




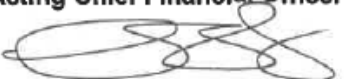
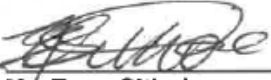
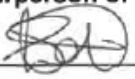

a world class African city



JOBURG
PROPERTY COMPANY

JOBURG PROPERTY COMPANY (JPC) BUSINESS PLAN 2023/2024

OFFICIAL SIGN OFF

 Mr. Sipho Mzobe CA (SA) Acting Chief Financial Officer	<u>31/05/2023</u> Date
 Ms. Helen Botes Chief Executive Officer	<u>31/5/2023</u> Date
 Mr. Enos Sithole Chairperson of the Board	<u>31/05/2023</u> Date
 Ms. Lulama Ndlovu Acting Executive Director: Economic Development	<u>06/06/2023</u> Date
 Ms. Cllr. Nomoya Mnisi Member of Mayoral Committee Economic Development	<u>11/06/2023</u> Date

LIST OF ACRONYMS

Acronym	Description	Acronym	Description
AGSA	Auditor-General South Africa	NT	National Treasury
AMP	Asset Management Plans	OA	Outdoor Advertising
ARPL	Artisan Recognition of Prior Learning	OHS	Occupational Health Safety
BCM	Business Continuity Management	OPEX	Operational Expenditure
BP	Business Plan	PESTLE	Political, Economic, Social, Technological, Legal, Environment
BSC	Balanced Scorecard	PMO	Project Management Office
CAPEX	Capital Expenditure	PPMU	Property Programme Management Unit
CDP	Community Development Programme	RFP	Request For Proposal
CoJ	City of Johannesburg	SCM	Supply Chain Management
EGC	Economic Growth Cluster	SDA	Service Delivery Agreement
FMM	Facilities Management and Maintenance	SDBIP	Service Delivery Business Implementation Plan
FY	Financial Year	SMMEs	Small Medium and Micro Enterprises
GBV	Gender-Based Violence	SLA	Service Level Agreement
GCSS	Group Corporate Shared Services	SOC	State-Owned Company
GDS 2040	Growth and Development Strategy 2040	SWOT	Strength, Weakness, Opportunities, Threats
GIS	Geographic Information System	YTD	Year to Date
GDP	Gross Domestic Product		
ICT	Information and Communication Technology		
IDP	Integrated Development Plan		
ISO	International Organisation for Standardisation		
KPA	Key Performance Area		
KPI	Key Performance Indicator		
MFMA	Municipal Financial Management Act		
GLU	Government of Local Unity		
MSA	Municipal System Act		
MTEF	Medium-Term Expenditure Framework		
NDP	National Development Plan		

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Chapter 1: Executive Summary

Chapter 1: Executive Summary

The Government of Local Unity (GLU) envisions building a prosperous City of Johannesburg (CoJ), so that its citizens enjoy a progressive environment characterised by principles of **good governance, inclusivity transparency, resilience, sustainability, and liveability**. This vision to transform the City of Johannesburg is articulated in the Joburg 2040 Growth Development Strategy (GDS), which defines the type of society the City, seeks to become by 2040.

The Joburg 2040 GDS outlines four GDS outcomes, which describes the changed state of being that the City seeks to achieve and each strategic outcomes is driven by a number of outputs, which represent strategic intervention areas where the City plans to get involved in, to reach its desired changed state of being over the next two decades. The GDS roadmap indicators in the current **second decade i.e. 2020-2030** aims to be responsive, and accelerate implementation through:

- Scale up sustainable, smart practices
- Next generation of infrastructure established
- Diversified and accessible economy
- Scale up innovation, mobility & integration

The strategic directives are represented in the four outcomes and accompanying outputs linked to mayoral priorities. All outputs need to be advanced in order to advance the City's integrated long-term vision.

IMPROVED QUALITY OF LIFE AND DEVELOPMENT-DRIVEN RESILIENCE FOR ALL	PROVIDE A RESILIENT, LIVEABLE, SUSTAINABLE URBAN ENVIRONMENT – UNDERPINNED BY SMART INFRASTRUCTURE SUPPORTIVE OF A LOW-CARBON ECONOMY	AN INCLUSIVE, JOB-INTENSIVE, RESILIENT, COMPETITIVE AND SMART ECONOMY	A HIGH PERFORMING, SMART METROPOLITAN GOVERNMENT THAT PRO-ACTIVELY CONTRIBUTES TO AND BUILDS A SUSTAINABLE, SOCIALLY INCLUSIVE, LOCALLY INTEGRATED AND GLOBALLY COMPETITIVE GCR
<ul style="list-style-type: none"> • Reduce poverty • Food security • Access to knowledge and lifelong learning • A society characterised by healthy living for all • A safe and secure city • A city characterised by social inclusivity and enhanced social cohesion 	<ul style="list-style-type: none"> • Sustainable and integrated delivery of water • Sustainable and integrated delivery of sanitation • Sustainable and integrated delivery of energy • Sustainable and integrated delivery of waste • Improved eco-mobility • Sustainable human settlements • Climate change resilience and environmental protection 	<ul style="list-style-type: none"> • Job-intensive economic growth • Promotion and support to informal and micro businesses • Increased competitiveness of the economy • A spatially just and integrated City 	<ul style="list-style-type: none"> • Partnerships, intergovernmental & international relations • A responsive, accountable, efficient and productive metropolitan government • Financially sustainable and resilient city • Meaningful citizen participation and empowerment • Guaranteed customer and citizen care and service

A 'Smart' City of Johannesburg, that is able to deliver quality services to citizens efficiently and reliably manner

The IDP outlines how the City of Johannesburg and its entities will continue to strive towards higher quality service delivery standards and expand existing initiatives such as **prioritising infrastructure development, sustainable economic growth .job opportunity**, and apply innovative ways to drive responsive service delivery. The eleven (11) strategic priorities has been identified in line with the coalition government's strategic vision and serves as the basis for the **strategy –led budgeting, performance management indicators and provides a sense of focus and urgency**. In addition, the eleven (11) strategic priorities ensures integration across the City's four clusters.



Diagram 1: Eleven Strategic Priorities

The dynamics in which South African municipalities are fast, complex and challenging. Disruptions such as economic downturns compound the socio-economic issues such as high levels of inequalities, unemployment rate and poverty rate.

As a result, the City and its entities must take into account the development context with which it operates and focus its initiatives to address or improve these development socio economic issues. It is apparent that COJ and its entities continues to face difficulties and are under distress due to the constraints brought by the balancing act of providing basic services and sustainably generating revenues. These constraints are aggravated by the electricity crisis and its impact on COJ, its entities and its citizens and also service delivery protests which are in response to the quality of service delivery.

Furthermore, JPC fulfil its mandate while maintaining partnerships with national and provincial spheres of government in order to ensure sound intergovernmental relations. The dynamics between the three spheres of government are managed through various developmental approach plans such as

- **Sustainable Development Goals (SDG):** The South African government through its plans and targeted developmental programmes seeks to ensure alignment to the seventeen (17) **Sustainable Development Goals (SDG)** and uses its capacity to contribute towards the goals.
- **National Development Plan (NDP) 2030:** drives 14 outcomes for delivery by 2030 as follows: education, health, safety and security, economic growth and employment, skills development, infrastructure, rural development, human settlements, local government, environment, international relations, effective public sector, social protection and nation building.
- **Growing Gauteng Together (GGT) 2030:** outlines priorities as follows: economy, job and infrastructure, education, skills revolution and health, integrated human settlements and land release, safety, social cohesion and food security, building a capable, ethical and development state, building a better Africa and the world, sustainable development for future generations.

The IDP community engagements sessions led to these community needs being identified and JPC must operationalize actions to address them:

- **Rapid Land release and effective use of vacant land:** Business and social needs.
- **Upgrading and Maintenance of Municipal offices** in the regions i.e. Midrand facilities (Upgrade of Fleurhof Community Hall to an MPCC) and Klipfontein.
- Improved Communications and Stakeholder engagements.

