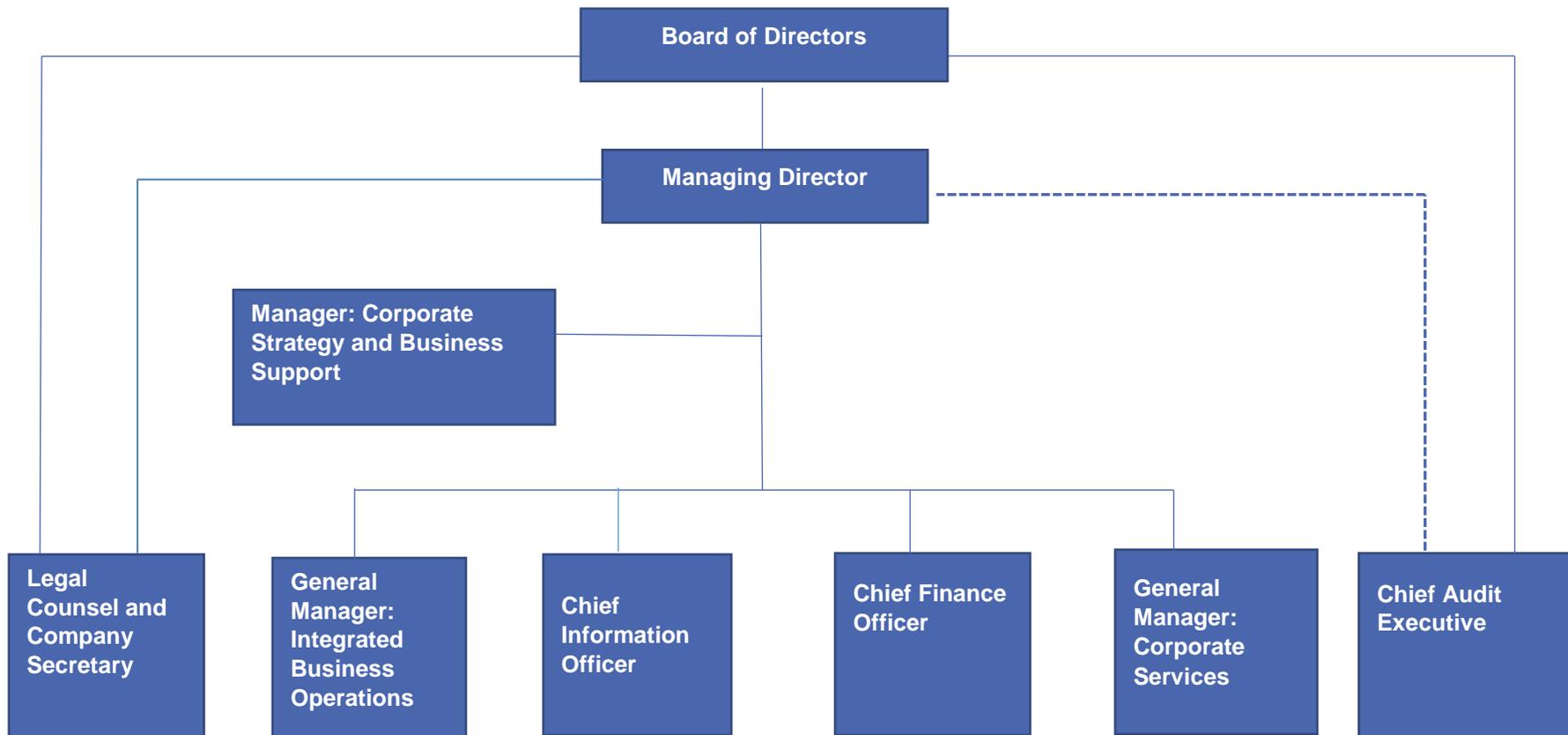
Metrobus is overseen by a board of directors who account to the Shareholder via the MMC of Transport.

Figure 12: Overall Governance Structure



11.1 Organisation structure

Figure 13: High Level Organizational Structure



**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023-24

11.2 Management Team

Table 15: Overview of Executive

Executive Position		Current Status
1.	Managing Director	The position currently filled, five-year contract commenced on 1 Dec 2019.
2.	Chief Financial officer	Position currently filled, five-year contract, commenced on 4 January 2021
3.	Chief Audit Executive	Position currently filled, five-year contract, commenced on 04 February 2020
4.	Chief Information Officer	Position is vacant and currently filled on an acting basis effective 03 January 2022
5.	General Manager Integrated Business Operations	Position currently filled, five-year contract commenced on 1 June 2021
6.	General Manager Corporate Services	Position currently filled, five-year contract, commenced on 1 November 2020
7.	Company Secretary and Legal Counsel	Position currently filled, five-year contract, commenced on 4 January 2021

Note: The vacancy rate at executive level is at 14%

11.3 Capacity analysis

During the 2022/23 financial year focus was, inter alia, on process re-engineering towards efficiency, effectiveness and maximum utilization of human resources. One of the essential outcomes of this process is analysis of capacity not only in relation to numbers of people employed in various positions but the availability of all key skills in all functional areas of the business through focused skills gap analysis. Currently the entity is at a general vacancy rate of 28.03%.

11.4 Employment Equity

The achievement of Employment Equity goals and targets remains an important challenge for Metrobus. The bus industry in general is a male dominated industry. Employers in the industry

BUSINESS PLAN 2023-24

are generally faced with an oversupply of male employees especially among the previously disadvantaged communities, whilst challenged to be able to attract female employees and owing to the nature and focus of the business, it is even more difficult to attract people with disabilities as well. Metrobus introduced driving learner ship programme to attract and retain drivers. Out of forty, thirty are female drivers.

Metrobus considers the following as strategic imperatives fundamental to our employment equity plan and ultimately to the achievement of the outcomes envisaged.

