

CITY OF JOHANNESBURG

**City of Joburg Property Company
2013/14 Business Plan**



a world class African city



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1. INTRODUCTION

The City of Johannesburg Property Company SOC Ltd (JPC) business plan has taken an inter-cluster approach and aligned its projects and programmes in line with the Department of Economic Development (DED) business plan, including identifying areas of cooperation between the DED and its other ME's, Joburg Market in order to deliver on its mandate. It has also taken into account the priority implementation plans of the other clusters into consideration. The following background, therefore, outlines the consensus reached during several inter-cluster strategic sessions to focus on SMME and entrepreneurial development as a driver of economic growth and development.

“The Department of Economic Development in the City Of Johannesburg defines its mandate as being responsible for directing and coordinating economic development as well as actively intervening to shape conditions for accelerated economic growth within the city. The Department of Economic Development is also responsible for the championship of economic support to all groups in the city to ensure their effective participation in the economic spectrum.

In repositioning itself the Department and indeed the cluster, has come up with a clear vision that sets out the intended contribution in facilitating growth of the economy in the City and ensuring all citizens especially those who find themselves in the margins of the economy and society are afforded equal opportunities to participate and benefit from the mainstream economy.

To unpack this vision and without losing focus on the City's priorities, going forward the City's Department of Economic Development will focus its energy and resources towards building an SMME centric economy, by facilitating an environment that supports SMME and entrepreneurship development to address the triple challenges of poverty, unemployment, and inequality. It has been agreed that SMME planning must be outcomes based with focus on economic opportunities, job creation, and youth employment, whose plans must be integrated across departments and Municipal Entities.

There are various ways in which the Department will fulfil its mandate: this encompasses the identification, development and usage of soft instruments to create an environment conducive for economic activities to thrive.

2. GOALS OF THE ECONOMIC GROWTH CLUSTER

Given the very succinct snapshot economic overview contained herein, it is pretty obvious that **economic development interventions must be geared towards addressing the following economic imperatives (objectives):**

- Addressing poverty, inequality and unemployment is the government and City's economic priority;
- The development of an inclusive economy and building global competitiveness are the key to the City's economic future;
- A predictable economic development policy is crucial for strengthening the City's capacity to give leadership to economic development and driving an economic development agenda across the City;
- Addressing unequal and imbalanced economic development across regions (A, D, F & G) is indispensable for building an inclusive economy;
- Leveraging on fast growing sectors; supporting the declining ones and building the traction for the dormant ones must form a critical thrust of the work of the City;
- Joburg's 4.4 million people means that additional pressure on available economic resources will continue so facilitating the dynamism of the City's economy will be critical;
- Addressing micro-economic and structural fundamentals for SMMEs/ Cooperatives and BEE Enterprises - through finance/ funding access, market access and penetration, export support, business linkages, capacity building and procurement support - are crucial interventions that the City must prioritise, and
- Cross cutting constraints such as poor business confidence, investment support and economic infrastructure require the City priority.

3. Focus areas

The DED has identified areas of focus where it believes it is well positioned to intervene in order to catalyse economic growth and development and to address the triple burden of poverty, inequality and unemployment. Through these foci, the Department expects to see short term gains and quick wins while also creating the platform for sustainable results and a long term impact:-

1. *Sustainable Human Settlements* - focusing on the Inner City Economic Roadmap, Transit Oriented Development and the acceleration of the UDZ Tax Incentive, Decking of the Railway (partnership with Private Sector), a remodelled Inner City

Property Scheme that is not only more attractive for investors but that is also better integrated into the City's other programmes and activities throughout the inner city. The projects are expected to unlock private sector investment and SMME/BBBEE empowerment opportunities in the short term and to have a significant impact on economic growth and job creation over the long term;

2. *SMME and Entrepreneurial Development Support*- this priority is driven by the Economic Development Cluster as a catalyst to economic growth and job creation. The Department will partner with internal and external stakeholders in order to create opportunities for SMME and entrepreneurs leverage whose key projects and programmes can be leveraged to access opportunities for SMME growth and sustainability. The focus will be on achieving better integration in order to significantly expand the reach and impact of the City's SMME and entrepreneurship programmes. In addition, this will see the implementation of an economic transformation agenda targeting SMME incubation, skills development, youth employment and mapping out a path for the sustainable development of the informal economy;
3. *Smart City* – with the focus on completing the rollout of the Johannesburg Broadband Network and to implement programmes associated with the project, thereby affording SMMEs to benefit from opportunities in the ICT sector, bridging the digital divide, reducing the cost of doing business, and attracting investment into the City. The JBNP is also expected to make a significant contribution to the City's financial resilience by reducing the cost of service delivery.
4. *Trade and Investment* - focusing on attracting new domestic and foreign direct investment and the branding of Johannesburg as a favourable investment destination. This programme will be anchored by the Buy, Sell, Invest and Visit programme, the City Deep Inland Port project to improve freight and logistic efficiencies and driving the Lanseria Airport City as a key economic growth node and the City's future City.
5. *Green Economy*- The role of the Department will be to galvanise the identification, planning, and implementation of green initiatives for all public and private players in the City, in a consistent, structured, coordinated and integrated form, in a manner that maximises job creation, skills development and small and medium entrepreneurial growth and sustainability. The intention is to ensure that the City's

strategies respond to the provincial and national calls to take advantage of the opportunities in the green sector to create decent employment. In addition all projects and programmes must be able to leverage both public and private sector funding including innovative partnership of funding models.

4.CITY OF JOBURG PROPERTY COMPANY CORPORATE PROFILE

Background

The City of Joburg Property Company (SOC) Ltd (JPC) was established in 2000 as an independent company mandated by its single shareholder (City of Johannesburg Metropolitan Municipality, CoJ) to carry out:

- Property Development;
- Property Management Services;
- Asset Management Services;
- All ancillary services to the above.

The company was established to support the Council's economic and social objectives as outlined in the Growth and Development Strategy, as well as Mayoral strategic priorities aimed at making Johannesburg a "World-class African City". The company ensures that economic growth and job creation occur to address socio-economic disparities and legacies of discrimination and inequality, as well as:

- Realising value (social and economic) for the CoJ through the management and development of Council-owned properties;
- Implement retail equity scheme utilizing council owned shops, agricultural land for food security with the focus on SMME and Co-Ops
- Maximising the social and economic development of the Council-owned properties and mobilising private and public capital to increase their value and long-term returns;
- Supporting economic development and aligning the CoJ property portfolio with CoJ priorities;
- Increasing the effectiveness of economically viable municipal and social use of properties;
- Managing risk and return with respect to the property portfolio and property transactions for the CoJ;
- Establishing and maintaining a property Asset Register relating to the Council-owned properties;
- Ensuring that the Company has developed the systems, infrastructure, and personal skills to achieve its objectives;

- Transformation and Social Programme- JPC transferring or leasing to SMME's, Co-Ops NGO and Community organization;
- Resuscitation of declining nodes by transfer or lease under the Land Regularization Programme;
- Commercialization of Facilities Management with the focus on SMME development;
- Space optimization programme which incorporates workplace accommodation to ensure better staff mobility.

5. INSTITUTIONAL REVIEW AND THE WAY FORWARD

The institutional review was approved by the Mayoral Committee in July 2012 and came into effect on 01 November 2012 and saw the integration of JPC, FMMU and MTC.

Subject to renegotiation with the COJ, as shareholder, the mandate and service delivery agreement must be reviewed in line with the institutional review. This came into effect on 1st November 2012 with the integration of the facilities management portion of MTC and the entire FMMU of the COJ.