STRATEGIC PRIORITIES	GDS OUTCOMES	GDS OUTPUTS	STRATEGIC PROGRAMME	JPC RESPONSE
Safer City	Improved Quality of Life And Development-Driven Resilience For All	<ul style="list-style-type: none"> A city characterised by social inclusivity and enhanced social cohesion 	<ul style="list-style-type: none"> Rapid Land release Regular inspections to crack down on illegal building and land use 	<ul style="list-style-type: none"> Identification of buildings, which contribute to urban decay and implement measures to address urban decay throughout the City Partner with City to prevent land invasions
Sustained Economic Growth	An Inclusive, Job-Intensive, Resilient, Competitive, and Smart Economy that harnesses the potential of citizens	<ul style="list-style-type: none"> Job-intensive economic growth Promotion and support to informal and micro businesses Increased competitiveness of the economy A spatially just and integrated City 	<ul style="list-style-type: none"> Investment Attraction, expanding and retaining Address spatial inequality within the city Prioritize investments in high-impact projects 	<ul style="list-style-type: none"> Mixed-use developments that cater to affordable accommodation with amenities required by low-income residents Refurbishment of COJ facilities and buildings
Job opportunity & creation			<ul style="list-style-type: none"> Develop a plan to create new jobs, particularly in sectors such as green energy, technology, and infrastructure, Ensure that all job creation efforts are equitable and inclusive. 	<ul style="list-style-type: none"> Creation of Job Opportunities SMME Support
Green economy			<ul style="list-style-type: none"> Researching and Investing in Climate Changes Interventions Smart and green technology – efficiency and innovation considerations, also but to advance the climate action agenda 	<ul style="list-style-type: none"> Repurpose & Retrofits for existing buildings and improving standards and regulations for new buildings Optimised Energy Efficiency in Buildings

STRATEGIC PRIORITIES	GDS OUTCOMES	GDS OUTPUTS	STRATEGIC PROGRAMME	JPC RESPONSE
			<ul style="list-style-type: none"> Increased investment in renewable energy sources and energy efficiency initiatives. 	
Financial sustainability	A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region	<ul style="list-style-type: none"> Partnerships, intergovernmental & international relations A responsive, accountable, efficient and productive metropolitan government Financially sustainable and resilient city Meaningful citizen participation and empowerment Guaranteed customer and citizen care and service 	<ul style="list-style-type: none"> Prudent financial management practices, Streamline expenditure, Prioritize investments in high-impact projects 	<ul style="list-style-type: none"> Prioritize investments in high-impact projects Implementation of Outdoor Advertising masterplan to enhance revenue generation Lease Renewal Programme Improve Revenue collection
Smart City			<ul style="list-style-type: none"> Future Skills (4IR and beyond) Partnerships, intergovernmental & international relations Collaborations with innovators to ensure the refinement of its ICT applications and infrastructure Research and encourage participation in the green economy – climate change interventions 	<ul style="list-style-type: none"> Feasibility studies into smart and green technology Private Public Partnerships Optimised Energy Efficiency in Buildings Skill and upskill own human capital Repurpose & retrofit for existing buildings and improving standards and regulations for new buildings.
Good Governance			<ul style="list-style-type: none"> Implement measures to improve transparency, accountability, and citizen participation 	<ul style="list-style-type: none"> Resolution of Audit findings
Active and Engaged Citizenry			<ul style="list-style-type: none"> Develop programs and initiatives to encourage citizen participation Improved feedback mechanisms 	<ul style="list-style-type: none"> Community-based planning meetings

Table 1: Strategic Priorities linked with JPC initiatives

In addition to the above contribution to the Mayoral Priorities, the strategic focal initiatives that will ensure an improved and impactful service delivery while providing mitigation against the challenges faced by JPC:

Strategic Focal Initiatives

- Enhance Revenue Generation and address current outdoor advertising revenue leakage
- Asset Audit as part of rapid land release and effective use of vacant land.
- Ensure Stable and Functional Organisation
- Optimise City's Property Portfolio

- Maximise Office Space and implement renewable energy initiatives
- Address Current Cleaning Repairs and Maintenance Constraints
- Transform and Reclaim Outdoor Advertising Space
- Leases renewals programme
- Engage Talent
- Operate Efficiently
- Build and Grow Reputation

Diagram 2: JPC Strategic Focal initiatives

Given the above context, the focal point for the Joburg Property Company SOC LTD (JPC) 2023/24 Business Plan (BP) contributes to economic growth through investment attraction, retention and expansion by utilising the City's property portfolio.

Given the current operating context and socio-economic dynamics that the City is facing, the work of the JPC must strive to improve levels of inequality i.e. spatial economic distribution, population density, and the increasing unemployment rate.

To sustain growth, JPC needs to manage more than simply its finances and properties. JPC must make strategic decisions that develop and preserve all our capital – financial, human, social and relationship, intellectual and natural. As a result, JPC has to adopt a forced-focused approach in the 2023/24 financial year and drive these initiatives:

- **Financial Viability and Sustainability:**
 - Cost containment, improving revenue generation and addressing income leakages.
 - Improve and Strengthen JPC's Financial position: This goal aims to enhance the way the Company is doing business, with a focus on sound financial management, and financial sustainability, thus JPC continues to be in a position that will ensure continuous delivery of

- services while improving and strengthening the entity's financial position through prudent financial management practices;
- Transforming JPC's Operating Model: The fundamental principles that JPC views as underpinning the achievement of this priority includes a focus on:
 - ❖ Optimising the use of JPC 's resources;
 - ❖ Improved productivity (including doing more with less and managing human resources efficiently); and
 - ❖ The revision and implementation of the JPC finance turnaround strategy.
 - Transformation of Public Property Sector and Outdoor Advertising Portfolio
 - Innovation and Green Economy:
 - **Innovation and Pro-Growth Ecosystem:** Improving strengthened partnerships with Civil Society, Private Sector, and Universities to enable broad-based innovation. Strengthening partnerships with the private sector;
 - Optimise COJ 's property portfolio
 - Partner with developers in attractive new investment opportunities
 - Diversify COJ property portfolio through acquisition of strategic land.
 - Optimise asset allocation between commercial and social purposes
 - Encouragement of Economic Growth and Investment: Investment retention and attraction for high growth sectors. The aim is the facilitation of joint strategies, which include building trust with businesses and addressing impediments to investment;
 - Advancing technological solutions, digitisation and automation of processes
 - **Operational efficiency and Excellence:**
 - Improving capital expenditure performance is non-negotiable;
 - Improving efficiencies in business processes and getting the basics right is a must; and
 - Gaining efficiencies and service delivery through IT standardization.
 - Engage and Build Talent:
 - Invest in staff and leadership development to sustain optimal performance and a service-focused culture.
 - Promote a values-driven culture.

- **Emphasising Quality Of Governance:** Embracing more efficient practices to enhance the entity's ability to respond to the majority of its citizens and to practice open and participatory governance;
- **Spatial Transformation:** JPC must deliver area-based 'Property development projects and or Urban Upgrade/Renewal' programmes in an integrated manner that has a high/visible impact. The intention is to arrest the decline of urban areas, improve public environments, and enhance infrastructure whilst promoting equitable access to economic opportunities. This drive will be pursued through, not limited to the **Inner-City Rejuvenation Programme** and **Mega projects** such as Southern Farms Development, Orlando Ekhaya and Soweto Gateway;

JPC **must ensure sustained growth**, hence, the drive to **invest in long-term high impact projects while appropriate measures allow the entity to ensure that everyday operations** create meaningful and long-lasting solutions i.e. improved economic growth, job opportunities etc.

JPC needs to **start seeing outcomes and end states arising from a customer-centric perspective**, arising from strategic plans that will reverse and not merely **reduce the rate of decline of infrastructural and social backlogs**.