- Achieving a representative employee profile at all occupational levels
- Creating a culture of equity and representivity, appreciation of diversity, and fairness for the benefit of all employees
- Commensurate investment in skills development
- Championing a holistic approach to transformation through optimal performance on employment equity goals and targets as well as other all aspects of the Broad Based Black Economic Equity (B-BBEE)

The transformation agenda at Metrobus as pertains to Employment Equity will focus primarily on the following:

- (i) Acquisition, engagement and retention of appropriate skills representative of all race groups in line with the Employee Assistance Program(EAP), in line with Provincial demographics in all occupational levels;
- (ii) Identification and eradication of systematic and systemic barriers to the achievement of employment equity goals;
- (iii) Management of diversity;
- (iv) Implementation of women and disabled person's advancement programs;
- (v) Implementation of Technical Assistance Guidelines (TAG) on the employment of people with disabilities;
- (vi) Harvesting of all policy and program synergies towards the achievement of a quantitatively and qualitatively equitable work place;
- (vii) Analysis of data;
- (viii) Consultation and dispute resolution;
- (ix) Reporting; and
- (x) Continuous research and development.

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

11.4.1 Current Demographics

Metrobus Employment Equity Numerical Targets: the projected workforce profile the entity seeks to achieve by the end of 2023 reporting period, based on the total number of employees as at the beginning the calendar year 2022

Table 16: Workforce Demographics

Occupational Level	Male				Female				Foreign National		Total
	A	C	I	W	A	C	I	W	M	F	
Top Management	3	0	1	0	2	0	0	0	0	0	6
Senior Management	11	1	0	1	0	0	0	0	0	0	13
Professionally qualified and experienced specialists and mid-management	6	0	0	0	4	0	0	1	0	0	11
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	91	14	2	9	15	0	0	2	0	0	133
Semi-skilled and discretionary decision making	296	11	0	0	86	3	1	3	0	0	400
Unskilled and defined decision making	120	0	0	0	9	0	0	0	0	0	129

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

Temporary	0	0	0	0	0	0	0	0	0	0	0	0
Grand Total	527	26	3	10	116	3	1	6	0	0	0	692

11.4.2 Targets and goals

Towards the management of employment equity in the workplace, Metrobus has developed, in line with legislative and best practice requirements, a five (5) year employment equity plan.

Metrobus Employment Equity Numerical Goals: the projected workforce profile the entity seeks to achieve by the end of 2023 based on the total number of employees as at the beginning of the employment equity plan which commenced in 2016.

Table 17: Projected Workforce Demographic Financial Year 2023/24

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	4	0	1	0	2	0	0	1	0	0	8
Senior Management	4	1	0	1	3	0	0	0	0	0	10
Professionally qualified and experienced specialists and mid-management	8	2	1	2	6	1	1	1	0	0	22
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	89	12	4	15	27	2	2	10	0	0	161
Semi-skilled and discretionary decision making	372	29	5	17	163	7	7	11	0	0	611

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023-24

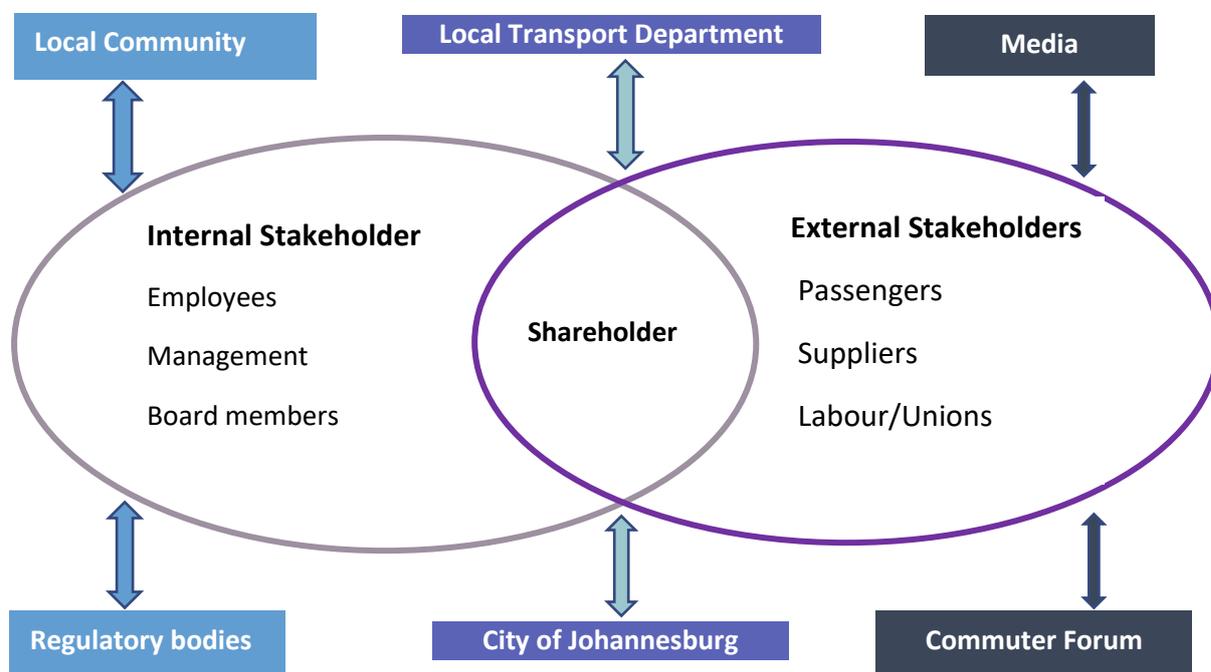
Unskilled and defined decision making	63	6	2	6	46	2	2	5	0	0	132
Total Permanent	540	50	13	41	247	12	12	29	0	0	944
Temporary Employees	0	0	0	0	0	0	0	0	0	0	0
Grand Total	540	50	13	41	247	12	12	29	0	0	944