A Board Workshop was held on 8 October 2012 to provide an opportunity for engagement with the management team on a range of issues relating to the organization's institutional review and the areas of risk, governance, supply chain management and transformation. In particular, the Board had identified the need for input and debate on a number of 'grey areas' – primarily within the domain of risk and governance. In this regard, clarity was needed on the Board's role and mandate vis-à-vis the role and mandate of the sole shareholder, the CoJ.

Key to the SDA, which will be finalized with the City between March and June 2013, is the mandate. The core business/mandate of the integrated JPC was identified as:

- Property management – Social: Property management activities focused on the social and developmental mandate – with regards to which no financial returns are expected;
- Property management – Commercial: Addressing the revenue-generating portfolio;
- Asset management: Where this includes maintenance of the land asset register, development of asset management plans per property, etc ;
- Facilities management and maintenance: With this being an area that should be run as a profit centre;
- Outdoor advertising;
- Identify and facilitate the optimal use of land: With JDA as the preferred partner;

- Servitudes and encroachments;
- Land regularization;
- Space optimization for the City and its Municipal Owned Entities (MOEs);
- Land acquisition in line with the Land Banking Strategy; and
- Stakeholder management.

It was noted that, ultimately, the property portfolio should be used to achieve:

- Job creation;
- Social and economic returns;
- Financial returns for both the City and the entity;
- Transformation, in line with the Property Charter and the BBBEE Charter; and
- Financial sustainability.

To ensure delivery of the CoJ priorities JPC, as property experts, provide advice and manage requirements around the City's property portfolio.

6. DESCRIPTION OF CORE BUSINESS

JPC provides an all-encompassing range of property services required for the management and development of the property portfolios of the CoJ and the MOE's. Our core business, as a result of the implementation of the institutional review, has expanded to include facilities management to provide an overall property service. These services are commissioned on a sole-agency basis to administer the acquisition, disposal and conveyance of all land required for rendering municipal services. JPC manages approximately R8.6 billion of the City's immovable property portfolio. The CoJ Property portfolio is diverse with approximately 64 000 properties under management, covering 39 000 hectares that spans across 7 municipal regions.

In terms of the institutional review the company is divided into the following core business functions:

- **Property asset management**

This entails the strategic management of the City's property portfolio, to ensure maximisation of portfolio returns in line with JPC's social and economic mandate

Asset management plans (maintenance of the land asset register and the reconciliation of the asset register).

- **Property management**

There are two functions to property management namely commercial and social. The social returns are minimal and the commercial aspect subsidizes the social aspect. This function involves obtaining and maintaining value from the property portfolio by effectively administering and leasing, acquiring and selling and lastly ensuring maintenance of the property.

JPC is an organization focused on the management of Council owned properties to maximize social and economic opportunities and generate significant financial returns. The impact on the future operations and budget is under review and should result in optimal management of the COJ property portfolio. JPC has embraced the resolution of the COJ and will use this opportunity to review and improve all processes to ensure optimal staff growth and development as well as transformation.

Continued attention will remain on internal controls, policy review, governance, financial discipline and prudence, compliance, transparency, ethics, service delivery excellence and transformation within the organization and also on matters within its span of control. All priorities will be addressed with continued consultation and engagement with stakeholders. Last but not least attention will be paid to adequate communication with all stakeholders.

7. JPC VALUES

Company values have become an ethical foundation for all organizations and are therefore fundamental to the JPC's success. Such values are not just important but crucial to the overall ascendancy of JPC. The following values were identified and adopted by JPC:

- Professionalism;
- Accountability;
- Responsibility;
- Customer Service; and
- Trust.

8. STRATEGIC OBJECTIVES

The strategic objectives are currently under review and will be updated with the completion of the corporate strategy commissioned in November 2012 as a result of the institutional review.

In order to ensure streamlined and focused service delivery, JPC has identified the following seven (7) strategic objectives:

- Support economic development utilising the CoJ's property portfolio;
- Support community development utilising the CoJ's property portfolio;

- Support the Housing Master Plan and delivery utilising the CoJ's property portfolio;
- Support environmental programmes and initiatives in the management of the CoJ's property portfolio;
- Establish land strategy, land acquisition and land stewardship in line with the CoJ's priorities;
- Ensure financial sustainability; and
- Ensure good governance and a professionally managed company.

The company's strategic objectives are closely linked to the Mayoral priorities and to the following clusters:

- Economic Growth
- Human and Social Development
- Sustainable Services
- Good Governance

9. PEST ANALYSIS:

The property environment within which JPC operates is affected by the macro-environment factors such as political (and legal) forces, economic forces, socio-cultural forces and technological forces as follows:

Political (incl. Legal) factors	Economic factors
<p><u>Regulations</u></p> <ul style="list-style-type: none"> • The Municipal Asset Transfer Regulations, 2008 which regulates the transfer and permanent disposal of non-exempted capital assets by municipalities and municipal entities in order to facilitate the enforcement and administration of section 14(2) of the Municipal Finance Management Act 56 of 2003, which is to attain a council resolution before the alienation (lease or sale) of any council owned properties. These regulations hinder the process of the City in the alienation of land due to lengthy compliance requirements; • Environmental regulations and protection - National Environmental Management Act, 1998; • The introduction of the National Credit Act and the global economic meltdown significantly impacting on the growth and demand for residential, commercial and industrial properties; • Formalities in respect of Leases Act, 1969. 	<ul style="list-style-type: none"> • Long approval processes increase holding costs of property such as security, cleaning and maintenance, which also increase the risk of illegal occupation and vandalism; • Economic growth and investor confidence affects the property market; • Delays in economic development and job creation; and • At the moment the bank rates have been firm and stable for the last three (3) years with a downward trend which may impact future years.
Socio-cultural factors	Technological factors
<p>The skewed disposal income in different regions will adversely impact the property transactions in areas where the levels are low.</p>	<p>Innovative construction methods should be investigated to ensure cost reduction.</p>

10. SWOT ANALYSIS:

With the review of the corporate strategy underway this will improve operational efficiencies and revenue streams. Below are the SWOT elements that would have an impact on the effective implementation of the corporate strategy.

Internal	<p>Strengths</p> <ul style="list-style-type: none"> • Good and reliable top management; • Extensive experience in property management, development, asset management and facilities; • Solid understanding of legislation and ability/commitment to work within it; • Island of excellence in property management; • JPC is the sole agent of the CoJ with a mandate to manage Council owned properties on behalf of the City in terms of the SDA with the City. 	<p>Weakness</p> <ul style="list-style-type: none"> • Mismatch of skills (middle management and lower levels) within the organization; • Inadequate funding; • Cumbersome land processes; • Overlaps with City Departments/MOEs; and • Dependency on City departments /MOEs resulting in delays in implementation of property strategies.
External	<p>Opportunities</p> <ul style="list-style-type: none"> • Maximization of revenue through the outdoor advertising portfolio and creation of a property fund; • International investment: investigating alternative sources of revenue which can be generated from the property asset; • Optimise revenue from effective highest and best use analysis and effective monitoring and evaluation of leases (post lease audit). 	<p>Threats</p> <ul style="list-style-type: none"> • Vandalism to property portfolio; • Land invasions & illegal occupation of land parcels; • Fraudulent land sales; • Cumbersome CoJ's land approval processes for land transactions.