Chapter 2: JPC Overview – the entity

Chapter 2: JPC – the Entity

2.1. Our Vision, Mission and Values

Vision

To provide property and facilities management, property development, property asset management services and acquisitions to maximise the social, economic and financial benefit to the CoJ and support the CoJ's delivery objectives.

Mission

JPC is an agent of the City of Johannesburg, responsible for maximising the social, economic and financial value of the CoJ's total property portfolio and enhancing the efficiency of its use. JPC provides Property Asset Management, Property Management, Facilities Management, Property Development and Outdoor Advertising, as well as interacts with the public in respect of the property portfolio. JPC will support the achievement of the CoJ's strategic priorities, including economic and social development and the service delivery objectives of the CoJ.

Values

The values adopted by JPC are:

- Professionalism
- Accountability
- Responsibility
- Customer Service, and
- Trust

The City of Joburg Property Company SOC Ltd (JPC) was established as a private company in 2000 and is wholly owned by the City of Johannesburg (CoJ).

2.2. Core Mandate / Purpose / Objectives

The company was established to support the Council's economic and social objectives as well as strategic priorities aimed at achieving the COJ vision. JPC's primary goal in supporting the vision and mission of the City is to recognise and emphasise its role as an economic and social property company to achieve its strategic outputs and outcomes.

JPC's strategy is to deliver on the mandate as indicated in the Service Delivery Agreement (SDA) and has the following long-term strategic objectives:

- Supporting economic development;
- Supporting community development and social initiatives;

- Utilising the property portfolio to address social imperatives and priorities;
- Building Co-operative and intergovernmental partnerships;
- Utilising the portfolio as a vehicle for transformation;
- Ensuring efficient, economic and effective service delivery to clients, customers and stakeholders; and
- A financially and administratively sustainable and resilient city

JPC is mandated to manage and develop COJ's property portfolio to maximise both social and commercial opportunities for the Council. JPC derives its mandate from a signed SDA with its sole Shareholder, the CoJ and it provides the following core functions:

Diagram 3 JPC Core Functions



Property Asset Management

Land should be viewed as a key resource that is fundamental in influencing and shaping desired spatial, social, and economic objectives. JPC is the only Municipal Entity that manages the City's diverse property portfolio and provides a full spectrum of property services to the City and its stakeholders across the lifecycle of its property ownership. This includes providing a service that integrates acquiring, developing, managing, disposing, and leasing.

The function strives to optimally manage the City's property portfolio to achieve its maximum potential by unlocking the value of the portfolio through a process of an appropriate return on investment, cost structure, investment plan, disposal, and acquisition strategy, and maintenance plan that aligns with transformation and job creation targets. The heart of JPC's asset management philosophy is about maximizing value, reducing costs, diversifying the property portfolio, and increasing returns from the portfolio.

Property Management

This entails maximising the efficiency of the COJ's portfolio of properties by leasing the properties, sales, acquiring properties, collecting income, managing tenant relationships, and contract management.

Property Development

Driven by demand, opportunity, and the need to remain relevant, this function focuses on developmental projects that are innovative, operationally efficient, and cost-effective through the creation of high-yielding property assets with a sustainable income stream. A large proportion of the City's assets are vacant land with an inherently low asset value and associated low returns. By facilitating the development of well-located properties with high potential, a base of long-term recurring income will be created

Outdoor Advertising

This function includes managing and concluding outdoor advertising and cell mast leases and generating income for COJ from the various forms of advertising, comprising billboards, premises signs, different forms of street furniture and street poles and cellular mast sites and antennae erected on COJ land and/or assets.

The entity has 1574 employees, based at the head office and various depots, who execute the strategy of the organisation.

Unique Competitive landscape

JPC is unique, as no other municipality comprehensively manages its property portfolio through a municipal entity. JPC manages a diverse portfolio consisting of various classes of assets, i.e. residential, office, commercial, social (sports facilities and stadiums), and service delivery (clinics, fire stations, community centres) assets.

While there are companies offering property and facilities management and others dealing with property development, the social and service delivery assets are unique to municipalities. JPC is not only focused on the financial returns but also has to fulfil the social, economic and empowerment mandates of the municipality. JPC provides for two categories of leases i.e. Commercial and social.

Regions	Suburbs	No. of Properties
Region A	Diepsloot, Kya Sands, Dainfern, Midrand, Lanseria, Fourways	1 682
Region B	Randburg, Rosebank, Emmarentia, Greenside, Melville, Mayfair, Northcliff, Rosebank, Parktown, Parktown North	3 912
Region C	Roodepoort, Constantia Kloof, Northgate, Florida, Bram Fischerville	2 350
Region D	Doornkop, Soweto, Dobsonville, Protea Glen	6 057
Region E	Alexandra, Wynberg, Sandton, Orange Grove, Houghton	4 446
Region F	Inner City, Johannesburg South	4 882
Region G	Orange Farm, Wellers Farm, Ennerdale, Lenasia, Eldorado Park, Protea South	4 288
Outside COJ Boundaries		307
Total		27 924



Figure 1 City Regions and number of properties

2.3 Legislation and Policy Environment

In relation to land and property management, there are numerous pieces of legislation that affect how JPC operates. These legislations apply in the context of overall systems of governance, decision making, roles and responsibilities of the various tiers of government and the ability to use land and to establish rights on the land. JPC ensures compliance to all relevant and related legislations applicable.

JPC operates in an environment governed by the Municipal Finance Management Act, The Municipal Systems Act, and The Municipal Structures Act, which influence and define the overall ability of JPC to transact on municipal-owned property. JPC as an agent of the COJ needs to achieve the developmental municipal service delivery agenda within the confines of various legislative and policy prescriptions including the Supply Chain Management Policy for Land.

ACTS WHICH JPC NEED TO COMPLY TOO
Advertising on Roads and Ribbon Development Act
Basic Conditions of Employment Act
Broad-Based Black Economic Empowerment Act
Companies Act
Compensation for Occupational Injuries and Diseases Act
Competition Act
Construction Industry Development Board Act
Consumer Protection Act
Employment Equity Act
Labour Relations Act
Local Government Municipal Finance Management Act (MFMA)
Municipal Systems Act
MFMA – Asset Transfer Regulations
MFMA – Municipal Regulations on Debt Disclosure
MFMA – Municipal Regulations on Minimum Competency Levels
MFMA – Municipal Supply Chain Regulations
National Archives and Record Service of South Africa Act
National Credit Act
National Environmental Management Act
National Land Transport Act
Occupational Health and Safety Act (OHASA)
OHASA – Environmental Regulations for Workplaces
OHASA – General Administrative Regulations
OHASA – General Safety Regulations
Preferential Procurement Policy Framework Act
Prescriptions Act
Prevention and Combating of Corrupt Activities Act
Promotion of Access to Information Act
Promotion of Administrative Justice Act
Protection of Personal Information Act
Skills Development Act
Unemployment Insurance Act
Value-Added Tax Act
Water Services Act

Table 2 Applicable Legislations

2.4. Key Performance Functions

JPC endeavours to maximise the return on City-owned land. In this regard, the objectives for public land development are understood as a trifecta of returns as follows:

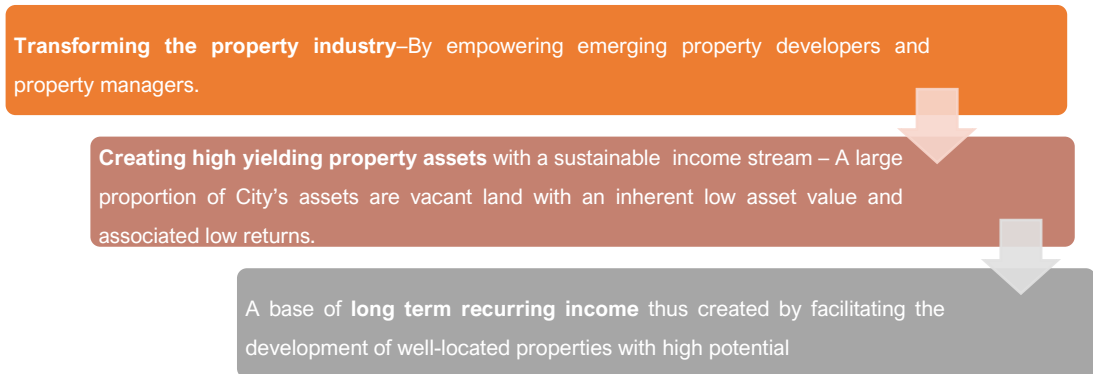


Diagram 4: Objectives for Public Land Development

JPC is dedicated to finding solutions to the developmental challenges i.e. spatial imbalances facing the City of Johannesburg by utilising the Council-owned assets to leverage private sector investment that embrace density, diversity and offers prospects for development of mixed-use precincts.