12 COMMUNICATION AND SHAREHOLDER MANAGEMENT

12.1 Stakeholder Matrix

At the centre of Johannesburg Metrobus Company’s success lies a clearly defined marketing communication plan underpinned by company’s core values. Over the years, we have learned that constant engagement with stakeholders is crucial to the success of the business. Metrobus has a clear vision derived from its strategic planning process with emphasis on an effective marketing communications plan geared at stakeholder engagement. Active Stakeholders at Metrobus include, but are not limited to employees, shareholder, passengers, media, regulatory bodies, Unions and Boards members. Each stakeholder has a unique perspective on what will make the organisation succeed. Below is a stakeholder matrix for Metrobus

Figure 14: Metrobus Stakeholder Matrix



BUSINESS PLAN 2023-24

12.2 Communication Plan

Table 18: Communication Plan

Period	Theme	Channel of Delivery	Outcome
Quarter one	Company profile & Private hire service	Print media and digital campaigns	Increased customer number for private hire
Quarter two	Brand building & Private hire service availability. Going cashless	Outdoor/billboards and digital marketing. Radio campaign	Enhancing brand meaning & positioning. private hire & going cashless
Quarter three	Highlights and savings on coupon users. Campus exhibitions ie. University and mall campaigns	Caxton based print media and community based radio stations including campus radios	Encouraging commuters to buy coupons and eliminate cash in buses and overall Metrobus touch-points
Quarter four	Awareness on bus fare increase & service standards	Caxton based print media and community based radio stations including regional broadcasters	Prepare commuters on impending annual bus fare increases & general brand visibility exercise

From time to time, the strategy will be reviewed to ensure market relevance – the cycle will be repeated in the next financial year with additional services, provided major changes are made by the overall business.

13 AUDIT RESOLUTION

13.1 Internal Audit Overview

The Internal Audit Function (IAF's) mandate stems from Section 62(1)(c)(ii) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) which requires that the Accounting Officer ensure that the institution has and maintains a system of internal audit operating in accordance with any prescribed norms and standards.

Furthermore, Section 165(1) requires that each municipal entity must have an internal audit unit subject to subsection (3). Section 165(2) requires that the internal audit unit of a municipal entity must prepare a risk based audit plan and an internal audit program for each financial year.

The primary objective of the Internal Audit Function (IAF) is to provide a comprehensive service to ensure adequate measures and procedures are in place for sound economic, effective and efficient management as required by the Municipal Finance Management Act (Act 56 of 2003), Companies Act 71 of 2008, Public Audit Act, Standards of Generally Recognized Accounting Practice (GRAP) and King IV.

The IAF operates using a co-sourced model with a permanent Chief Audit Executive supported by an Internal Audit Specialist. Currently there are no vacancies within the IAF.

13.2 2022/23 Business Plan and Divisional KPI's

The following table sets out the KPI's that the IAF has been allocated responsibility for the 2022/23 Financial Year.

Table 19: Business Plan KPI's

KPI	Target
% of AGSA and Internal Audit Findings Resolved	100%
% mitigation actions in the risk registers implemented or up to date	100%

BUSINESS PLAN 2023-24

These KPI's have been reviewed within the Division and the following Divisional KPI's have been set to support the Entity's overall Business Plan.

Table 20: Divisional KPI's

KPI	Targets			
	Q1	Q2	Q3	Q4
100% Resolution of Internal Audit findings	10%	30%	70%	100%
100% ¹ resolution of AGSA Findings	80%	100%	50%	100%
100% Implementation of the strategic risk management action plan findings resolved	100%	100%	100%	100%

13.3 Achievement of 100% of the Internal Audit Plan

The IAF's Annual Plan is based on the strategic and operational risks impacting on Metrobus. The Plan was reviewed and approved by the Audit and Risk Committee of the entity.

13.4 OPCA: Reduction of Internal and External Audit Findings

In order to achieve promote good governance and achieve clean audit, Metrobus will as part of its own and the City's Operation Clean Audit (OPCA) Program executes its work to achieve a clean audit.

The ownership of each finding rests with the Divisional Executive to whom the finding relates. As part of the Operation Clean Audit (OPCA) for Metrobus, internal audit will adopt a partnership-based approach with each Executive. This will entail the following:

¹ Q1 and Q2 target are measuring resolution of AGSA findings related to 2021/22 financial year management letter while Q3 and Q4 are measuring the resolution of AGSA audit findings related to 2022/23 financial year management letter.

BUSINESS PLAN 2023-24

- (i) Meetings will be held whereby the root causes of each finding are thoroughly discussed, the recommendations clarified and commitments to address findings reinforced.
- (ii) Monthly follow-up on the status of implementation with management.
- (iii) Follow-up audits with on both internal and external audit findings.
- (iv) Reporting at management meetings on the status of audit findings.
- (v) Quarterly reporting to the various technical and governance committees within the entity as well as the City on the Metrobus OPCA status.
- (vi) In both Quarter 2 and Quarter 4, an audit will be conducted to confirm that the Divisional Executive has implemented the said recommendations. Progress in relation to the implementation of recommendations will be reported quarterly.

13.5 Quality Assurance Improvement Plan

Section 62 (c) of the MFMA requires that Metrobus implements and maintains an efficient and effective system of internal audit operating in accordance with any prescribed norms and standards.

The norms and standards governing the Internal Audit Profession both locally and internationally include the International Standards for the Professional Practice of Internal Auditing (ISPPA) and the Institute of Internal Auditors (IIA), Code of Ethics. ISPPA Standard 1312 requires that an external assessment of an IAF be conducted at least once every five (5) years by a qualified, independent assessor or assessment team from outside the organization. The objective of this process is to evaluate the IAF's conformance with the ISPPA and Code of Ethics.

The IAF has committed itself towards conformity with the ISPPA and has planned to conduct an external quality assessment and achieve a "Generally Conform" rating with the ISPPA by the end of the 2022/23 Financial Year.

13.6 Probity

The Internal Audit Function conducts probity reviews for all tenders, irrespective of its amount, in two stages, following the preparation of a bid's specifications and after its evaluation.

