



SEYCHELLES PUBLIC  
TRANSPORT CORPORATION

# ANNUAL REPORT 2018

## INTRODUCTION

### **1.0 Background Information**

In December 1977, the Government of Seychelles established Seychelles Public Transport Corporation (SPTC) to cater for the commuting needs of the people of Seychelles. The Corporation was established under Section 3 of the Seychelles Public Transport Corporation Decree. SPTC is fully owned by the Seychelles' Government.

SPTC has six member Board of Directors consisting of a Chairman, Chief Executive Officer and four other members appointed by the President of the Republic.

Over the years the corporation has grown and now offers an expansive range of services for daily needs of the Seychellois people, including private jobs, advertising opportunities and special hires.

This annual report presents an overview of SPTC undertakings during the year 2018.

#### **Vision**

“To become the first choice of transport for commuting in Seychelles”

#### **Mission**

“To deliver an efficient, safe, reliable, affordable and modern transport service capable of meeting the current and future needs of our customers”

## 2.0 Corporate Structure

### SPTC Board of Directors



**Mr. Andy Monchery**  
Chairman



**Mr. Patrick Vel**  
Chief Executive Officer



**Mr. Alone Edmond**  
Member



**Mrs. Marilyn Reginald**  
Member

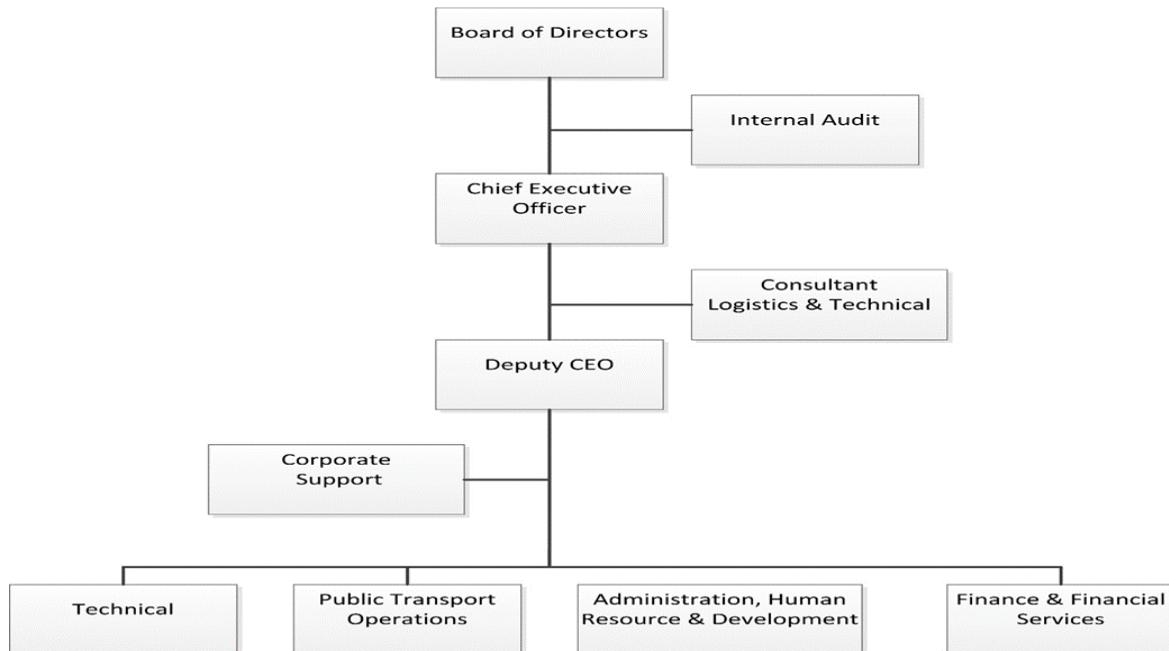


**Mrs. Cecily Derjaques**  
Member



**Ms. Naomie Woodcock**  
Member

### 2.1 Corporate Organization Chart



### 3.0 Year 2018 in Review

#### 3.1 Revision of bus fare from SCR5 to SCR7 – (January)

The Minister of Finance in his 2018 budget presentation announced the revision of SPTC bus fares by SR 2, i.e., a new fare of SR 7 effective 1 January 2018. This increase however came also with its costs. The government reduced its subvention to SPTC from SR 41.5m last year to SR 22.6m .