In enhancing service delivery, JPC partners with the City's departments to acquire land or property for service delivery purposes such as housing, health and community development such as temporary accommodation. Furthermore, the Inner City Rejuvenation programme focusses on creating an inclusive society through the roll-out of the **Block-by-Block** approach for the Inner City to deal with the urban decay i.e. unsafe, abandoned hijacked bad buildings in a precinct manner. The ultimate outcome is to rejuvenate the Inner City precinct by and provide Mixed-use developments that cater for affordable accommodation with amenities required by low-income residents.

JPC seeks to contribute to economic growth through investment attraction, retention and expansion with a focus on deprivation areas identified as identified Transformation zones. The Transformation Zones includes areas where investment is prioritised for future urban intensification and growth as such zones have the capacity to trigger positive effects on a City metropolitan scale.

JPC aims to address Outdoor Advertising (OA) clutter, and illegality however the focal point is to collaborate with COJ on the finalisation of review and approval by-laws so that revenue leakages can be addressed leading to the changed state in which COJ and the entity actually sweats the Outdoor Advertising (OA) portfolio. This focal point seeks to guide the placement of OA signs on the COJ landscape, implement a Street Furniture Programme and also the introduction of Outdoor Advertising Precincts as part of generating revenue for the City. This will ensure that JPC continuously creates sustained revenue sources for the City both in the medium-long term. These initiatives are influenced and dependent on the review and approval of the by-laws for Outdoor Advertising.

Infrastructure development will not only stimulate economic development but will also further facilitate the accessibility of basic services to the citizens of the City. The initiatives and programmes are guided by the “sustainable service delivery” principles, which state that the City will accelerate visible service delivery through the following functions, which JPC will drive under facilities Management:

- **Repairs and maintenance** (planned and unplanned maintenance – maintenance mix ratio 40/60);
- Optimise **energy efficiency** in COJ buildings through a retrofitting programme
- Improved cleanliness levels within the City facilities.

JPC will be focusing on the initiatives mentioned below to improve the financial position of the entity:

- Improve collection rate of debt from debtors. JPC earns 10% on all debtor collections on properties leased by JPC on behalf of the COJ. It is in JPC’s interest that money is collected as the commission is payable on receipt and not when the debtor is raised. The more money the JPC collect, the better the commission earnings. Initiatives like debit orders and blacklisting of non-payers will need to be enforced.
- The COJ has around twenty-seven thousand properties at its disposal and the implementation of the **Land Strategy** will determine how and when certain types of transactions are entered into:
 - Renewal of leases
 - Disposals of residual properties
 - Acquisition of properties for service delivery i.e. Infrastructure, housing etc.
 - Income generated is based on current market value and takes into account developments within the region or area.

The land strategy has highlighted a need for the strategic approach of disposal of non-strategic assets. The income realised from the sales will be used to acquire strategic assets to support the City’s objectives. The release of those properties will increase commission for JPC as well as rates and taxes for the COJ.

In upholding the service standards requirements, JPC has to ensure that the day to day operational matters such as repairs and maintenance, dealing with Clients queries and interest are conducted within set timelines. As part of adopting a customer centric approach JPC has to have continual customer and stakeholder engagements through various platforms.

2.5. Past Performance overview

The table below reflects the highlights of past service delivery performance and targets for the 2020/2021 and 2021/2022 financial periods. The performance against targets was achieved for some indicators and the Company will focus on those areas where targets were not achieved to improve performance. On the positive side, the trend evidenced by the indicators reflects a sustained performance year-on-year, which impacts service delivery positively.

SERVICE DELIVERY PAST PERFORMANCE OVERVIEW

COJ STRATEGIC PRIORITIES/ PROGRAMMES	KEY PERFORMANCE INDICATOR (KPI)	2020/21 TARGET	2020/21 ACTUAL	2021/22 TARGET	2021/22 ACTUAL
Economic Development	Rand value of investment attracted / business facilitated	R2.5 billion	R1 8 63 500 000.00	R2.5 Billion	R0
Economic Development	Rand value of investment spend on projects within COJ boundary	R600 million	R302 682 033.20	R200 Million	R357 579 666.33
Job opportunity & creation	Number of job opportunities created	1000	735	1500	1039
Development & Support of SMMEs	Number of SMMEs supported	1000	553	500	265
Good Governance	Percentage of valid invoices paid within 30 days of invoice receipt date	100% payment of valid invoices	100% of valid payment of valid invoices	100% of valid payment of valid invoices	100% of valid payment of valid invoices
Financial Sustainability	Number of asset management plans formulated	200	250	280	280
Financial Sustainability	Number of properties acquired	20	31	20	14
Financial Sustainability & Economic Development	Number of shops and stalls leases concluded	1930	36	500	59
Service Delivery	Number of public conveniences refurbished / developed	250	0	80	Deviated Deferred as a result of deviation
Financial Sustainability	Number of properties released via lease & sale	120 properties released	28	120	27
Financial Sustainability	Number of inner-city properties approved in council for release to the private sector	20	0	27	Deferred as a result of deviation
Good Governance	Number of employees trained and competencies	540 employees trained	94 employees trained	560	348
Good Governance	Percentage of strategic funded vacancies filled within 90 days	90% of all funded strategic vacancies filed within 90 days	Not Achieved	Not Applicable	Not Applicable

COJ STRATEGIC PRIORITIES/ PROGRAMMES	KEY PERFORMANCE INDICATOR (KPI)	2020/21 TARGET	2020/21 ACTUAL	2021/22 TARGET	2021/22 ACTUAL
Good Governance	Percentage of cases concluded within 90 working days	100% disciplinary cases concluded successfully within 90 working days	Not Achieved	Not Applicable	Not Applicable
Good Governance	Number of fatalities	Zero fatalities	Zero Fatalities	1 % Disabling Injury Frequency Rate	0 Fatalities
Financial Sustainability	Rad value of income raised from leases, servitudes and sales	R150 million income raised	R94 935 460.69	R130 000 000.00	R104 111 993.68
Financial Sustainability	Percentage implementation of the outdoor advertising masterplan	35%	0%	100% spend on allocated CAPEX	42% spend on allocated CAPEX
Financial Sustainability	Percentage spend of allocated capex	100% spend of allocated capex	4% Capex Spend	Unqualified Audit	Unqualified Audit
Good Governance	Audit report outcome	Unqualified audit with findings	Unqualified audit with findings	100% resolution of Auditor—General findings	100% resolution of Auditor—General findings
Good Governance	Percentage resolution of AG & IA findings within four months of the issued report	100% resolution	59% resolution	100% Percentage resolution of Internal Audit findings	27%Percentage resolution of Internal Audit findings

Table 1: Past Performance



a world class African city



Chapter 3: Strategic Analysis

Strategic Analysis

3.1. Operating Context

JPC operates within an environment, which is impacted by dynamics taking place at national, provincial and local spheres of government. The dynamics in South African cities are fast, complex and challenging. Disruptions such as economic downturns compound challenges faced by cities. Furthermore, the day-to-day experience in dealing with these realities in other spheres of government, and adjacent municipalities, is deepening day by day.