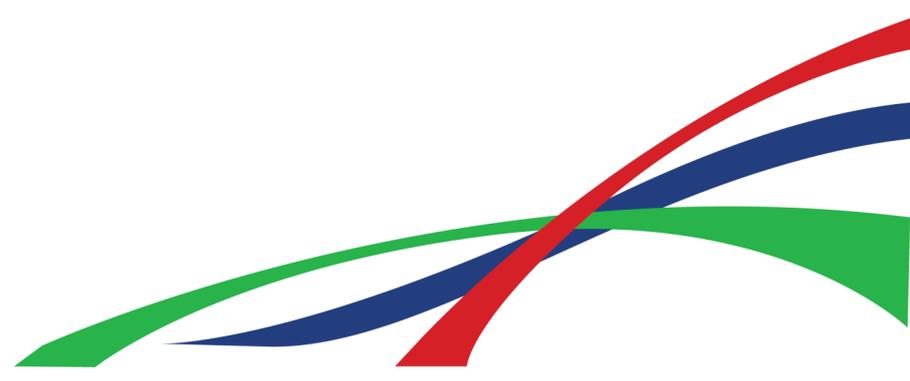
BUSINESS PLAN 2023-24

The general nature of the findings raised during these processes, relate to the specificity of bid specifications, inconsistencies in scoring or scoring unsupported by evidence on tender files.

It is worthy to note that no tender issued by Metrobus since the 2019/20 year, coinciding with the activation of these probity reviews has been considered irregular expenditure in nature by the AGSA.



**ANNEXURE A:
METROBUS STRATEGIC
RISK**



Key Performance Outcome	Key Performance Indicator	Risk Description	Residual Risk Exposure	Risk Owner	Interventions/ Actions to improve management of the risk	Time Scale	Number of Interventions	Progress to Date
Programme 1: Customer Services, Stakeholder Engagement and Communication								
An inclusive job intensive, job intensive, resilient, competative and smart economy that harnesses the potential of its citizens	% Planned Trips Completed	Inabilty to Meet Scheduled Services and Collect Revenue	High	IBO	1.1 100% implementation of Bus Maintenance Plans per Quarter 1.2 Appointment of Inspectorate	1.1 Quarterly, 100% to be Reported by 30 June 2024 1.2 31 October 2023	2	
	Average number of Metrobus passenger trips per working day							
	Blameworthy Accidents Rate per 100 000 bus kilometers operated	Inadequate Enforcement of good organisational culture by Management/Leadership	Medium	IBO	1.3 100% of all Drivers, who did not attend driver refresher training in the 2022/23 Financial Year attending a Refresher Training Course	1.3 30 September 2023	1	
% Service Disruptions Communicated	Inadequate /Limited Effectiveness of Existing and Future Communication Channels	Medium	Strategy	1.4 All Complaints Recorded in Manual Complaints Register for follow up and resolution 1.5 100% of Complains	1.4 and 1.5 Daily 100% to be Reported by 30 June 2024	2		

	% Complaints resolved within the timelines specified in the Customer Services Charter				resolved within the timelines specified in the Customer Service Charter. Capacitate office responsible for handling of complaints			
	% Customer Satisfaction	Inadequate Enforcement of good organisational culture by Management/Leadership	Low	IBO	1.5 100 % implementation of eye on the bus and WIFI projects on the buses	1.5 31 December 2023	1	
	% Achievement of Service Standards		High		1.6 See 1.4 Above	1.6 See 1.4 Above	None as Already Included	Same as 1.4 above
Programme 2: Innovation and Green Economy								
Provide a resilient liveable sustainable urban environment underpinned by smart infrastructure supportive of a low carbon economy	% Carbon Emissions	Inability to meet Carbon Emission Targets	Low	IBO	2.1 Emission Testing by an External Service Provider 2.2. Replace Injection Systems after 60 000 Kms (Where Applicable- Category C and D Buses)	2.1 Quarterly, 100% to be Reported by 30 June 2024 2.2 Quarterly, 100% to be Reported by 30 June 2024	2	

Accelerated and visible service delivery and re-introduction of co-production in the delivery of basic services	Total number of SMME's Supported	Inability to Attract Sufficient SMME's	Low	CFO	3.1 Allocation of Budget for SMME Development. 3.2 80% Spend Against Budget. 3.3 1 Supplier Awareness Communications Regarding Fronting and the Consequences Thereof Published	3.1 1 July 2023, 3.2 30 June 2024, 3.3 31 December 2023	3	
An inclusive job intensive, job intensive, resilient, competative and smart economy that harnesses the potential of its citizens	% of Total Expenditure spent on BBEE		Low					
	Total Number of EPWP jobs Created	Inability to Provide/Supply Sufficient EPWP opportunity to Alleviate Poverty	Low	Corporate Services	3.4.1 Update Plan for EPWP personnel to ensure alignment with current budget and any COJ Prescripts	3.4 1 31 July 2023	2	
Programme 4: Financial Management, Viability and Sustainability								
Accelerated and visible service delivery and re-introduction of co-production in the delivery of basic services	% Spent against Approved Operating Expenditure Budget	Failing to meet set Targets Resulting in Non-Achievement of Performance Objectives resulting in the reduction of Grant Funding from the Shareholder - Lack of alternative plans when budgets cuts are initiated by the Shareholder	Medium	CFO	4.1 Actual Spend against Budget Reported by Executive Quarterly and Performance Management implemented for Non-Performance	4.1 Quarterly: 30 September 2023, 31 December 2023, 31 March 2024 and 30 June 2024	4	
	% Spent against Approved Capital Expenditure Budget		High		4.2 100% of all Tenders per Procurement Plan advertised and awarded	4.2 30 June 2024	1	

	% spent on repairs and maintenance to property, plant and equipment		Medium		4.3 Same as Above- 4.1	4.3 Same as Above- 4.1	None as Already Included	
	% reduction in unauthorised irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	Inability to comply with laws and regulations	Medium	EMT	4.4 100% of all Tenders Awarded subjected to Internal Audit Probity Reviews	4.4. As and when required, 100% to be Reported on 30 June 2024	1	
	% of valid invoices paid within 30 days		Medium	CFO	4.5 Quarterly review of Metrobus's actual performance against this requirement reported Monthly to EMT	4.5. Monthly, 100% to be Reported on 30 June 2024	1	
Programme 5: Operational Excellence								
Improve and Strengthen Financial Position	% Resolution of Internal Audit Findings	Inability to address all findings issued by both Internal and External Audit	Medium	EMT	5.1 Quarterly Review of Internal and External Audit Findings, Reported in the Quarter Metrobus Business Performance Reports	5.1 Quarterly: 30 September 2023, 31 December 2023, 31 March 2024 and 30 June 2024	4	
	% AGSA Findings Resolved							