#### 3.2 Revised Scheme of Service for SPTC drivers – (July)

A revised Scheme of Service for drivers came into effect on 1st July and SPTC Management initiated discussions for the implementation of a new scheme of service for its other support staff in 2019. The different Schemes have been designed to attract more Seychellois towards joining SPTC as well as to motivate and retain competent staff, with the purpose of building a quality workforce at the SPTC amidst the challenges ahead.

#### 3.3 New Bus Terminal at Anse Aux Pins – (July)

A new Bus Terminal at Anse Aux Pins costing SR 4.9 million was officially opened by the Minister for Habitat, Lands, Infrastructure and Land Transport Mrs. Pamela Charlette on 28<sup>th</sup> July 2018.

Work on this project commenced in year 2016 and was conducted in two phases,

Phase 1: Site preparation including construction of drainage, boundary wall and foot path

1. Construction of terminal and administration block



#### 3.4 SPTC Fire Disaster- (August)

SPTC's warehouse at the New Port Depot was completely destroyed in what is being considered as the worst fire recorded in Seychelles on August 8, 2018. The fire which started on an adjacent property adversely impacted SPTC operations during the months of August and September 2018.



#### 3.5 New buses – (August)

In line with its fleet replacement plan, the Corporation added 71 new TATA buses to its fleet. Valued at SR 51 million, the buses were financed under a grant from the Government of India. Buses were officially handed over by the Indian High Commissioner H.E. DR. Ausuf Sayeed to Minister



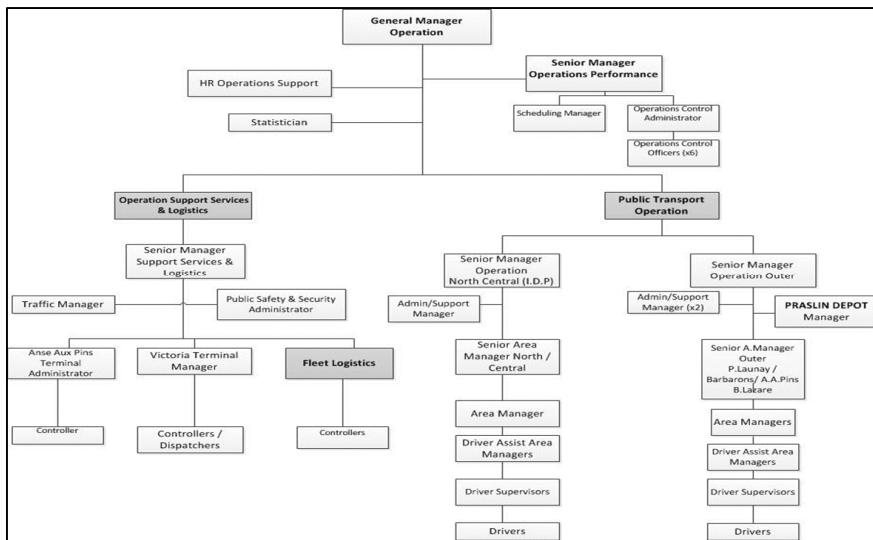
Wallace Cosgrow Minister for Environment, Energy & Climate Change at the SPTC New Port Depot on Friday 26th October 2018

### **3.6 Privatization of SPTC contract services- (November)**

In November 2018 the Cabinet of Ministers approved the privatization of SPTC's Contract and Special Hire business, scheduled to take effect in March 2019.

The expected loss to SPTC in revenue term is expected to be around SR 20m annually.

## 4.0 DEPARTMENTAL REVIEW



## 4.1 Transport Operations and Logistics

SPTC operates an integrated public bus network, with over 1900 bus journeys daily, covering over 90 bus routes on Mahe and Praslin.

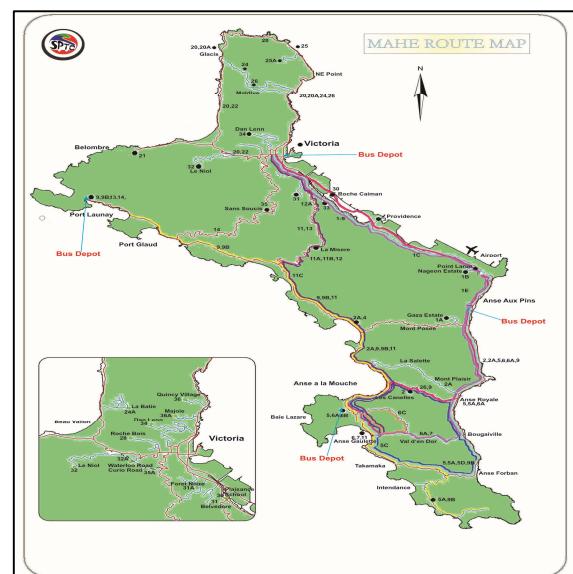
Supported by four (4) bus depots located across Mahe and one (1) in Praslin, three Bus Terminals, 250 buses and 200 drivers.