Table: Desired Outcomes: City priorities/ flagships and IDP programmes

Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
<p>Sustainable Human Settlements focusing on</p> <p>Marginalized areas programmes</p> <p>Backyard shack enablement programme; review housing developments that are inconsistent with a new approach</p> <p>(The Citywide Township Economic Development Programme)</p> <p>SMME and Entrepreneurship Development and Support</p>	<p>IDP Sub Programmes Targeting deprived spaces and communities</p> <p>Facilitation of the area based economic initiatives</p> <p>Resuscitating of declining nodes</p> <p>Land Management and acquisition programme</p> <p>Transit Oriented development (TOD) Programmes</p> <p>From informal settlement to sustainable human settlement programme</p>	<p>Identification of 2000 and transfer or lease under the land regularization programme.</p> <p>Transformation and Social Programme- JPC transfers or lease 1000 SMME and Co-Ops NGO, Community organisation</p> <p>Acquisition of properties along the Transit Oriented Development and support the housing master plan(Priority Areas(corridors and nodes)</p> <p>Contribution to the inner city roadmap strategic interventions (precinct approach)</p> <p>Implementation of Inner City Property Scheme.</p> <p>Implementation of the projects outlined in the Township and Regional Economic Development Plans in line with Capex</p>	<p>Identification of 6000 and Transfer or lease cumulative 8000 properties under the land regularization programme.</p> <p>Transformation and Social Programme- JPC transfers or lease cumulative 2000 to SMME and Co-Ops NGO, Community organisation.</p> <p>Acquisition of properties along the Transit Oriented Development and support the housing master plan (Priority Areas(corridors and nodes)</p> <p>Contribution to the inner city roadmap and confirm strategic interventions (precinct approach)</p> <p>Implementation of Inner City Property Scheme.</p> <p>Implementation of the projects outlined in the Township and Regional Economic Development Plans in line with Capex</p>	<p>Identification of 6000 Transfer or lease cumulative 13000 properties under the land regularization programme.</p> <p>Transformation and Social Programme- JPC transfers or lease cumulative 5000 to SMME and Co-ops NGO, Community organisation.</p> <p>Acquisition of properties along the Transit Oriented Development and support the housing master plan(Priority Areas (corridors and nodes)</p> <p>Contribution to the inner city roadmap and confirm strategic interventions (precinct approach)</p> <p>Implementation of Inner City Property Scheme.</p> <p>Implementation of the projects outlined in the Township and Regional Economic Development Plans in line with Capex</p>

Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
		<p>Allocation of property to support the social amenities program.</p> <p>Upgrading of City Owned Facilities which includes Informal trader Facilities</p>	<p>Allocation of property to support the social amenities program.</p> <p>Upgrading of Informal Trading Facilities which includes Informal Trader Facilities</p>	<p>Allocation of property to support the social amenities program.</p> <p>Upgrading of Informal Trading Facilities which includes Informal trading Facilities</p>
Financial sustainability Economic Growth	<p>IDP Sub programmes</p> <p>Financial sustainability</p> <p>Leveraging of City Owned Assets</p> <p>Revenue maximization</p> <p>Capital project management (As outlined in the strategic intervention in COJ document dated 21st November 2011)</p>	<p>R100m of rental income from leases and servitudes sales, servitudes and acquisition</p> <p>Implement Asset Management plan- to be in line with the COJ 10 year capital expenditure plan</p> <p>Revenue from Outdoor Advertising</p> <p>Commercialization of Facilities Management with the focus on SMME development</p> <p>Space optimization programme which incorporates workplace accommodation to ensure better staff mobility</p> <p>Implementation of the revised Corporate strategy to ensure</p>	<p>R100m of rental income from leases and servitudes sales, servitudes and acquisition</p> <p>Implement Asset Management plan- to be in line with the COJ 10 year capital expenditure plan</p> <p>Identification and implementation of different streams of revenue from Outdoor Advertising</p> <p>Commercialization of facilities management with the focus on SMME Development</p> <p>Space optimization programme which incorporates workplace accommodation to ensure better staff mobility</p>	<p>R100m of rental income from leases and servitudes sales, servitudes and acquisition</p> <p>Implement Asset Management plan- to be in line with the COJ 10 year capital expenditure plan</p> <p>Improved revenue from Outdoor Advertising</p> <p>Commercialization of facilities management with the focus on SMME development</p> <p>Space optimization programme which incorporates workplace accommodation to ensure better staff mobility</p>

Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
		Financial sustainability of the organisation		
A city where no one goes hungry Sustainable services	Human and Social Development Promoting access to safe affordable food for consumers (As outlined in the strategic intervention in COJ document dated 21st November 2011) IDP Sub programmes Food resilience and food security	Allocation of properties/property land parcels under land regularization. Implement retail equity scheme utilizing council owned shops agricultural land for food security with the focus on SMME and Co-Ops	Allocation of properties/property land parcels under land regularization. Implement retail equity scheme utilizing council owned shops agricultural land for food security with the focus on SMME and Co-Ops	Allocation of properties/property land parcels under land regularization. Implement retail equity scheme utilizing council owned shops agricultural land for food security with the focus on SMME and Co-Ops
SMME and entrepreneurship development	Develop a dynamic entrepreneurial spirit, competitiveness, innovation and increased investment through support to SMME	Implementation of the Incubator Programme for emerging property entrepreneurs Implementation of Property Skills Programme Upgrading of Council facilities utilizing SMME Development of the SMME empowerment Zones utilizing Council property	Implementation of the Incubator Programme for emerging property entrepreneurs Implementation of Property Skills Programme Upgrading of Council facilities utilizing SMME Development of the SMME empowerment Zones utilizing council property	Implementation of the Incubator Programme for emerging property entrepreneurs Implementation of Property Skills Programme Upgrading of Council facilities utilizing SMME Development of the SMME empowerment Zones utilizing council property

Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
		<p>Allocation of properties for agricultural and food security with the focus on SMME , Co-ops and Informal Traders</p> <p>Allocation of property to Youth development programs to address youth unemployment and to encourage youth to enter into the property space</p>	<p>Allocation of properties for agricultural and food security with the focus on SMME, Co=ops and Informal Traders</p> <p>Allocation of properties to Youth Development programs to address youth unemployment and to encourage youth to enter into the property space</p>	<p>Allocation of properties for agriculture, food security with the focus on SMME – Co-ops and Informal Traders</p> <p>Allocation of properties to Youth Development programs to address youth unemployment and to encourage youth to enter into the property space</p>
Green Economy and Resource resilience	Resource resilience (as outlined in the COJ strategic document of 21 st November 2012)	Formulate an energy saving plan for current corporate buildings and facilities	Formulate an energy saving plan for current corporate buildings and facilities	Formulate an energy saving plan for current corporate buildings and facilities

11. IMPLEMENTATION AND PERFORMANCE OVERVIEW OF THE 2013/14 CITY OF JOHANNESBURG PROPERTY COMPANY

The Department has to play a leadership role in economic development, which in broad terms:

- Builds a clear economic agenda in a transversal manner with other departments/MoEs which influences economic outcomes;
- Builds vertical alignment with National and Provincial government around the economic agenda of the City of Johannesburg;
- Builds horizontal alignment with business, institutions, and other stakeholders around a common agenda for economic development;
- Develops and implements measures that complement other interventions to improve the business climate, by implementing both hard and soft infrastructure.