An inclusive job intensive, job intensive, resilient, competative and smart economy that harnesses the potential of its citizens	% Fleet Available to Operate Scheduled Trips Met	Inability to Meet Scheduled Services and Collect Revenue	High	IBO	5.2 See 1.1 Above, Provide additional funding for procurement of new fleet	5.2 31 March 2025	None as Already Included	
	% implementation of the strategic risk management action plan findings resolved	Inability to address all identified Risks	Medium	Internal Audit	5.3 Quarterly Review of Actual against Planned Risk Management Interventions, Reported in the Quarter Metrobus Business Performance Reports	5.3 Quarterly: 30 September 2023, 31 December 2023, 31 March 2024 and 30 June 2024	4	
Programme 6: Technology and Business Enablement								
Smart City	% Intelligent Transport System Projects	Inability to continue with Operations within Metrobus	Medium	Acting CIO	6.1 Implementation of all deliverables for the ICT Strategy applicable to the 2022/23 Financial Year	6.1 30 June 2024	1	

ANNEXURE B:
INSTITUTIONAL SDBIP

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

#	PIP	GDS Outcome	Key Performance Indicator	Baseline 2021/22	2023/24 Target	Q1	Q2	Q3	Q4	Evidence	Means of verification
1	Sustainable Economic Development	An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	Average number of Metrobus passenger trips per working day	13 793 Metrobus passenger trips per working day	20 000 Metrobus passenger trips per working day	20 000	18 000	22 000	20 000	Journey analysis report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report

ANNEXURE C: TRANSVERSAL PROGRAMME

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

TRANSVERSAL CONTRACT	VALIDITY PERIOD
Supply and delivery of mobile communications services	01 April 2021 – 31 March 2026

ANNEXURE D:

CIRCULAR 88



CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

No	National Treasury Proposed Indicators	Ref No	2021/22	2023/24	Quarterly Targets				Total Budget		Quarterly budget			
			Baseline	Targets	Q1	Q2	Q3	Q4	R 000		R 000			
									Capex	Opex	Q1	Q2	Q3	Q4
1	Number of weekday scheduled municipal bus passenger trips	TR3.11	3,4 million	5 million	1,25 million	1,25 million	1,25 million	1,25 million		35 101	8 775	8 775	8 775	8 775
2	Percentage of municipal bus services 'on time'	TR4.21	93%	90%	90%	90%	90%	90%	N/A	N/A	N/A	N/A	N/A	N/A
3	Number of scheduled public transport access points added	TR5.11	Zero	Zero	Zero	Zero	Zero	Zero	N/A	N/A	N/A	N/A	N/A	N/A
4	Percentage of scheduled municipal bus service stops that are universally accessible	TR5.31	100%	100%	100%	100%	100%	100%	N/A	N/A	N/A	N/A	N/A	N/A
5	Staff vacancy rate	GG 1.21	20%	<30%	<30%	<30%	<30%	<30%	N/A	N/A	N/A	N/A	N/A	N/A

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

6	Percentage of municipal skills development levy recovered	GG 1.1	100%	100%	100%	100%	100%	100%	100%	N/A	N/A	N/A	N/A	N/A	N/A
7	Top Management Stability	GG 1.2	86%	82%	82%	82%	82%	82%	82%	N/A	N/A	N/A	N/A	N/A	N/A
6	Percentage of vacant post filled within 3 months	GG 1.22	100%	100%	70%	100%	100%	100%	100%	N/A	N/A	N/A	N/A	N/A	N/A
7	Audit opinion	GG3.1	Unqualified without material finding	Unqualified without material finding		Unqualified without material finding				N/A	N/A	N/A	N/A	N/A	N/A
8	Number of active suspensions longer than three months	GG5.11	0 active suspensions longer than three months	0 active suspensions longer than three months	10 active suspensions longer than three months	10 active suspensions longer than three months	5 active suspensions longer than three months	0 active suspensions longer than three months	0 active suspensions longer than three months	N/A	N/A	N/A	N/A	N/A	N/A

ANNEXURE E:

METROBUS 2023/24

PERFORMANCE

SCORECARD

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023/24

Program 1: Customer Services, Stakeholder Engagement and Communication

#	PIP	GDS2040 Outcome	Key Performance Indicator	Baseline 2021/22	2023/24 Target	2024/25 Target	2025/26 Target	Budget R'000	Q1	R'000	Q2	R'000	Q3	R'000	Q4	R'000	Evidence	Means of verification
1	Sustainable Service Delivery	An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% planned trips completed	90% planned trips completed	90% planned trips completed	90% planned trips completed	90% planned trips completed	OPEX	90%	17 115	90%	17 115	90%	17 115	90%	17 115	Trip cancellations report and trips operated report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								CAPEX		400		100		100		100		
2	Sustainable Service Delivery	An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	Average number of Metrobus passenger trips per working day	13 793 Metrobus passenger trips per working day	20 000 Metrobus passenger trips per working day	26 000 Metrobus passenger trips per working day	30 000 Metrobus passenger trips per working day	OPEX	20 000	8 775	18 000	8 775	22 000	8 775	20 000	8 775	Journey analysis report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								CAPEX		0		0		0		0		
3	Sustainable Service Delivery	An inclusive, Job intensive, resilient,	Blameworthy Accident Rate per 100 000 bus kilometers operated	Blameworthy Accident rate at 0.26 per 100 000 bus	Blameworthy Accident rate at <0.75 per 100 000 bus	Blameworthy Accident rate at <0.75 per 100 000 bus	Blameworthy Accident rate at <0.75 per 100 000 bus	OPEX	<0.75	8 775	<0.75	8 775	<0.75	8 775	<0.75	8 775	Blameworthy Accident report and Kilometers	KPI Outcome Validation Sheet with