All SPTC buses are equipped with Electronic Ticketing System (ETM) to facilitate the monitoring and control on routing and fare transactions.

During the year 2018 the Department focused on three main undertakings aiming at improving efficiencies of the services offered. (Picture: **SPTC bus route map**)

## 1. New Scheme of Service for drivers

July 2018, saw the introduction of a new Scheme of service for public bus drivers, with principal objective to attract and retain potential drivers. A separate scheme for Contract/Special Hire drivers also came into force.



## 2. Restructuring of Operations department

There was restructuring of the Operations department to allow for better management, whereby the traffic operations was split into two businesses namely Ile Du Port and Outer Depot each with separate management structure.

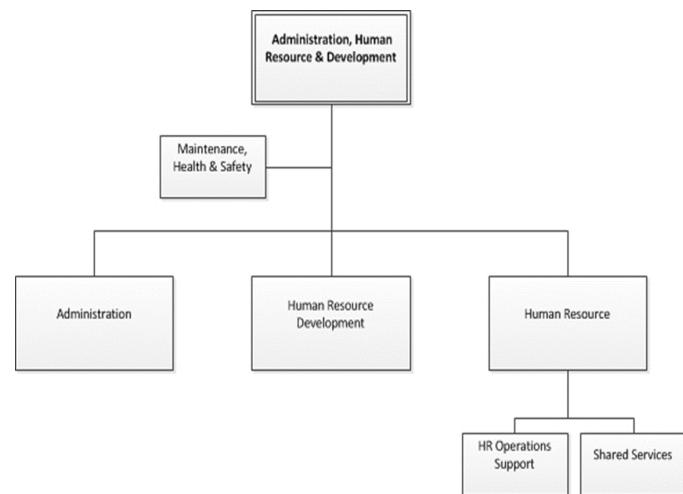
## 3. New public bus timetable

Intensive work started to review timetable (**Scheduled to take effect in 2019**) which had been in use for the past ten years. The objective of the review was to come up with a timetable to address issues such as traffic congestion and unproductive trips. New sets of driver duties were prepared. The driver duties have been condensed leading to reduction of duties and subsequently better driver management.

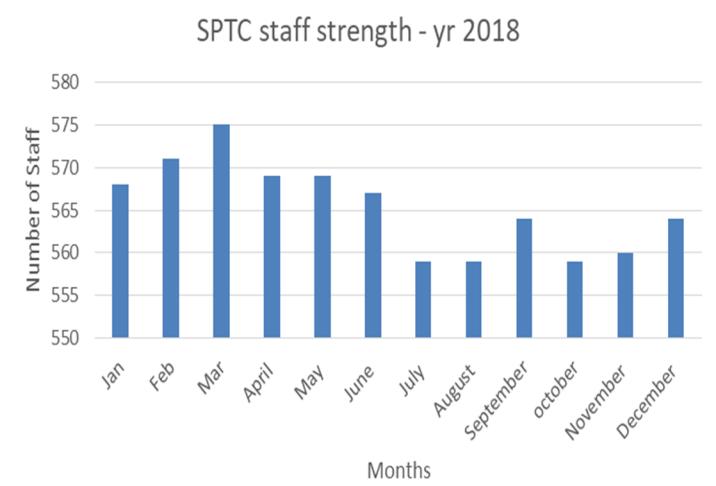
## 4.2 Human Resource Management

SPTC total staff strength as at December 2018 stood at 561 personnel of which 419 are male and 142 are female staff.

200 bus driver's accounts for 42% of the workforce, 25% are the technical staff whereby 11% are expatriates within the pool of technical staff. The remaining 33% of the workforce are support staff.