Departmental Contribution to the nine Priorities and Aligned Projects

City Priority	SMME and Entrepreneurial Development
JPC Contribution	<ul style="list-style-type: none"> • Creating an environment that supports SMMEs and entrepreneurship development; • Addressing the mismatch of skills in the City's economy; • Using the City's procurement spend as a lever for SMME and BBBEE development; • Focusing on providing land to cooperatives as one of the key vehicles for entrepreneurial development and job creation; • Implementing the Economic and Property Transformation Strategy in line with DED directives; • Implementing a Youth Development Strategy; • Accelerating the Informal Economy Development; • Facilitating economic growth and development, and the spatial (geographic) spread of economic SMME/ BBBEE economic opportunities across the City.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Emerging Property Developers Incubator; • Property Academy; • Upgrading of informal traders facilities;

	<ul style="list-style-type: none"> • Roll-out of informal trader facilities; • Allocation of land for SMME; • Implementation of SMME empowerment Zone.
City Priority	Food Security
JPC Contribution	<ul style="list-style-type: none"> • Expanding commercial urban agriculture • Disposal of Land for Agricultural purposes • Allocation of land for to Co-ops and the informal sector.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • SMME and Co-ops and Informal Economy Support; • Disposal of land for urban agriculture and Agro Processing through JPC; • Implementing the township economic development plans focusing on agro processing hubs, food empowerment zones.
City Priority	Investment attraction, Retention and Expansion
JPC Contribution	<ul style="list-style-type: none"> • By proactively promoting inward investment into the City of Johannesburg; • Through facilitating inward investments through various marketing strategies; • Inner City Rejuvenation-promote the inner city as a viable location with future value returns; • Facilitating strategic partnerships that bridge the divide between the first and second economy.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Business to Business Match Making Conferences (Buy sell and invest and Visit Joburg) • Remodelling of the Inner City Property Scheme to attract investors into the Inner City; • Property Summit.
City Priority	Green Economy
JPC Contribution	<ul style="list-style-type: none"> • Comprehensive Facilities Management Plan.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Retrofitting of council Buildings in line with the Facilities Management Plan.
City Priority	Human Settlements Development and TOD
JPC Contribution	<ul style="list-style-type: none"> • Marginalised Areas Programme; • Acquisition of land in line with the TOD initiatives;

	<ul style="list-style-type: none"> • Mixed Use developments on Council owned Property along the TOD nodes and in line with the economic development township and regional plans; • By highlighting key characteristics of the space economy thereby building competitiveness and reducing persistent gaps in growth rates between region.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Land Regularisation Programme; • Land Acquisition; • Leases for Council Facilities; • Land Sales in Marginalised areas to empower SMME and ownership of land.
City Priority	Financial Sustainability and resilience
JPC Contribution	<ul style="list-style-type: none"> • Expenditure Management- prudent expenditure management through cost saving; • Reduction in the use of consultants; • Build and strengthen internal capacity; • Adopting a culture of internal controls thereby contribution to clean audit; • Strategic Procurement- based on well-defined demand management plans; • Financial Management and internal controls.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Verification of Asset Register – desk top and physical verification of the asset register.
City Priorities	Active Citizenry
JPC Contribution	<ul style="list-style-type: none"> • SMME outreach Programmes; • Internal stakeholder engagements; • External stakeholder management; • B&B match making conferenced; • Township economic development plans stakeholder engagements.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Informal Economy Development Summit; • Property Summit.
City Priority	Safer City

JPC Contribution	<ul style="list-style-type: none"> • Street ambassadors in the Inner City to manage informal traders and adherence to by-laws; • Safety strategy for all council facilities.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Informal Economy Strategy and implementation; • Informal Trading Forum.

12. 2013/14 DEPARTMENTAL SDBIP AND COMMUNITY BASED PLANNING

The table below illustrates how the Key Priority programmes and other IDP programmes the Department will be undertaking in the 2013-2014 financial year. The Departmental indicators and CBP are provided for each of the project identified as well as the baselines and quarterly performance targets in order to measure performance post the approval of the plan.

Table: Key / Priority Programmes/

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Revitalization of Central Business Districts and Strategic Utilization of Underutilized Inner City Economic Assets	Value of cumulative investments attracted into the Inner City for the improvement of Informal Trading Facilities and Taxi Ranks also utilizing the Urban Development Zone Tax Incentive	Additional R2billion worth of Inner City investments attracted through the Urban Zone Tax Incentive Scheme	Yes	% of investment attracted to upgrade the informal trading facilities	Asset Register and Informal trading database	New Indicator	50 million	Due Diligence done on all informal trading facilities and Taxi ranks, Consultative engagement with all stakeholders	Packaging of informal trading facilities as projects for investment into the projects to upgrade facilities	Council Approval and EAC approval	Upgrading and construction to improve the trading facilities
	A central Business Districts revitalization programme using CoJ land	A central business district revitalization programme for Roodepoort and	Yes	%of properties valued in line with market related valuations	External valuers report	Regional Economic Development Plans	A fully developed central business district	Identification , valuation and best use analysis of	Preparation and packaging land for	Section 14(2) and EAC approvals and contracts	10% of construction started in the revitalization

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
		Randburg					revitalization programme for Roodepoort and Randburg	land in Roodepoort and Randburg that fall under the revitalisation programme	private sector investment Facilities Management Plan for council buildings in this area	signed Implementation of facilities management plans	programme
	The Inner City Property Scheme	The remodeling of the Inner City Property Scheme and the property portfolio /enhancement. Identify 10 buildings to be acquired and released to the market for development	yes	No of properties acquired	Asset Register and Revenue database	Inner City Property Scheme Phase 1	Reconfiguration of the ICPS Model 10 building acquired and released to the market for development	Consultative Process	2 properties acquired	3 properties acquired	5 properties acquired

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Marginalized Areas Programme Industrial Parks Support Programme	Facilitate the development of the Soweto Gateway within the Soweto Empowerment Zone	Feasibility and Business planning and implementation partnership of the Soweto Gateway	Yes	% of construction started at the Soweto Empowerment Zone	Asset Register	The Soweto Empowerment Zone	A full feasibility and business plan developed	Implementation partnership report sent to EAC Prepare and identify and do designs land g e and a	Sign off Lease agreements	10% of construction started by private sector within the Soweto Empowerment zone Develop Zone, commencement	40% OF construction by private sector within Soweto Empowerment Zone
	Implementation of SMME Empowerment Zones in all Regions	Identification of all land parcels	Yes	%of construction started at all identified SMME Empowerment Zones	Asset Register	New Indicator	50% construction completed in identified zones and regions G,E &A	Identification and preparation of land for selected Zones- region G, E &A	Section 14(2) and EAC approval (appointing cluster champions	20%of construction started	50% of construction Started

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
The New Air City	Facilitate the development of the Airport City	Lanseria Airport economic development initiative	Yes	No of land parcels identified that supplements private sectors land parcels	Asset Register	The CoJ and LACDC Memorandum of Understanding	Detailed Implementation Plan	Identification and valuation of council property around Lanseria Airport	Section (14.2) applications and EAC approvals	Negotiation of agreements with private sector	Signing of Agreements
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Sustainable Human Settlements Marginalized Area Program	Accelerate the Land Regularization Program	Identification of 2000 and transfer or lease under the land regularization programme.	Yes	No of properties allocated and/or transfer	Asset Register	300	2000	300	500	1000	2000

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Back Yard Shack enablement program Facilitation of area based economic initiatives	Implement Economic and Property Transformation Programme			Number of council shops improved and council facilities improved utilising the retail equity scheme and the property transformation fund		New	5	Due Diligence and Feasibility on Retail equity scheme and transformation fund	Obtain necessary council approvals	2	3