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

		competitive and smart economy that harnesses the potential of citizens		kilometers per month	kilometers per month	kilometers per month	kilometers per month	CAPEX 0		0		0		0		0	operated report	Information schedules
4	Sustainable Service Delivery	An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% of service disruptions communicated	100% of service disruptions communicated	100% of service disruptions communicated	100% of service disruptions communicated	100% of service disruptions communicated	OPEX 40 338	100%	10 084	100%	10 084	100%	10 084	100%	10 084	Schedule of Service Disruption Notices or Media Statements	KPI Outcome Validation Sheet with Information schedules
								CAPEX 2 500		625		625		625		625		
5	Sustainable Service Delivery	An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% complaints resolved within the timelines specified in the customer service charter	100% of complaints resolved within the timelines specified in the customer service charter	100% of complaints resolved within the timelines specified in the customer service charter	100% of complaints resolved within the timelines specified in the customer service charter	100% of complaints resolved within the timelines specified in the customer service charter	OPEX 36 543	100%	9 136	100%	9 136	100%	9 136	100%	9 136	Schedule of Social Media, Telephone, Email and Walk-in Reports	KPI Outcome Validation Sheet with Information schedules
								CAPEX 0		0		0		0		0		
6	Sustainable Service Delivery	An inclusive, Job intensive,	% Customer satisfaction	78% Customer satisfaction	80% Customer satisfaction	80% Customer satisfaction	80% Customer satisfaction	OPEX 36 543	N/A	9 136	N/A	9 136	N/A	9 136	80%	9 136	Survey and Report	KPI Outcome

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023/24

		resilient, competitive and smart economy that harnesses the potential of citizens						CAPEX 0		0		0		0		0		Validation Sheet with Information schedules Performance information Internal audit report
7	Sustainable Service Delivery	An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% Achievement of service standards	100% Achievement of service standards	OPEX 68 459	85%	17 115	85%	17 115	85%	17 115	85%	17 115	Planned and cancelled trips report, timetables, Bus capacity notices; On-board security incidents report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report			
								CAPEX 2 900		725		725		725		725		

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023/24

Program 2: Innovation and Green Economy

#	PIP	GDS2040 Outcome	Key Performance Indicator	Baseline 2021/22	2023/24 Target	2024/25 Target	2025/26 Target	Budget	Q1	R'000	Q2	R'000	Q3	R'000	Q4	R'000	Evidence	Means of verification
8	Smart City	Provide a resilient, liveable, sustainable, urban environment – underpinned by smart infrastructure supportive of a low carbon economy.	% Carbon emissions	Maintain hartridge units measurement at 16%	Maintain hartridge units measurement at 30%	Maintain hartridge units measurement at 30%	Maintain hartridge units measurement at 30%	OPEX 38 028	30%	9 507	30%	9 507	30%	9 507	30%	9 507	Independent Emissions report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
							CAPEX 400		100		100		100		100			

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

Program 3 Enterprise Development and Job Creation

#	PIP	GDS2040 Outcome	Key Performance Indicator	Baseline 2021/22	2023/24 Target	2024/25 Target	2025/26 Target	Budget	Q1	R'000	Q2	R'000	Q3	R'000	Q4	R'000	Evidence	Measure of Verification
9	Sustainable Economic Development	Accelerated and visible service delivery and re-introduction of co-production in the delivery of basic services	Total number of SMMEs supported	125 SMME's supported	140 SMME's supported	140 SMME's supported	140 SMME's supported	OPEX	35	1 673	70	1 673	105	1 673	140	1 673	SMME utilisation Report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								CAPEX		0		0		0		0		
10	Sustainable Economic Development	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% of total expenditure spent on BBBEE	88% Expenditure spent on BBBEE	30% expenditure spent on BBBEE	30% expenditure spent on BBBEE	30% expenditure spent on BBBEE	OPEX	30%	1 673	30%	1 673	30%	1 673	30%	1 673	Schedule of contracts with BBBEE enterprises	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								CAPEX		0		0		0		0		
11	Sustainable Economic Development	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	Total number of EPWP jobs created	220 EPWP Jobs created	100 EPWP jobs created	100 EPWP jobs created	100 EPWP jobs created	OPEX	25	7 727	50	7 727	75	7 727	100	7 727	Schedule of valid EPWP employee/ employment contracts	KPI Outcome Validation Sheet with Information schedules
								CAPEX		0		0		0		0		

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

Program 4: Financial Management, Viability and Sustainability

PIP	GDS2040 Outcome	Key Performance Indicator	Baseline 2021/22	2023/24 Target	2024/25 Target	2025/26 Target	Budget	Q1	R'000	Q2	R'000	Q3	R'000	Q4	R'000	Evidence	Measure of Verification	
12	Accelerated and visible delivery and re-introduction of co-production in the delivery of basic services	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% Spent on operating budget against approved operating budget	105% spent on operating budget against approved operating budget	100% spent on operating budget against approved operating budget	100% spent on operating budget against approved operating budget	OPEX	25% of quarter allocation	1 168	50% of quarter allocation	1 168	75% of quarter allocation	1 168	100% of quarter allocation	1 168	Statement of financial performance	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report	
							4 670		0		0		0					
13	Accelerated and visible delivery and re-introduction of co-production in the delivery of basic services	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% spent on capital budget against approved capital budget	74% spent on capital budget against approved capital budget	100% spent on capital budget against approved capital budget	100% spent on capital budget against approved capital budget	OPEX	25% of total capex budget	1 168	50% of total capex budget	1 168	75% of total capex budget	1 168	100% of total capex budget	1 168	Capex Report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report	
							4 670		0		0		0					
14	Accelerated and visible delivery and re-introduction of co-production in the delivery of basic services	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% spent on repairs and maintenance to property, plant and equipment	New	8% spent on repairs and maintenance to property, plant and equipment	8% spent on repairs and maintenance to property, plant and equipment	8% spent on repairs and maintenance to property, plant and equipment	OPEX	0% of quarterly budget	23 674	4% of quarterly budget	23 674	6.4% of quarterly budget	23 674	8% of quarterly budget	23 674	Statement of financial performance	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