This will mean periodic statements of new strategic approaches that the City will have to take into account is now the norm. As a result, JPC must take into account the developmental context within which it operates and focus its initiatives to address or improve these developmental socio-economic issues:

Developmental context – Socio-Economic:

Inequality: Baseline Gini Coefficient: 0.6211

Johannesburg continues to struggle with critically high levels of inequality. The Gini coefficient, 12 is a measure of income inequality. While the change is very small, inequality was on the decline, but was exacerbated in 2019 and 2020. The current baseline is the lowest level reported, implying that income is distributed more equally now. Inequality is reportedly highest in Region A (0.63).

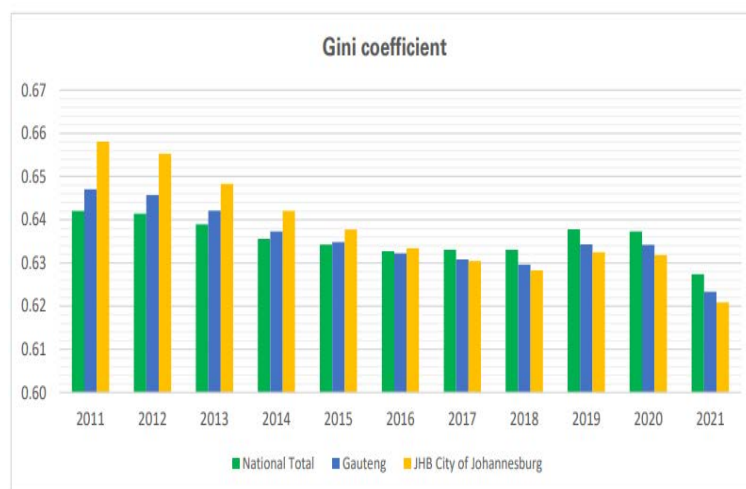
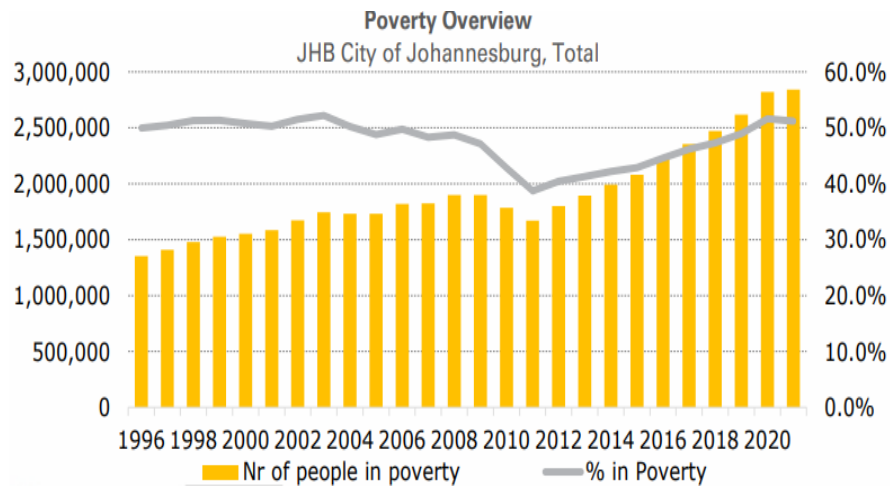
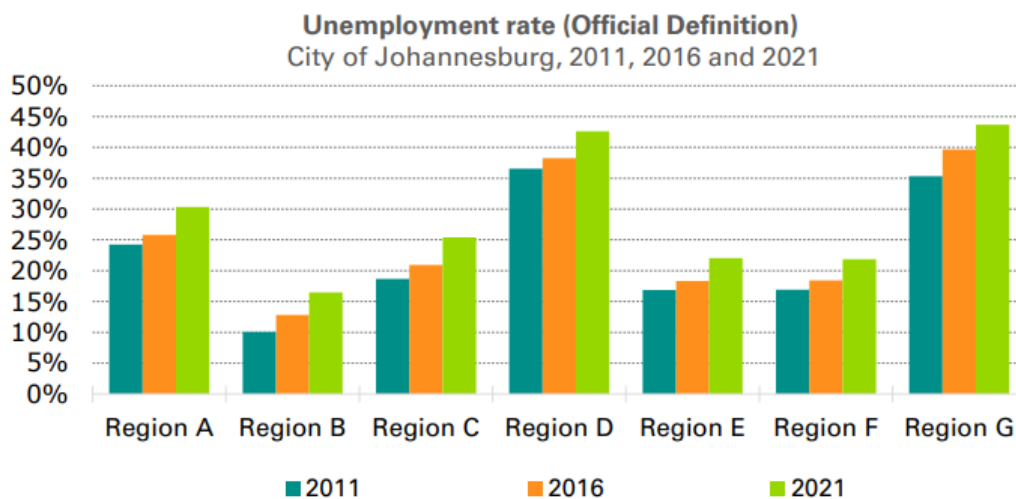


Figure 6: Gini coefficient City of Johannesburg, Gauteng and National Total, 2011-2021 (IHS Markit)

Poverty Rate: 13 51.2% 14 More than half of the population live in poverty, as per the official upper poverty rate as measured by Stats SA. This has been worsening over time and is highest in in Region G.



Unemployment Rate: 34.60%¹⁶: Youth Unemployment Rate: 47.05%¹⁷ Labour force participation in Johannesburg is higher than the national average, but unemployment remains a challenge and has been increasing over the past decade. Region D and Region G have the highest levels of unemployment.¹⁸



Source: IHS Markit Regional eXplorer version 2257

Figure 2 Developmental context - Socio-Economic

3.2. South African Property Sector Analysis

South Africa's economy has been in a cyclical downturn for a while and this economic slowdown continues to impact the property sector. Long-term property market cycles tend to lag behind major economic cycles due to the time scale of project development. The downward economic cycles present several associated factors that indirectly affect property sector activity: ranging from investor confidence that encourages investment to consumer behaviour, which impacts the demand for commercial space.

Given that the South African Property Sector is in a protracted recession phase and is likely to continue and experience downsizing, consolidations and postponement /halting of developments, which is largely driven by the prevailing economic conditions. The implications for COJ at multiple levels and time scales:

- **Long-term trends:** Continued reticence from investors uncertain about the future demand trends and continued negative trends on rates base due to vacancy levels.
- **Medium-term trends:** Impact of technology on consumer markets and work dynamics, shifting towards property as a service i.e. looking at ways of adding value through customised leases and adaptive reuse, given the massive changes brought by the digitization of retail and overabundance of under-utilised commercial/office space.
- **Short/Immediate Trends:**
 - **Commercial-** The innovations in technology for workplace productivity have catalysed the “Work from Home (WFH) trend with the market viewing it as overwhelmingly part of the commercial/office development future. The Urban Land Institute has suggested companies are likely to move from large, consolidated office blocks to a more “hub and spoke” model with satellite space more proximate to residential areas.
 - **Residential-** Delivery within the residential market is catering for the new WFH era with more focus on integrated home office elements and upgraded accessory dwelling units.
 - **Industrial-** -commerce have catalysed a huge shift in wholesale retail and logistics.
 - **Catalysing the growth of PropTech-** the pandemic induced significant changes to the market appetite for more technology-driven systems and solutions i.e. innovations for indoor safety and facilities management, online customer relationship management (CRM) support to remote work productivity etc.

- **Experiential Retail/Live Event Venues-** Social distancing and general antipathy to large gatherings have put a damper on experiential retail opportunities- where community and participation is critical. As the pandemic abates, it is expected that there will be a strong resurgence in social activity.
- **Tourism focused event space/retail-** Areas/spaces heavily reliant on tourist footfall continue to be greatly impacted by the pandemic. While there is an expectation of recovery in the near future it is likely that many businesses will not survive the drought of 2020-2022.