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
SMME and Entrepreneurial Development and support	Implementation of Economic and property Transformation Strategy: The JPC Incubator Project The Retail Equity Scheme Property transformation	Creating a sustainable SMME sector in the CoJ Enterprise Development Platform; 4000 SMMEs supported via	Yes	Record of SMMEs supported	SMME database at Economic development	Undetermined	4000	1000	2000	3000	4000

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
	fund SMME Economic Zones aligned to special economic zones Progressive Supplier Relationship Project Flagship CSI project	platform;									
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
SMME and Entrepreneurial ship development	Develop sector based interventions for SMME support and incubation and, entrepreneurship finance (including savings) interventions for the ICT, construction and textile sectors	600 SMMEs incubated land transactions	Yes	Number of SMME incubated;	Register of SMMEs supported;	New Indicator	600 SMMEs incubated;	150	300	450	600
		1300 jobs created from land and facilities management transactions		Number of jobs created	Record of jobs created		1200 permanent jobs created	300	600	900	1200
		1200 short-term jobs		Number of short	Record of short		1200 short term	300	600	900	1200

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
		(internships) created		term jobs (internships) created)	terms jobs created		jobs (internships created)				
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
SMME and Entrepreneurial ship development	Co - Operatives Support	Allocation of land and buildings to support the development the CO-OP sector in DED Coop Strategy and in line with the COJ food security priority	Yes	Approved strategy	MayCo minutes	New Indicator	100	20	40	80	100
	Economic Youth Desk	Implementation of projects under the youth desk to mainstream youth development and economic	Yes	Number of youth benefiting from jobs or SMME opportunities	Mayoral Report	New Indicator	100	10	40	70	100

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
		development programmes for youth									
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Informal Economy Development	Linear Markets Project	2 Linear markets constructed	Yes	Number of linear markets	Asset register	2 linear markets	2 new linear markets	Request for proposal – conclude procurement process, conclude agreements	Earthworks and 25% of Construction started	75 % of construction started	2 completed linear markets
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Investment Promotion	Leveraging of private sector investment in property portfolio	Third party Investment on COJ property	No	300 million investment on construction	Asset register	215 million	300 million	25 million	75 million	200million	300million

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Financial Sustainability priority Clean Audit	Asset Verification: Desk Top Verification	100%verification of the asset register	Yes	100% verification of the asset register	Asset Register	16000	36 000 properties verified	10 000	15000	25000	36000
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Financial Sustainability Program Capital Management Programs	Facilities Management Plans that incorporates an energy savings plan and retrofit initiatives And Space Optimization Plan that incorporate workplace accommodation to ensure better staff mobility.	100% completed Facilities Management Plans that incorporates an energy savings plan and retrofit initiatives And Space Optimization Plan that incorporates workplace	No	100% facilities Management Plans	Asset Register	New Indicator	All Facilities in all regions	Facilities Management plan and space optimisation plan for Regions C,B and F	Facilities Management plan and space optimisation plan for Regions D &E	Facilities Management plan and space optimisation plan for Regions A	Facilities Management and space optimisation plan for Regions G

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
		accommodation to ensure better staff mobility.									
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Sustainable Human Settlements- Transit Oriented Developments	Acquisition of Properties in line with the Transit Oriented Development Nodes and the Housing Master Plan	Acquisition of properties	Yes	3 properties purchased	Asset register	17	3 properties	Development of the acquisition plans	Obtain council approval for the acquisition of property	Enter into negotiations with purchasers and the signing of legal agreements	3 properties purchased and agreements signed

13. DAY-TO-DAY OPERATION

The department's day-to-day operations include engagements with internal and external stakeholders, monitoring and analysis of the property sector review and analysis of relevant policies. The department engages with stakeholders individually and through structures such as the Informal Traders Forum. The stakeholder engagements take place periodically, hence they form part of programme and projects operations at the micro level. Through the engagements, the organisation and its stakeholders are in a better position to address challenges effectively and efficiently.

In addition, the department assesses the economic impact of various programmes and projects in order to inform future programme design and interventions. The impact assessment studies are done when and as required by various programmes: most of the work is done using internal capacity.

In pursuit of economic transformation and entrenching the vision of an SMME centric City, the organisation has prioritised the continuous engagement with SCM as a key focus to ensure that SMMEs and in particular youth have unhindered access to the organisations City's procurement spent.

Table 3 below outlines the Department's day-to-day operations and the key deliverables for the 2013/14 financial year.

Table: Operational Plan- day-to-day activities

Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
							Quarter1	Quarter2	Quarter3	Quarter4
Regional Road shows to Councilors at various regions to engage on property issues Customer and stakeholder interactions	Stakeholders engagements	Presentation	Number of Presentations	Presentations	7	21	7	7	7	7
		Target companies for engagements on property issues	Number of Targeted companies	Proof of engagements with companies	12	48	12	24	36	48
		Site visits to various projects and facilities	Number of site visits	Program	12	16	4	8	12	16
Property Economic Research	Annual <i>Property research</i>	Property Review document	Printed Annual Property Report	Printed Annual Property Review Report	New indicator	Annual Property Review document	Sourcing and collating relevant Property data	Analysis and Interpretation of the data	Drafting of the Annual Property Review document	Publication of the Annual Property Review document
Annual Property summit and round table engagements with property industry	Business to Business Match Making	Annual Property Summit African	Number of stakeholder engagements	Presentations	New indicator	Annual property summit	Planning and Preparation for the Property summit focusing on transformation and SMME		Launch of the property summit	
African Municipal	Municipal to	Municipal Summit	Number of	Presentations	New	Approved	Appoint service	Draft Event Plan	Plan the	Host the

Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
Property Summit	Municipal Match Making		Municipal engagements		indicator	Municipal summit plans	provider, establish events planning committee		municipal Property Summit	Municipal Property Summit
Property Valuations	Land sales, leases. Acquisition, servitudes	No of valuations done per annum			New indicator	100% valuations of all properties presented for approval	20% valuations of all transactions	50% valuations of all transactions	75% valuations of all transactions	100% valuations of all transactions
Enhancement of the property portfolio-	Property Sanitation Project	Completion of the Property Sanitation Project			New Indicator	100% Completion of the property sanitation project	Appointment of service provider to assist with the sanitation	15% categorisation of all properties in the asset register	50% categorisation of all properties in the asset register	100% categorisation of all properties in the asset register
Media and Communications	Branding of JPC, Marketing of JPC and projects outlined above Proactive	Marketing and Media and Communication Strategy for JPC	Number of marketing and communication events to profile the organisation		New Indicator	3	Planning and alignment of marketing strategy to align to corporate strategy and projects	1	1	1

Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2013/14 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>				
	media communications and engagement		Number of media releases			10	5	5	5	5	
Stakeholder engagements	Client satisfaction survey among external users	Facilitate a client satisfaction survey among external users to conduct a survey & and an empirical study on JPC's Client services	Results and report on analysis of survey	Questionnaire, statistical analysis & results of survey	New	Implementation of corrective measures to improve service delivery	Appointment of a service provider	Empirical study on JPC stakeholders & their satisfaction on service delivery - Questionnaire to stakeholders	Statistical analysis	Final report on results & recommendations Implementation of corrective measures	
	JPC Customer Charter	Implementation of JPC Customer Charter	Turnaround times on enquiries forwarded to departments	PIMS - Client Servicing PIMS Modules		Approved JPC Customer Charter by EXCO & Implementation	Approval by EXCO	Awareness Workshops to departments	Awareness Workshops to departments	Report on results on compliance	

14. INTERGOVERNMENTAL RELATIONS

Chapter 3 of the Constitution of the Republic of South Africa, 1996 provides for co-operative governance to be pursued by the national, provincial and local spheres of government. The relevant Members of the Executive Council (MEC) of provincial departments must coordinate with local government including organised local government to ensure service delivery on matters pertaining to departmental functional areas.