								CAPEX		100		100		100		100		
								400										
15	Accelerated and visible delivery and re-introduction of co-production in the delivery of basic services	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% reduction in unauthorised irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	New	50% reduction in unauthorised irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	50% reduction in unauthorised irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	50% reduction in unauthorised irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	OPEX 6 693	40%	1 673	30%	1 673	20%	1 673	10%	1 673	UIFW Report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								Capex 0		0		0		0		0		
16	Accelerated and visible delivery and re-introduction of co-production in the delivery of basic services	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% of valid invoices paid within 30 days	New	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	Opex 4 670	100%	1 168	SCM Report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report						
								Capex 0		0		0		0		0		

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

Program 5: Operational Excellence

PIP	GDS2040 Outcome	Key Performance Indicator	Baseline 2021/22	2023/24 Target	2024/25 Target	2025/26 Target	Budget	Q1	R'000	Q2	R'000	Q3	R'000	Q4	R'000	Evidence	Means of Verification	
17	Improve and strengthen financial position	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% resolution of Internal Audit Findings	New	95% resolution of Internal Audit Findings	95% resolution of Internal Audit Findings	95% resolution of Internal Audit Findings	OPEX	10%	1 168	30%	1 168	70%	1 168	95%	1 168	Internal Audit Report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								CAPEX		0		0		0				
18	Improve and strengthen financial position	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% resolution of AGSA findings	70% resolution of AGSA findings	95% resolution of AGSA findings	95% resolution of AGSA findings	95% resolution of AGSA findings	OPEX	95%	1 168	95%	1 168	50%	1 168	95%	1 168	External Audit Report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								CAPEX		0		0		0				
19	Sustainable service delivery	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% fleet availability to operate scheduled trips met	174% fleet availability to operate	90% of quarterly fleet requirement	90% of quarterly fleet requirement	90% of quarterly fleet requirement	OPEX	90% of quarterly fleet	17 115	90% of quarterly fleet	17 115	90% of quarterly fleet requirement	17 115	90% of quarterly fleet requirement	17 115	Fleet Availability Report	KPI Outcome Validation Sheet with Information schedules

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

				scheduled trips met				CAPEX 400	t req uire me nt	100	req uire me nt	100	reme nt	100	reme nt	100		Performance information Internal audit report
20	Improve and strengthen financial position	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% implementation of the strategic risk management action plan findings resolved	75% implementation of the strategic risk management action plan findings resolved	85% implementation of the strategic risk management action plan findings resolved	85% implementation of the strategic risk management action plan findings resolved	85% implementation of the strategic risk management action plan findings resolved	OPEX 4 670	85 %	1 168	85%	1 168	85%	1 168	85%	1 168	Risk Register	KPI Outcome Validation Sheet with Information schedules
								CAPEX 0		0		0		0		0		Performance information Internal audit report
21	Sustainable service delivery	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% of pre-determined objectives achieved	89% of pre-determined objectives achieved	85% achievement of pre-determined objectives achieved	85% achievement of pre-determined objectives achieved	85% achievement of pre-determined objectives achieved	OPEX 4 670	85 % 85 % ach iev em ent of pre - det er min ed obj ect ives ach iev ed	1 168	85% ach ieve me nt of pre - det er min ed obj ect ives ach iev ed	1 168	85% ach iev em ent of pre - det er min ed obj ect ives ach iev ed	1 168	85% ach iev em ent of pre - det er min ed obj ect ives ach iev ed	1 168	Aggregate of all KPI performance	KPI Outcome Validation Sheet with Information schedules
								CAPEX 0		0		0		0		0		Performance information Internal audit report

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD**

BUSINESS PLAN 2023/24

Program 6: Technology and Business Enablement

#	PIP	GDS2040 Outcome	Key Performance Indicator	Baseline 2021/22	2023/24 Target	2024/25 Target	2025/26 Target	Budget	Q1	R'000	Q2	R'000	Q3	R'000	Q4	R'000	Evidence	Means of Verification
22	Smart City	An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens	% Intelligent Transport System Projects	New	100% of Intelligent Transport Systems Projects	100% of Intelligent Transport Systems Projects	100% of Intelligent Transport Systems Projects	OPEX 25 996	25%	6 499	50%	6 499	75 %	6 499	100 %	6 499	ICT Report	KPI Outcome Validation Sheet with Information schedules Performance information Internal audit report
								CAPEX 30 000		7 500		7 500		7 500		7 500		

ANNEXURE F: TECHNICAL INDICATOR DESCRIPTORS

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

KPI NO.	KPI	SHORT DEFINITION	SOURCE / COLLECTI ON OF DATA	METHOD OF CALCULATION	DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE	INDICATOR RESPONSIBILITY
1	% Planned trips completed	Operation of pre-determined number of planned trips	Qmerit system	(Number of planned trips – Number of trips cancelled) / Number of planned trips x 100	System functionality	Non-cumulative	Quarterly	No	90%	GM: Integrated Business Operations
2	Average number of Metrobus passenger trips per working day	Average number of passenger trips per working day	Journey Analysis Report	Total number of passengers ferried per quarter/ total number of working days per quarter	System functionality	Non-cumulative	Quarterly	No	20 000	GM: Integrated Business Operations
3	Blameworthy Accident Rate per 100 000 bus kilometers operated	Rate of accidents attributable to culpability on the part of a Metrobus operator calculated per 100 000 bus kilometers operated	Blameworthy accident report, kilometres report	Number of blameworthy accidents occurred/ (total number of kilometres travelled X 100 000)	Incomplete Accident report	Non-cumulative	Quarterly	No	<0.75	GM: Integrated Business Operations
4	Service Disruption Communicated	Changes to normal bus service operation communicated to commuters	Communications Report	Number of service disruptions communicated/ Total Number of	Unreported disruptions	Non-cumulative	Quarterly	No	100%	Specialist: Communications and Marketing