JPC must consider as does any other property market around the globe, the trends and issues to understand to remain relevant and implement interventions that address the trends. The areas of opportunity that should be championed are as follows and are not limited to the listed ones:

- Local Economic Development in relation to the enabling property transactions that can have a positive impact on the COJ focus-an opportunity that should be prioritised to counteract the likely downturn in rates given vacancies and economic downturn;
- Advancing digitisation and automation in the administrative process relating to property transactions;
- Re-confirming commitment to densification(in designated areas) can help combat the urbanisation trend and assist in enhancing the utilisation of existing infrastructure in the face of structural redundancy- this approach also presents opportunities to support re-purposing of property and adaptive re-use;
- Enable more temporary use opportunities;
- Support administrative processes and regulations that expedite adaptive reuse and re-purposing of buildings;
- Participation in the green economy – amongst other climate change interventions.

3.3. PESTLE Analysis

The political, Economic, Social, Technical, Legislative and Environmental (PESTEL) model involves the collection and portrayal of information about external factors, which have, or may have, an impact on the City of Johannesburg Property Company. These factors are detailed in the below table.

Category	Factors
Political	<ul style="list-style-type: none"> • Change in Political leadership, resulting in political instability. • Service Delivery Protests • Economic, Spatial and Gender inequalities
Economic	<ul style="list-style-type: none"> • Inadequate funding • Low economic growth • Growing unemployment rate • Electricity Crisis i.e. Load shedding and its impact operations, business and COJ's citizens. • A lack of investment and property development in under-resourced/ deprivation areas thus perpetuating service and spatial inequalities, • Insufficient Income generation due to the impact of the pandemic and medium/long term trends related to vacancies on JPC and COJ's fiscal base.
Social	<ul style="list-style-type: none"> • Urbanisation & Land Release • Transformation of the Property Industry • Poverty rate: 51.7%: Worsening, more people and a greater percentage living in poverty. • Spatial Imbalances/inequalities • A balance between Social needs and Commercial needs • Increased socio-economic vulnerability • Gender inequalities • Gender-based Violence • Inequality: Was declining slightly but rising again exacerbated by pandemic
Technological	<ul style="list-style-type: none"> • A rapid change in technology • 4IR Disruption: Digitalization, international competition & e-commerce • Inadequate Research and technology
Legislative	<ul style="list-style-type: none"> • Compliance with legislative prescripts relevant to JPC
Environmental	<ul style="list-style-type: none"> • Climate Change and Alternative Energy Solutions • Environmental regulations and protection - National Environmental Management Act, 1998.

Table 2 Pestle Analysis

3.4. SWOT analysis

The Strength, Weakness, Opportunity and Threat (SWOT) analysis as outlined in the table below highlights the operating environment opportunities and threats, together with JPC's strengths and weaknesses. JPC's strategic goals, as defined, strive to enhance the strength and opportunities and in the same breath apply mitigating strategies to address the weaknesses and threats identified.

INTERNAL FACTORS	Strengths	Weakness
	<ul style="list-style-type: none"> Industry Knowledge Solid understanding of applicable legislation A shareholder that supports the financial and operational mandate of the company (being part of the JPC mandate). Alignment and access to CoJ which is a regulator and policymaker. 	<ul style="list-style-type: none"> Business continuity Inadequate Financial resources i.e. reduction of subsidy, Solvency issues Labour Unrest and leadership instability Reactive repairs and maintenance programme Lack of IT innovative solutions Inability to generate sufficient revenue to cover all company expenses. Limited time to augment resources to bolster essential services to extend service delivery reach and impact Lack of automation and digitization within the City and JPC's administrative has a direct impact on the property market and its functionality.
EXTERNAL FACTORS	Opportunities	Threats
	<ul style="list-style-type: none"> Maximization of revenue through the outdoor advertising portfolio and Informal Trading. CoJ office space optimization. Increasing emerging black companies within the property space. To create a JPC which is an employer of choice. Creation of more job opportunities for the unskilled labour market. Participation in Alternative Energy climate changes solutions Smart City Initiatives Partnerships and Collaborations Initiating or participating in Mega Projects. Fixing of ICT Infrastructure to address future operations of the JPC using virtual offices and working from home Re-purposing, retrofitting and adaptive re-use of the property. 	<ul style="list-style-type: none"> Slow implementation of land strategy outcomes. Debtors not paying within agreed timelines, affecting our cash flow and projects we can execute. Vandalism to the property portfolio. Land invasions & illegal occupation of land parcels. Depressed Economic Outlook Implications of massive vacancies in urban form-The Johannesburg office market is experiencing levels of vacancy not seen since 2003 and these levels represent "structural redundancy". Without operating revenue, these spaces quickly deteriorate and impact the surrounding urban environment and the rates base of the municipality.

Table 3: SWOT Analysis



Chapter 4: Mayoral Priorities & JPC Strategic Goals

4.1. Integration and Linkage to Political Priorities

JPC s' strategic alignment and contribution take into account the **developmental diagnosis, which COJ operates under, including the economy and employment dynamics:**

- City 's population will continue to increase, and the implications thereof on the spatial landscape coupled with resource scarcity and the need for innovation in order to achieve social cohesion and inclusion
- There is a global economic recession
- Increasing poverty and deprivation
- COJ remains one of the largest economies in Africa despite several developmental challenges experienced
- Unemployment remains high and continues to rise particularly among the youth i.e. youth unemployment rate 53.%
- Financial sustainability : focus on improving revenue collection, implementation of prudent financial management
- The focus on the creation and building of partnerships across all sectors_ IGR, private sector and communities
- COJ has embraces the Fourth Industrial Revolution (4IR) and its enablers such as technology and innovation to drive the economy and efficient citizen government interface: Smart Citizens, the digital economy and execution of Smart governance

The critical levers to impact future trajectory are the economy and governance although COJ has limited influence over macro-economics, the directive is that governance must be the key critical lever to forging new economic pathways.

JPC actively contributes to eight of eleven strategic priorities as part of being categorised as falling under the Economic Growth Cluster. Stemming from the 2023/24 planning review process, JPC contributes to the achievement of the strategic intervention and programmes linked to the strategic priorities which serve as a roadmap for medium to short term towards the attainment of the long term goals in the Joburg 2040 GDS .

The strategic alignment is outlined as follows:

STRATEGIC PRIORITIES	GDS OUTCOMES	GDS OUTPUTS	STRATEGIC PROGRAMME	JPC RESPONSE
Safer City	<ul style="list-style-type: none"> Improved Quality of Life And Development-Driven Resilience For All 	<ul style="list-style-type: none"> A city characterised by social inclusivity and enhanced social cohesion 	<ul style="list-style-type: none"> Rapid Land release Regular inspections to crack down on illegal building and land use 	<ul style="list-style-type: none"> Identification of buildings, which contribute to urban decay and implement measures to address urban decay throughout the City Partner with City to prevent land invasions
Sustained Economic Growth	<ul style="list-style-type: none"> An Inclusive, Job-Intensive, Resilient, Competitive, and Smart Economy that harnesses the potential of citizens 	<ul style="list-style-type: none"> Job-intensive economic growth Promotion and support to informal and micro businesses Increased competitiveness of the economy A spatially just and integrated City 	<ul style="list-style-type: none"> Investment Attraction, expanding and retaining Address spatial inequality within the city Prioritize investments in high-impact projects 	<ul style="list-style-type: none"> Mixed-use developments that cater to affordable accommodation with amenities required by low-income residents Refurbishment of COJ facilities and buildings
Job opportunity & creation			<ul style="list-style-type: none"> Develop a plan to create new jobs, particularly in sectors such as green energy, technology, and infrastructure, Ensure that all job creation efforts are equitable and inclusive. 	<ul style="list-style-type: none"> Creation of Job Opportunities SMME Support
Green economy			<ul style="list-style-type: none"> Researching and Investing in Climate Changes Interventions Smart and green technology – efficiency and innovation considerations, also but to advance the climate action agenda 	<ul style="list-style-type: none"> Repurpose & Retrofits for existing buildings and improving standards and regulations for new buildings Optimised Energy Efficiency in Buildings