Challenges pertaining to departmental functional areas can only be addressed by all spheres working together to integrate as far as possible their actions in the provisions of services, the alleviation of poverty and the development of our people and country. The MECs and the Member of Mayoral Committee (MMCs) are conscious of the fact that coordinated delivery of services requirements can best be facilitated through the MEC-MMC Forum.

NOW THEREFORE the MEC for Economic Development and City of Johannesburg's MMC for Economic Development has in terms of section 21(1) established the MEC/MMC Forums to provide for a structure to promote and facilitate intergovernmental relations between the Gauteng Provincial Government and City of Johannesburg DED.

15. PURPOSE OF THE MEC/MMC IGR FORUM

The MEC/MMC IGR Forum is established for the purpose of:

- Ensuring coherent and seamless government between the provincial and municipal spheres in the Gauteng Province in the functional areas of Economic Development;
- Facilitating integrated development between provincial government and municipalities.
- Strengthening working relationships and partnerships with relevant stakeholders;
- Appreciating the work of municipalities at the grassroots;
- To discuss matters of national, provincial or municipal interest within the Agriculture, Conservation, Veterinary Services, Environment, Waste Management, Rural Development and cross-cutting matters pertaining to Economic Development, Social Development and Health.
- To ensure -:
 - ❖ The development of National and Provincial policies, regulations and legislation relating to matters affecting Economic Development, in the Province:

- ❖ The implementation of National and Provincial regulations, policies and legislation with respect to functional areas mentioned under the above Paragraph.
- To consider reports from the MEC/Technical Executive Committee (MEC/TEC) and Technical Working Groups (TWGs) and, if necessary, make decisions thereon;
- Monitor the implementation of projects, assess and evaluate service delivery outcomes and impact;
- Share metro and district/local municipalities' information, priorities, experiences, challenges and interventions thereto;
- For the coordination of matters relating to agriculture, natural resources and rural development that are not a competency of the Province but which would have a serious impact on service delivery in the Province.

16. FINANCIAL IMPACT

Summary of the 2013/14

KEY PRIORITY PROGRAMMES

Strategic Intervention	JPC Project/Action	GDS Outcome	2013/14	2014/15	2015/16
			Total R 000	R 000	R 000
New revenue sources, management oversight and monitoring and control systems and finalise inner city charter process and confirm strategic interventions (precinct approach)	Integration of JPC, FMMU, MTC & ICPS. Once completion of integration the strategy will be completed. Creation of self-sustaining entity without subsidies by the end of fifth year	Financially and administratively sustainable and resilient city	38 664	42 027	53 252
Marginalized areas programmes, backyard shack enablement programme; review housing developments that are inconsistent with a new approach	Integration of JPC, FMMU, MTC & ICPS. Once completion of integration the strategy will be completed. Creation of self-sustaining entity without subsidies by the end of fifth year	A responsive, accountable, efficient and productive metropolitan government	38 664	42 027	53 252
Marginalised areas programmes, Backyard shack enablement programme; Review housing developments that are inconsistent with new approach	Asset management and maintenance - verification of 632 Council-owned properties and 5 buildings and maintenance of the fixed asset register	Financially and administratively sustainable and resilient city	53 539	57 837	62 136
Marginalized areas programmes, Backyard shack enablement programme; Review housing developments that are inconsistent with new approach	Orange Farm Erf 6446 Renewal Operational Capex ORANGE FARM EXT.1 G Regional ,Sandown Extension 49 Erf 575RE Renewal Building Alterations SANDOWN EXT.49 ,Rietvlei Zoo Farm Project Renewal Building Alterations LIEFDE EN VREDE EXT.1 F	Reduced poverty and dependency	40 017	43 254	46 490

Strategic Intervention	JPC Project/Action	GDS Outcome	2013/14	2014/15	2015/16
			Total R 000	R 000	R 000
Enterprise & Property skills development to emerging industries	Property skills project - Develop and Roll-out a Property Skills programme for emerging industries	Increased competitiveness of the economy	40 017	43 254	46 490
Transit oriented development, promoting access to safe, affordable food for consumers, supporting urban agriculture and emerging producers	Land sales and land acquisitions and completion of developments - Implement the income generating initiatives to boost the City's property portfolio	Financially and administratively sustainable and resilient city	28 070	27 445	29 722
Capital project management	Public Waterfront project - Rand value of investment in Orlando Ekhaya waterfront	Climate change resilience and environmental protection	25 122	27 445	29 722
Council-owned property management and maintenance	Land sales and land acquisitions and completion of developments - Implement the income generating initiatives to boost the City's property portfolio	Financially and administratively sustainable and resilient city	38 642	42 048	45 368
Council-owned property management and maintenance	Leasing of commercial and social portfolio	Increased competitiveness of the economy	38 642	42 048	45 368
Council-owned property management and maintenance	Facilities maintenance and management and monitoring of the asset register	Financially and administratively sustainable and resilient city	53 539	57 838	62 137
		TOTAL	394 877	425 183	458 171