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

				disruptions recorded x 100						
5	% of complaints resolved within the timelines specified in the customer service charter	Passenger complaints addressed within specified timelines as per Customer Service Charter	Complaints register	(Number of passenger complaints resolved within the timelines specified in the customer service charter/ Number of passenger complaints received) x 100	Incomplete resolution	Non-cumulative	Quarterly	No	80%	Specialist: Communications and Marketing
6	% Customer Satisfaction Index	Levels of satisfaction of Metrobus passengers with the entity's bus service provided through the means of a survey	Customer Satisfaction survey Report	The result is based on the number of respondents who are either satisfied or very satisfied as a percentage of the total number of respondents	Poor response to surveys	Non-cumulative	Quarterly	No	70%	Specialist: Communications and Marketing
7	% achievement of Service Level	The percentage of Service Level Standards achieved of	Completed Trips, fatalities report, on-board	The number of KPIs achieved in the Service Level Standards Agreement	System functionality	Non-cumulative	Monthly	No	100%	GM: Integrated Business Operations

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

	Standard s (SLS)	the total approved number of Service Level Standards	security incidents report	against total no of Service Level Standards achieved multiply by 100						
8	% Carbon Emission s	% of Green House Gas in emissions resulting from Metrobus operations	Emissions Report	Opacity= 100%(1-I(X)) Average % emissions for a particular bus type	Contractual disputes with external service providers	Non-cumulative	Quarterly	No	30%	GM: Integrated Business Operations
9	Total number of SMMEs supporte d	The number of SMMEs participating in Metrobus available job opportunities.	SMME utilisation Report	Total number of SMME's doing business with Metrobus	Incomplete reporting	Cumulative	Quarterly	No	140	Chief Financial Officer
10	% of total expendit ure spent on BBBEE	Amount of total procurement expenditure spent on BBBEE, indicated as a percentage	Schedule of contracts with BBBEE enterprises	% of expenditure paid to BBBEE on overall total Metrobus expenditure	Incomplete reporting	Non-Cumulative	Quarterly	No	30%	Chief Financial Officer
11	Total number of EPWP jobs created	Beneficiaries of job opportunities through EPWP	Schedule of valid EPWP employee/ employmen t contracts	Number of jobs created	Incomplete reporting	Cumulative	Quarterly	No	100	GM: Corporate Services
12	% spent on operating budget against approved	Operational costs spent by the organization against the allocated budget the	Statement of financial performanc e	Actual costs /Allocated budget *100	Incomplete reporting	Cumulative	Quarterly	No	100%	Chief Financial Officer

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

	operating budget	organization against the allocated budget. The objective is to improve, stabilize and sustain a positive financial position								
13	% spent on capital budget against approved capital budget	The Capex spent on projects against the approved budget. The objective is to improve, stabilize and sustain a positive financial position	Capex Report	Total Capex spend divide by the budget Capex spend* 100	Incomplete reporting	Cumulative	Quarterly	No	95 %	Chief Financial Officer
14	% spent on repairs and maintenance to property, plant and equipment	It measures the level of Repairs & Maintenance to prevent breakdowns and interruptions to service delivery.	Statement of financial performance	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Incomplete reporting	Cumulative	Quarterly	Yes	8%	Chief Financial Officer
15	% reduction in unauthorised irregular, fruitless and wasteful (UIFW)	Percentage reduction on UIFWE compared to the previous financial year AG finding.	UIFWE report	The UIFW Expenditure closing balance of the current financial year against (will be compared with) the closing balance of the	Incomplete reporting	Non-Cumulative	Quarterly	Yes	50%	Chief Financial Officer

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

	expenditure incurred citywide			previous financial year.						
16	% of valid invoices paid within 30 days	It measures the percentage of valid invoices paid within 30 days. The objective is to increase the number paid within 30 days	SCM report	Total number of invoices processed for the month/Number of invoices paid within 30 days *100	Unresolved disputes	Non-Cumulative	Quarterly	Yes	100%	Chief Financial Officer
17	% resolution of Internal Audit Findings	It measures the number of audit findings resolved against the total number of audit findings issued by the internal audit	Internal Audit Reports	Total number of internal audit findings resolved/total number of internal audit findings (excluding findings that are less than 60 days)*100	Incomplete reporting	Cumulative	Quarterly	Yes	100%	Chief Audit Officer
18	% resolution of AGSA findings	It measures the number of audit findings resolved against the total number of audit findings issued by the AGSA	Internal Audit Reports	Total number of Auditor General findings resolved/total number of Auditor General findings (excluding findings that are less than 60 days)*100	Incomplete reporting	Cumulative	Quarterly	No	100%	Chief Audit Officer
19	% of fleet requirement to operate scheduled services	Metrobus operational buses are maintained at 90% of the operational fleet requirement	Out of Commission Report	(Number buses that are out of commission/ fleet requirement) X100	Incomplete reporting	Non-cumulative	Quarterly	No	90%	GM: Integrated Business Operations

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24

20	% implementation of the strategic risk management action plan findings resolved	The percentage of strategic risk action plans implemented compared to total number of strategic risk action plans.	Strategic Risk Plan; Strategic Risk Register and Audit Report	Number of implemented strategic risk action plans divided by total number of strategic risk action plans multiplied by 100	Incomplete reporting	Cumulative	Quarterly	No	100%	Chief Audit Officer
21	% of predetermined objectives achieved				None identified		Quarterly	No	85%	
22	% Intelligent Transport System Projects	It measures the number of Completed intelligent transport system	Intelligent transport system progress report	Number of completed projects divided by total number of Intelligent transport systems project plan	Incomplete reporting	Cumulative	Quarterly	Yes	100%	Chief Information Officer

CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY

METROPOLITAN BUS SERVICES (SOC) LTD

BUSINESS PLAN 2023/24