JOHANNESBURG PROPERTY COMPANY (SOC) LTD

FINAL BUSINESS PLAN 2023/24

STRATEGIC PRIORITIES	GDS OUTCOMES	GDS OUTPUTS	STRATEGIC PROGRAMME	JPC RESPONSE
			<ul style="list-style-type: none"> Increased investment in renewable energy sources and energy efficiency initiatives. 	
Financial sustainability			<ul style="list-style-type: none"> Prudent financial management practices, Streamline expenditure, Prioritize investments in high-impact projects 	<ul style="list-style-type: none"> Prioritize investments in high-impact projects Implementation of Outdoor Advertising masterplan to enhance revenue generation Lease Renewal Programme Improve Revenue collection
Smart City	<ul style="list-style-type: none"> A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region 	<ul style="list-style-type: none"> Partnerships, intergovernmental & international relations A responsive, accountable, efficient and productive metropolitan government Financially sustainable and resilient city Meaningful citizen participation and empowerment Guaranteed customer and citizen care and service 	<ul style="list-style-type: none"> Future Skills (4IR and beyond) Partnerships, intergovernmental & international relations Collaborations with innovators to ensure the refinement of its ICT applications and infrastructure Research and encourage participation in the green economy – climate change interventions 	<ul style="list-style-type: none"> Feasibility studies into smart and green technology Private Public Partnerships Optimised Energy Efficiency in Buildings Skill and upskill own human capital Repurpose & retrofit for existing buildings and improving standards and regulations for new buildings.
Good Governance			<ul style="list-style-type: none"> Implement measures to improve transparency, accountability, and citizen participation 	<ul style="list-style-type: none"> Resolution of Audit findings
Active and Engaged Citizenry			<ul style="list-style-type: none"> Develop programs and initiatives to encourage citizen participation Improved feedback mechanisms 	<ul style="list-style-type: none"> Community-based planning meetings

In addition to the above Strategic Priorities, JPC has adopted strategic outlook that outlines immediate, medium-long term focus areas that will ensure improved and impactful service delivery as follows:

1 year	3yrs	5yrs
Asset Audit	Restructure for Operational Efficiency & Turn to Liquidity & Solvency	Competitive Real Estate Player
Fill Critical Vacancies and ensure stability on leadership level	Deliver a Transparent Procurement System to Improve Accountability	Eco Friendly & Green Spaces Conversion
Address Revenue Leakage on Outdoor Advertising	Reclaim Hijacked Properties & Accelerate Conversion to Social & Retail Spaces	Maximize Spaces for Renewable Energy Generation
Leases Renewal Programme	Re-evaluate property values and amend lease values and tenure	Implement Sustainable Monetization Strategy
Address Current Maintenance Constraints	Provide Transparent Asset Base to Public	Commercialize Asset Base

4.2. Strategic Goal 1: Unlocking Investment/ Business through property transactions and development

This goal seeks to promote economic growth by unlocking investment opportunities for new and existing businesses. This goal will be driven through the roll-out of property development projects which will lead to investment attraction, job opportunities being created with emphasis on developing and supporting also Small, Medium and Microenterprises (SMME). JPC has the sole mandate from the CoJ to manage the property portfolio that it owns on its behalf. To fulfil this sole mandate, JPC leverages property value through property development projects that cater for various interests of the City.

The property portfolio has been categorised to create a focus on revenue enhancement and effective portfolio management which would provide a true reflection of properties available for **service delivery, spatial transformation, lease, development and disposal**; based on the highest and best use, current market valuation, and service delivery targets aligned to the mayoral priorities and strategic interventions.

JPC has identified various property development programmes and projects that are key in the achievement of CoJ s' strategic objectives and focused mainly on:

- Mixed-use properties are occupied by various players in the economy.

- Properties are allocated for service delivery purposes only.
- Make the urban land market work for the poor.
- Empowering emerging developers and contractors, job creation, skills transfer and enterprise development.
- Efficient land utilization, advancing spatial transformation.
- Commitment to densification in targeted nodes and inclusionary housing models.
- Spatial & Economic Transformation.

It is envisaged that the following Property Development Projects at various stages of the development facilitation process i.e. **property packaging, preparation, contracting & development** will lead to an investment attraction on COJ land in the financial year 2023/24:

- Soweto Gateway Precinct
- Southern Farms
- OSO – Metro Centre Precinct

It is estimated that these projects will result in an investment attraction of **+R2 billion**. These property development projects will result in investment spending based on construction value on the ground within CoJ boundaries:

- Alan Manor
- Diepsloot Century Development
- OSO – Randburg Civic Precinct

4.3. Strategic Goal 2: Stimulate Sustained Economic Growth Development through Mega Projects such as Southern Farms Development, Orlando Ekhaya, Soweto Gateway and OSO-Metro Centre Precinct



In an effort to re-energise the CoJ's economy, the City has identified economic developmental nodes that need attention, namely the Inner City, Randburg, Roodepoort and the South. In support of the political-strategic direction, JPC has planned various projects that seek to support economic activities within the identified nodes. JPC has several flagship projects which are deemed as interventions to stimulate development in the South.

This is driven by the City's Spatial Development Framework (SDF) 2040 and Urbanisation Development Zone (UDZ) which endorses spatial transformation that will significantly change the City's apartheid landscape. The focus to stimulate development in the south will include unlocking Soweto as a True City District by diversifying Soweto to address its largely residential nature by developing mixed land uses (particularly economically productive ones) and social services, making use of its good street pattern and public transport network. It will further develop it into a series of self-sufficient mixed-use

nodes as drivers of economic growth and job creation, allowing Soweto to function as a liveable city district in its own right with access to jobs and the full array of urban amenities.

JPC's flagship projects that drive development in the south are mainly: Southern Farms and the Soweto Gateway. These development projects are at the **property packaging, preparation, and contracting** stages of the development facilitation process and will result in economic implications for the City over a three to five years period.

SOUTHERN FARMS MEGA PROJECT

Developments	Vacant Land	Revenue Generation	Job Creation
			
A vibrant mixed use development (Commercial, Retail, Mega Housing, Public Amenities)	2 000ha for conservation ("no go") and will be preserved. 50ha Commercial Land 178ha for light industrial, warehousing, distribution activity 65ha for Commercial land uses 35 000 housing opportunities	Estimated investment of R27billion (of which R16billion will be privately funded, R11billion government funded)	168 000 job opportunities during the construction phases 42 000 permanent job opportunities after construction i.e. (retail, offices, industrial etc.) Location: Spans 2 regions – Region G & F

SOWETO GATEWAY

Developments	Vacant Land	Revenue Generation	Job Creation
			
A vibrant mixed-use development (Commercial, Retail, Mega Housing, Public Amenities). Support facility for small businesses in Soweto . Aims to grow local enterprises in the area	Project size 30,5ha A hot spot for high-value infrastructure development . Situated along the N1 with great visibility .	An estimated investment of R3.2billion .	Retail & Commercial component. Medical Precinct with Student Accommodation In addition, Community facilities such as a daycare centre , open spaces, and multi-purpose sports centres .

METRO CENTRE PRECINT-REG F

CoJ's Metro Centre is approximately 50 years old, providing office accommodation to some staff belonging to the CoJ's Legislative, Executive and Administrative arm. JPC commissioned a detailed study undertaken by engineers and other professionals.

The assessment report confirmed the hazardous state of Metro Centre. Recently, an EMS report and a Confirmatory report from Department of Employment & Labour (DEL) confirmed that the Metro Centre is inhabitable.

The development intent is that of a Mix-use development with an extent of 120 000m². Currently, Council approval is being sought for a **Public Private Partnership (PPP) Model OR City funded** refurbishment of Metro Centre. Due to Metro Centre's hazardous and inhabitable state, CoJ's Metro Centre is to be urgently be vacated, with a refurbishment period of 5-10 years expected, depending on Funding Model chosen.