**Staff turnover remained more or less constant during the year 2018, below graph shows the average staff composition within the departments and staff strength throughout the year**



#### **4.2.1 Challenges within Human Resource Management**

##### **i. Bus driver Recruitment and Retention**

In 2018 SPTC received a total of 102 applications for the position of driver. In total 35 applicants failed either the medical or drug test, 19 did not attend the interview, 26 were not recommended by the interview panel as they were former drivers who were terminated for serious disciplinary offences and 6 had already secured alternative employment. Recruitment was successful in respect of 22 applications only.

Also in 2018 there were 28 drivers who exited the organization with 12 resigning and the rest were terminated for various disciplinary offences including testing positive for controlled substances and cash shortages.

##### **ii. Drivers' Sick Leave**

The sick leave rate amongst drivers remains a significant challenge that impacts productivity and public transport operations. This in turn results in greater rates of overtime which is an added cost to the organization. In 2018 the average number of drivers proceeding onto sick leave each month was 71, this represents 30% of the driving staff.

With the introduction of the Scheme of Service for drivers in July 2018 strategies has been put into place to mitigate this situation. Firstly drivers' Performance Bonus which is awarded on a quarterly basis has been linked with their number of sick leave notes. Furthermore, drivers proceeding on prolonged sick leave are ineligible for overtime for a 2 week period following their convalescence.

#### **4.2.2 Administration**

The Administration department is responsible to provide administrative and non-core logistical support to all department in SPTC and also for proper up-keeping of buildings, properties, that falls under the portfolio of SPTC.

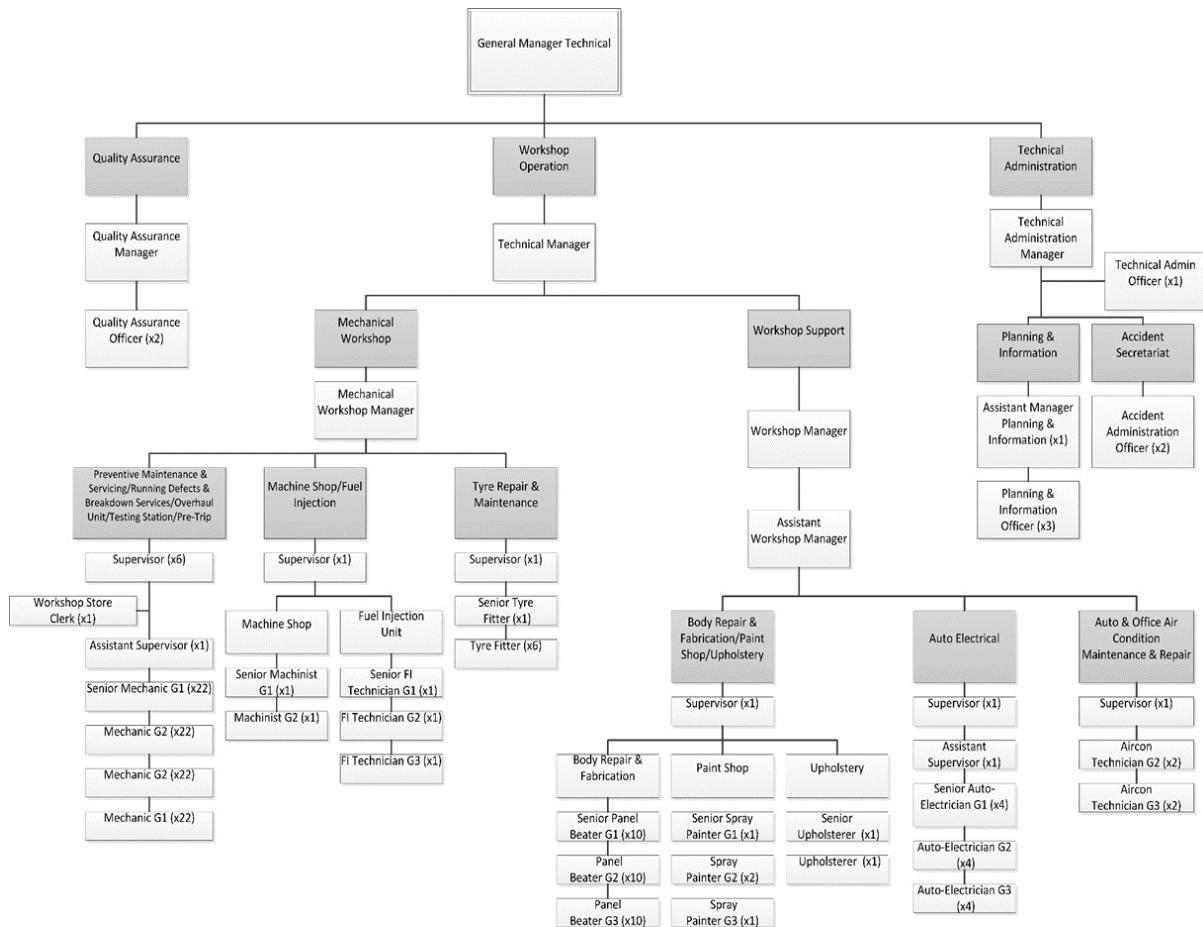
#### **4.2.3 Human Resource Development**