DRAFT MEDIUM TERM REVENUE AND EXPENDITURE BUDGET FOR 2013/14 - 2017/18

	2009/10	2010/11	2011/12	Current year 2012/13			Medium Term Revenue and Expenditure Budget					
	Audited Outcome R 000	Audited Outcome R 000	Audited Outcome R 000	Original Budget R 000	Adjusted Budget R 000	Full Year Forecast R 000	Budget Year 2013/14 R 000	Incr. %	Estimates 2014/15 R 000	Estimates 2015/16 R 000	Estimates 2016/17 R 000	Estimates 2017/18 R 000
REVENUE												
Property rates												
Property rates - penalties imposed & collection charges												
Service charges - electricity revenue												
Service charges - water revenue												
Service charges - sanitation revenue												
Service charges - refuse removal												
Service charges - other												
Regional Service Levies												
Rental of facilities and equipment												
Interest earned - external investments	8	143	10									
Interest earned - outstanding debtors	2 086	6 259	4 255		1 755			-100.0%				
Fines												
Licenses and permits												
Agency services	18 664	29 445	38 589									
Operating grants & subsidies												
Other Revenue	68 699	23 672	35 167		117 806		122 908	4.3%	134 970	148 466	163 312	179 644
Gain on Disposal of PPE												
DIRECT OPERATING REVENUE	89 457	59 519	78 021		119 561		122 908	2.8%	134 970	148 466	163 312	179 644
Internal Transfers												
Interest Income (Sweeping Account)												
Interest on Loans (Core)												
Internal Recoveries (ME's / Core)					235 137		253 528	7.8%	270 493	288 454	310 708	341 779
Internal Recoveries (Core)												
Internal Capital Grants (MIG)												
Operating Grants & Subsidies from (COJ)	537				49 548		25 282	-49.0%	27 125	29 026	90 000	90 000
Total Internal Transfers	537				284 685		278 810	-2.1%	297 618	317 480	400 708	431 779
TOTAL OPERATING REVENUE	89 994	59 519	78 021		404 246		401 718	-0.6%	432 588	465 946	564 020	611 423
EXPENDITURE												
Employee related costs	37 653	42 342	51 498		186 447		212 639	14.0%	225 823	240 276	313 640	333 089
Remuneration of Councillors												
Debt impairment					1 848		1 941	5.0%	2 044	2 145	2 254	2 365
Depreciation & asset impairment	1 191	1 082	3 222		11 215		4 288	-61.8%	4 717	4 953	5 200	5 460
Repairs and maintenance					17 390		26 085	50.0%	32 345	40 108	31 706	33 608
Interest Paid : External Borrowings	314	265	650		607		613	1.0%	645	677	711	747
Bulk purchases												
Contracted services					17 242		7 292	-57.7%	11 727	13 321	13 987	14 686
Grants and subsidies paid - external					1 755			-100.0%				
Other expenses	16 157	23 023	17 230		148 606		148 861	0.2%	155 288	164 466	173 182	182 361
Contribution to/from Provisions												
Loss on disposal of PPE	350	103										
DIRECT OPERATING EXPENDITURE	55 665	66 815	72 600		385 110		401 718	4.3%	432 588	465 946	540 680	572 316
Internal Transfers												
Interest Expense (Sweeping Account)	137											
Interest on Shareholders Loans												
Interest on Mirror Conduit loans												
Internal Charges (ME's / Core)	624		1 095		15 409			-100.0%				
Internal Charges (Core)												
Operating Grants & Subsidies to ME's												
Total Internal Transfers	761		1 095		15 409			-100.0%				
TOTAL OPERATING EXPENDITURE	56 426	66 815	73 695		400 519		401 718	0.3%	432 588	465 946	540 680	572 316
OPERATING SURPLUS / (DEFICIT)	33 568	(7 296)	4 326		3 727		0	-100.0%	0		23 340	39 107
Transfers Recognised												
Capital Grants												
Capital Contributions												
OPERATING SURPLUS / (DEFICIT)	33 568	(7 296)	4 326		3 727		0	-100.0%	0		23 340	39 107
Less Tax	11 484	(1 839)	18									
OPERATING SURPLUS / (DEFICIT) - after tax	22 084	(5 457)	4 308		3 727		0	-100.0%	0		23 340	39 107
Changes in Net Assets												
Transfers to/from Other Reserves												
Prior year Adjustments												
TOTAL	22 084	(5 457)	4 308		3 727		0		0		23 340	39 107

CITY OF JOBURG PROPERTY CO. SOC LTD								
DRAFT MEDIUM TERM CAPITAL BUDGET FOR 2013/14 - 2017/18								
IDP Programme / Activity	Project	GDS Output / Other	TOTAL COST OF THE PROJECT R 000	Expend-iture in Previous Years R 000	Current Approved Budget 2012/13 R 000	DRAFT BUDGET 2013/14 R 000	BUDGET 2014/15 R 000	ESTIMATE 2015/16 R 000
KEY / PRIORITY PROGRAMMES								
New revenue sources, management oversight and monitoring and control systems and finalise inner city charter process and confirm strategic interventions (precinct approach)	Integration of JPC, FMMU, MTC & ICPS. Once completion of integration the strategy will be completed. Creation of self-sustaining entity without subsidies by the end of fifth year (Covered by OPEX)							
Marginalised areas programmes, Backyard shack enablement programme; Review housing developments that are inconsistent with new approach	Land regularisation project - Transfer 1000 properties to beneficiaries							
Marginalised areas programmes, Backyard shack enablement programme; Review housing developments that are inconsistent with new approach	Asset management and maintenance - verification of 632 Council-owned properties and 5 buildings and maintenance of the fixed asset register - funding required but its not CAPEX related		60 000			20 000	20 000	20 000
Total: Key / Priority Projects			108 000		18 000	30 000	30 000	30 000
IDP PROGRAMMES								
Review marginalised areas programmes	METRO MALL: MARKET- REPAIRS Renewal Building Alterations JOHANNESBURG-NORTH F Ward		4 200			1 400	1 400	1 400
1 Leveraging and Facilitating of the creation of jobs in property portfolio projects on Council owned land, and Leveraging of private sector investment in property portfolio projects. Enterprise & Property skills development to emerging industries. Branding strategic property projects & City's strategic land parcels. Revenue Maximisation	Quarts Street - Linear Market (Upgrading of Hilbrow Market into a Linear Market) Renewal Linear Markets JOHANNESBURG F Ward		700			700		
Finalise inner city charter process and confirm strategic interventions (precinct approach)	Revamping of the Informal Trading Stalls within the Inner City Renewal Informal trading Stalls JOHANNESBURG F Ward		3 900			1 300	1 300	1 300
Capital project management	Bara Upgrade Renewal Informal trading Stalls BARAGWANATH A Ward		3 820			940	940	940
Transit oriented development, review marginalised area programmes	Big Ben Upgrade Renewal Informal trading Stalls JOHANNESBURG F Ward		3 360			1 120	1 120	1 120
Finalise inner city charter process and confirm strategic interventions (precinct approach)	Computer Equipment New Computer Upgrades BRAAMFONTEIN WERF EXT.1 F City Wide		5 800			3 500		1 000
Finalise inner city charter process and confirm strategic interventions (precinct approach), capital project management	construction of additional trading stalls in the market at Lenasia Renewal Informal trading Stalls LENASIA G Ward		1 200			400	400	400
Review marginalised areas programmes	Diepsloot South New Operational Capex DIEPSLOOT A.H.A		3 700			1 200	1 200	1 300
Review marginalised areas programmes; backyard shack enablement programme	Doornfontein Upgrade Renewal Informal trading Stalls DOORNFONTEIN A Ward		2 820			940	940	940
Capital project management	FARADAY: MARKET- Building of Additional Trading Stalls New Linear Markets JOHANNESBURG F City Wide		3 240			1 080	1 080	1 080
Marginalised areas programmes, Backyard shack enablement programme; Review housing developments that are inconsistent with new approach	Fleet Africa Upgrade New Building Alterations JOHANNESBURG F Ward		3 520			840	840	840