As part of the overall Human Resource Development strategy, staff training and capacity building will be two areas that SPTC will be prioritizing for the next three years.

The Human Resource Management Division is responsible for establishing equitable policies for effective Human Resources management. SPTC's success depends on the performance of its most valuable asset which is its employees. **(Picture: Session with operation's Management group)**



### 4.3 TECHNICAL AND MAINTENANCE



The Technical Department is responsible for planning, organizing and carrying out preventive maintenance and running repair on SPTC buses in accordance to the Workshop Operational Procedures. The mechanical Workshop located at New Port carries out all types of vehicle maintenance in a well-organized workshop structure comprising of workshops for vehicle servicing bays, machining and fitting, Panel beating and painting works as well as specialized workshops for engines/mechanical/electrical aggregates overhauling and Fuel injection calibration/repairs. In addition, the mechanical workshop also offers private job services for external clients.



SPTC firmly emphasizes on quality control vis-à-vis safety and comfort of its buses. Therefore, apart from repairs and maintenance, all buses undergo monthly checks at the Vehicle Testing Station situated at the New Port premises. Routine

inspections form part of the quality control to ensure that the buses are in sound roadworthy condition before going on the road. Daily pre-trip inspections are conducted on all buses, including when buses are brought in for re-fueling. Morning pre-trip is carried out by the respective bus drivers in the form of a general checkup on the condition of their buses whereas mechanical checks are carried out daily during the day by Workshop mechanics.



During the next three years, the SPTC will work towards improving the efficiency of its engineering department by introducing a robust and integrated fleet management software to manage and keep track of vehicle and related aggregates maintenance schedule as well as to better manage consumptions of fuel, spare parts and tyres which are important cost centres needing closer monitoring and control. With the construction of the new depot at Ile Du Port workshop will be decentralizing its services with improved and modernized equipment.

#### **4.4 FINANCE AND FINANCIAL SERVICES**

##### **4.41 Finance Department**

This department is tasked with ensuring that costs and expenses are contained, that revenue for all services rendered is collected, and to provide accurate and timely financial information to management and other stakeholders in conformity with IFRS standard.

##### **4.4.2 Financial Services**

The Financial Services unit within SPTC is responsible for:

- I. Insurance of all movable and immovable assets.
- II. Effective inventory management of SPTC assets.

##### **4.4.3 Financial Implications – Year 2018**

###### **i. Effect of fire disaster**

The Corporation's New Port depot was destroyed by fire on August 8th 2018. Major items damaged included buildings and inventories with net book value of SR 27.6 million. The destruction of essential spares for regular services partially impact the operation during the month of August and September.



Consequently to the fire the Government of Seychelles and Government of India granted donation of SR 11.2 m and SR 7.8 m for purchase of essential consumables and spares

The Corporation made a claim of SR 21.3 m from its insurance company and received an advance offer of SR 1.5m. The remaining balance is still under negotiation with the claim adjuster.

One of the main recommendation after the fire was for SPTC to thoroughly re-look at its Insurance structure, which entails all its movable and non-movable assets.

## **ii. Cost cutting measures**

During the year 2018, the corporation's operating and administrating cost fell by SR 3 M. This is attributed to a number of cost cutting measures adopted by the Management which include:

- a. Decrease in cost of inventories (Spare parts, consumables, tyres, lubricants cleaning and other raw materials) by SR 3.3 m.
- b. Employee related costs fell by SR 5.5m. The decrease in wages and salaries was due to a drop in the number of employees. Employees averaged 560 in 2018 compared to 574 in 2017 and 630 in 2016.

*The effects of the cost control measures adopted by Management was however adversely impacted by the rise in fuel cost during the year as the global prices rose in 2018 resulting in the revision of fuel prices by SEYPEC.*

## **4.5 CORPORATE SUPPORT SERVICES**

### **4.5.1 Information Technology**

In 2018 SPTC forged ahead with its plan to improved and upgrade its information system technology both on board its buses and at base to maximize control and monitoring of its operations in terms of communications, operations and revenue collection.

### **4.5.2 Inspectorate**

This section which falls under the Compliance and Security department is responsible to supervise and conduct necessary checks and test to ensure that all procedures are being followed onboard all buses such as ticketing and safety procedures, in order to detect wrongful doing such as pilferage, leakage, fare invasions and ensuring that every travelling passenger is issued with a valid travel ticket so that all proceedings goes in the company coffer as it should.

#### **4.5.3 Communication**

The Communication unit is tasked with the responsibility to provide prompt and effective internal and external communication, sensitize and educate the general public on services provided by SPTC. In a nutshell to satisfy the need for information by both SPTC internal and external customers.

In 2018, SPTC further strengthened its internal complaints handling mechanism systems.

Minor complaints were attended to within 24 hours whilst major ones requiring investigation within seven days.

Communications released four (4) quarterly info sheets and two (2) half-yearly newsletters providing essential information to staff on issues of importance.

SPTC further improved its relationship with all Media Houses in the country informing them of the happenings in SPTC through Press Releases and Communiqués.

In 2018, the Communication Department continued with its sensitization talks in Schools around the Islands to better inform and educate the students on the best way to make use of SPTC buses.

Sensitization posters were affixed in all SPTC buses for Public information.

SPTC updated its website and created new Face book page to disseminate proactive information to the Public

The Corporation actively participated in preparing workshops geared towards implementation of the National Information Act 2019.

#### **4.5.4 Access to Information ACT**

During year 2018, the Corporation actively participated in preparatory workshops geared towards implementation of the National Information Act 2019.

In line with the introduction of the new Access to Information Act, 2018, SPTC appointed an Information Officer to manage and maintain the public domain information.

#### **4.5.5 Marketing**

The role of the Marketing section of SPTC is to identify new alternative revenue streams, and satisfy customer requirements profitably. SPTC has developed clear marketing strategies and plans for the different products and services available within the corporation.

Apart from transportation of the general public, which is the core business of SPTC, where bus fares are collected, SPTC has the potential to offer the following products and services:

**1. Travel related services**

- a. Bus advertising
- b. Smart cards
- c. Bus ticket advertising

**2. Sales of physical space**

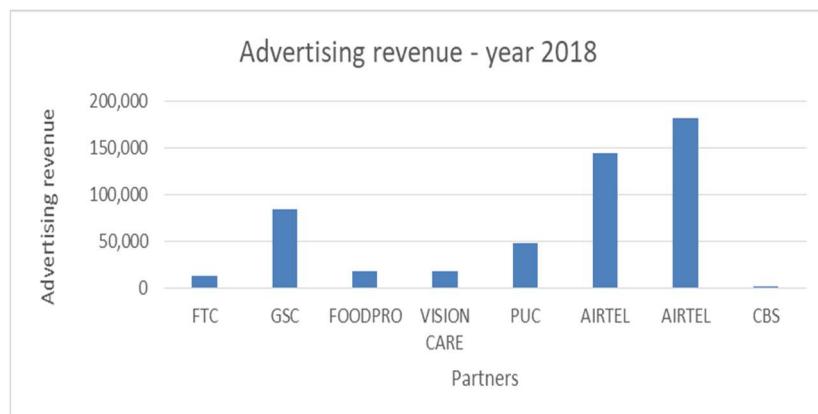
- a. Advertising at the different Terminals
- b. ATM space for Banks
- c. Vending machines
- d. Terminal transit of private buses

**3. Workshop related services**

- a. Private vehicle maintenance jobs
- b. Conversion of derelict buses

This section is continuously exploring new avenues and building stronger relationships with various businesses and stakeholders with the view of diversifying revenue base for SPTC.

Below is the advertising sales revenue for the year 2018



## **5.0 Conclusion**

During the year 2018, SPTC succeeded in meeting its core Business goal; which is providing the general public with satisfactory bus service at reasonable fare to support the socio-economic development of the country.

Despite the major setbacks as a result of the fire, the corporation recovered fairly quickly due to prompt and timely actions and support from government, partners and stakeholders.

The management is grateful for the valuable support of its most valued assets which is its staff for their relentless commitment towards the organization.