review marginalised areas programmes, backyard shack enablement programme	Jabulani CBD New Operational Capex JABULANI D Ward		3 900			500	1 700	1 200
Transit oriented development	Jeppe Market - Alignment with Precinct Plan New Operational Capex TROYEVILLE F Ward		3 960			1 120	1 120	1 120
transit oriented development	Klipdown Market & Taxi Rank (Improving Trading Facilities) Renewal Informal trading Stalls PIMVILLE ZONE 9 D Ward		3 800			1 000	1 000	1 000
Capital project management	Meadowlands 23362-6 New Operational Capex MEADOWLANDS D		1 900			600		700
Capital project management	Midrand Market and Taxi Rank facility upgrading and Repair of Fire System and Close Circuit Cameras Renewal Taxi Rank ALLANDALE EXT.9 A Ward		4 360			1 120	1 120	1 120
review marginalised areas programmes	Orange Farm Erf 6446 Renewal Operational Capex ORANGE FARM EXT.1 G Regional		5 000			3 000	500	500
Capital project management	Orlando Ekhaya Waterfront Development Renewal Park ORLANDO EKHAYA D Regional		50 000			10 000	10 000	10 000
Capital project management, transit oriented development	Park Central Facility Upgrade Renewal Taxi Rank JOHANNESBURG F Ward		5 400			1 800	1 800	1 800
transit oriented development, promoting access to safe, affordable food for consumers, supporting urban urban agriculture and emerging producers	Paterson Park Precinct Development Renewal Park ORANGE GROVE E		15 200			2 000	1 000	1 200
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Roodepoort Informal Trading facility and Taxi Rank upgrading New Linear Markets ROODEPOORT C Ward		3 900			1 300	1 300	1 300
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Salisbury House Erf 1052 and 1053 Renewal Heritage JEFFESTOWN F Ward		3 000			2 000	500	500
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Sandown Extension 49 Erf 575RE Renewal Building Alterations SANDOWN EXT.49 E		4 000			3 000	500	500
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Strategic land purchases, Site Development and Preparation New Operational Capex JOHANNESBURG F City Wide		92 000			10 000	41 000	41 000
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Upgrading and construction of Informal Trading Facility and Long distance bus depot at Westgate New Linear Markets JOHANNESBURG F Ward		2 820			940	940	940
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Yeoville Market Upgrading Upgrade Informal trading Stalls JOHANNESBURG F Yeoville Market Upgrading of existing facility and block of flats		3 900			1 300	1 300	1 300
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	FMMU - Public Conveniences New Public toilets JOHANNESBURG F Ward		22 500			7 500	7 500	7 500
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Upgrading of the Hillbrow Public Transport Facility linear market and taxi rank upgrade New Operational Capex JOHANNESBURG F Ward		3 240			1 080	1 080	1 080
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Waterproofing of Metro Centre Renewal Building Alterations JOHANNESBURG F Ward		3 000			3 000		
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Additional trading stalls for informal trading in the new taxi and market facility New Informal trading Stalls DIEPKLOOF D Regional		2 240				1 120	1 120
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Hoek Street - Linear Market Phase 1 and 2 - New Trading Facilities for Informal Traders New Linear Markets FORDSBURG F Ward		2 160				1 080	1 080
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Meadow Point Precinct New Operational Capex MEADOWLANDS EXT.12 D		600				600	
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Purchasing of land in the development corridors New Operational Capex JOHANNESBURG F City Wide		300 000				100 000	200 000
capital project management, finalise inner city charter process, promoting access to safe, affordable food for consumers	Randburg Civic Precinct Renewal Building Alterations FERNDALE B Regional		3 000				2 000	1 000
Total: IDP Projects			576 140			64 680	186 380	286 280
Total: Day-to-Day Operational Projects								
GRAND TOTAL			684 140		18 000	94 680	216 380	316 280

Table: Operational Plan-day-to-day activities

Detailed below is the deliverables and associated budgets for the day to day activities of JPC

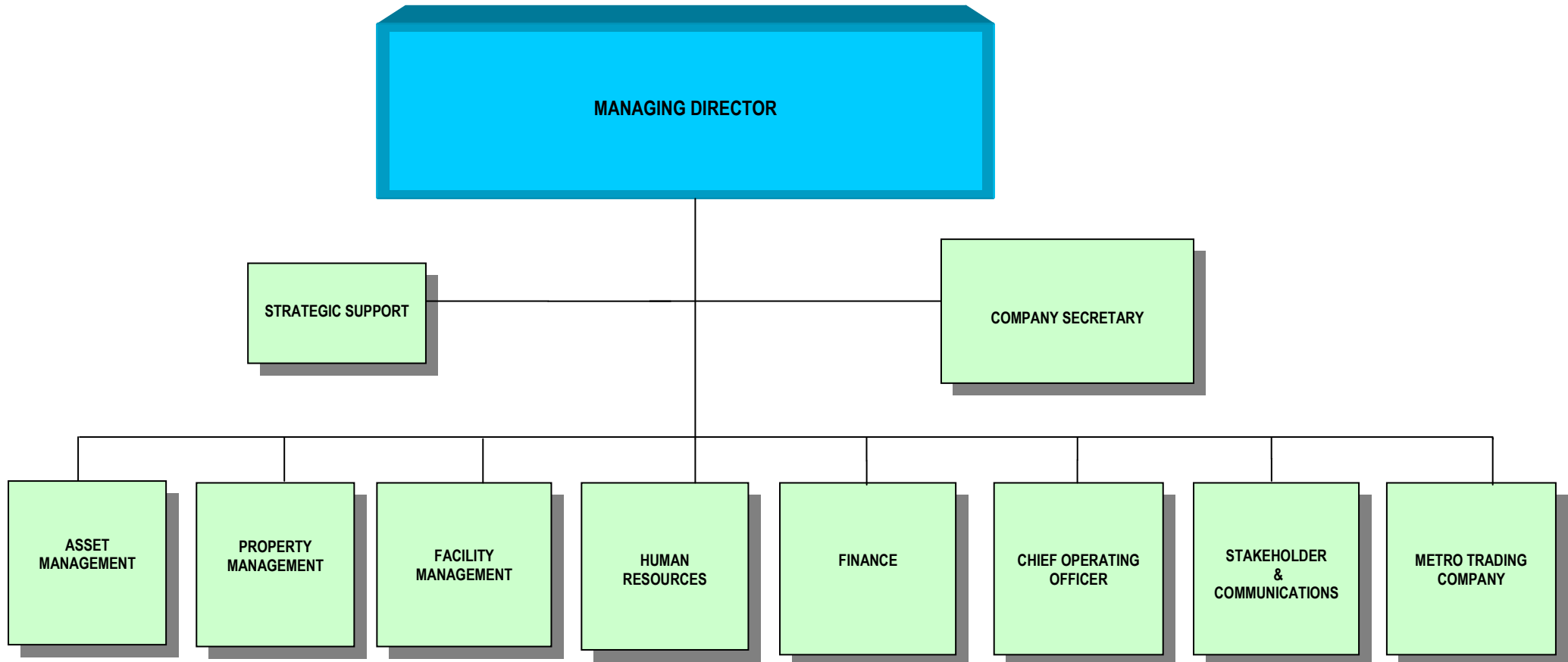
Summary of the 2013/14 Budget**Table: Budget summary**

	2011/12 Budget R'000	2012/13 Budget R'000	Proposed 2013/14 Budget R'000	% increase	% Budget spend per Quarter			
					Q1 R'000	Q2 R'000	Q3 R'000	Q4 R'000
Revenue	76 295	404 426	401 718	-0.6	114 171	114 171	114 171	114 171
Expenditure	75 233	400 519	401 718	0.3	114 171	114 171	114 171	114 171
Surplus/deficit before taxation and capital transfers	1 062	0	126	0	0	0	0	0
Capital Expenditure#	15 000	24 000	94 680	668	30 043	30 043	30 043	30 043

17. MANAGEMENT AND ORGANISATIONAL STRUCTURES

With the review of the corporate strategy underway JPC currently comprises (in the 2012/13 financial year) of three organizational structures that will be collapsed into one “super landlord” structure. Detailed below is a rough indication of the JPC structure including FMMU and MTC. The final structure will be available on finalisation of the corporate strategy which is due in May 2014.

Organisational Structure



18. EMPLOYMENT EQUITY

Employment equity and meaningfully creating a diverse workforce that will promote collaboration, innovation and high-performance will remain a topical issue in our organization. Embracing the full intent of the Employment Equity Act by finding more effective ways of integrating previously marginalised groups into the mainstream businesses and economy of the country has been prioritized in the context of our transformation agenda, both internally and externally.

The institutional review will invariably provide opportunities for the company to reassess its affirmative action targets towards a fully representative workforce that reflects the demographics of the Gauteng region. The targets will be provided on finalisation of the corporate strategy.