4.4. Strategic Goal 3: Promote high density & mixed land use in Inner City node through the Inner City property redevelopment projects approved in Council for release to the private sector

In response to the growing need for affordable housing within the City and its surrounding areas, the Inner City Rejuvenation Programme was implemented in 2018/2019. The programme vision was to release City owned properties, some of which are in a dilapidated state, to the private sector for the development of Affordable Mixed-Use Residential and Affordable Student Accommodation. To date Three (3) Phases have been rolled out which saw the successive release of city-owned properties for long term lease and development by the private sector.

The Programme seeks to achieve the City's Strategic Priorities, like that of creating an inclusive, job intensive City economy with sustainable service delivery. To date 35 developments consisting of 147

properties have been awarded. Moreover, much focus has been applied towards achieving tangible, measurable progress through this long term lease development Programme.

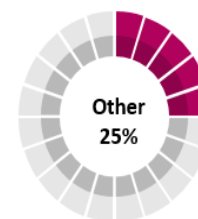
In particular, much focus has been applied towards achieving tangible and measureable progress, through the effective, persistent engagement and collaboration with all City stakeholders (I.e. City Departments [CoJ Land Use Management, CoJ Building Control]; MoEs; Councillors; Developers and communities alike).

In the interests of achieving optimal progress (which can be measured, effectively monitored and evaluated) an interim strategy has been devised and adopted by the Inner City Focused Intervention Projects Unit. The aforementioned strategy aims to ultimately accelerate the path towards construction commencement. The strategy entails the arrangement or classification of all awarded developments into 1 of the following 3 categories:

- **Quick-Wins:** These are awarded developments/projects which are now at an advanced stage (based on the Town Planning application and approval Process of the CoJ). This handful number of developments, have few bottlenecks remaining. Furthermore, construction commencement for these developments/projects is anticipated in the current and impending calendar year.
- **Work-in-progress:** These are awarded developments/projects with existing challenges which can be resolved through persistent collaboration of all the critical stakeholders (i.e. Developers, JPC, CoJ Land Use Management, City Power, et al).
- **Flagged projects:** These are developments/projects which have significant challenges (i.e. lack of Temporary Alternative Accommodation TAA). All flagged developments/projects are often have challenges which are further aggravated by existing interdependencies among stakeholders and or CoJ Departments/MoEs. These require a collaborative and concerted effort by all stakeholders so that, ultimately construction can commence.

Below are Six (6) developments/projects that have been identified as **“Quick-Wins”**. These 6 developments are now at an advanced stage and have the least amount of challenges/bottlenecks to be unlocked in the current and forth-coming calender year. As such these are projected to possibly commence with construction during 2023/2024:

Remainder of Portion 260 of Farm Doornfontein 92IR

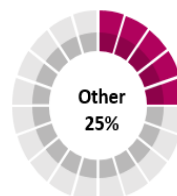
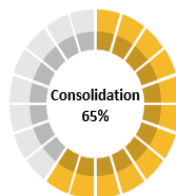


- 100% approval which allows developer to proceed onto the next submission
- 25% submissions which are outstanding but have received assistance in preparation stage from relevant stakeholders

Town Planning Approvals have been concluded up until PHRAG stage	<ul style="list-style-type: none"> Building Plans- to be submitted Engagement with Building Control are underway and help eliminate unnecessary delays once the Building Plans are formally submitted 	*Q3/Q4 2024
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****Dates are subject to all town planning approvals and finalisation of Bulk Services**

Erven 495 – 501 & 516 Vrededorp

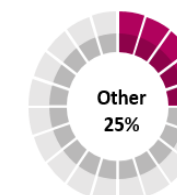
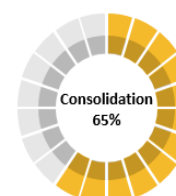


- 100% approval which allows developer to proceed onto the next submission
- 65% submission was made but is undergoing a registration process at Deeds office
- 25% submissions which are outstanding but have received assistance in preparation stage from relevant stakeholders

Current Status	Next submissions to be concluded("25%:other")	Construction
Town Planning Approvals have been concluded up until Rezoning stage. The consolidation application has been submitted and is in registration	<ul style="list-style-type: none"> Consolidation to be registered Building Plans- to be submitted Engagement with Land Use management are underway and help eliminate unnecessary delays once the SDP and Building Plans are formally submitted 	*Q3/Q4 2024

****Dates are subject to all town planning approvals and finalisation of Bulk Services**

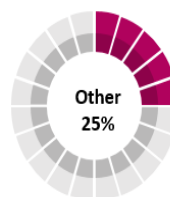
Erven 637 – 639 & 652 – 654 Vrededorp



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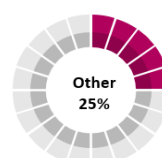
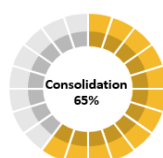
****Dates are subject to all town planning approvals and finalisation of Bulk Services**

Erf 1015 City and Suburban

- 100% approval which allows developer to proceed onto the next submission
- 25% submissions which are outstanding but have received assistance in preparation stage from relevant stakeholders

Current Status	Next submissions to be concluded("25%:other")	Construction
Town Planning Approvals have been concluded up until Rezoning stage	<ul style="list-style-type: none"> SDP and Building Plans- to be submitted Engagement with Land Use management are underway and help eliminate unnecessary delays once the SDP and Building Plans are formally submitted 	*Q3/Q4 2024

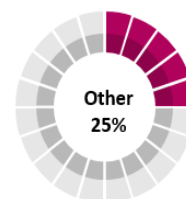
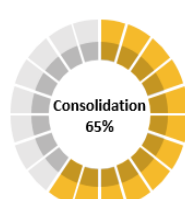
****Dates are subject to all town planning approvals and finalisation of Bulk Services**

Erven 3545, 3546, 3547, 3548, 3549, 3550 & 3551 Johannesburg

- 100% approval which allows developer to proceed onto the next submission
- 65% submission was made but is undergoing a registration process at Deeds office
- 25% submissions which are outstanding but have received assistance in preparation stage from relevant stakeholders

Current Status	Next submissions to be concluded("25%:other")	Construction
Town Planning Approvals have been concluded up until Rezoning stage	<ul style="list-style-type: none"> Consolidation to be registered Building Plans- to be submitted Engagement with Land Use management are underway and help eliminate unnecessary delays once the SDP and Building Plans are formally submitted 	*Q3/Q4 2024

****Dates are subject to all town planning approvals and finalisation of Bulk Services**

Erven 171 – 178 Marshalls Town

- 100% approval which allows developer to proceed onto the next submission
- 65% submission was made but is undergoing a registration process at Deeds office
- 25% submissions which are outstanding but have received assistance in preparation stage from relevant stakeholders

Current Status	Next submissions to be concluded ("25%:other")	Construction
Town Planning Approvals have been concluded up until Rezoning stage. The consolidation application has been submitted and is in registration	<ul style="list-style-type: none"> SDP & Building Plans- to be submitted Engagement with Land Use management are underway and help eliminate unnecessary delays once the SDP and Building Plans are formally submitted 	*Q3/Q4 2024

****Dates are subject to all town planning approvals and finalisation of Bulk Services**

Notable progress has been seen with the abovementioned six (6) projects, of crucial importance is also the remaining awarded developments which have been categorised as ***‘work-in-progress’*** and ***‘flagged projects’***, respectively. These are awarded developments with existing challenges (i.e. most notably the lack of Temporary Alternative Accommodation).

While some of these challenges can be resolved through the consistent collaboration of all critical stakeholders (i.e. Developers, JPC, CoJ Building Control, CoJ Human Settlements Department, CoJ Land Use Management, City Power, et al).

Important to note is the fact that, in order to successfully achieve some of the City’s strategic priorities such as, sustainable service delivery and job opportunity and creation, it is evident that a Transversal Approach is required, as the Inner City Rejuvenation programme cuts across different functions and management practices.

Phase 4 (Release of Privately Owned Bad Buildings in the Inner City)

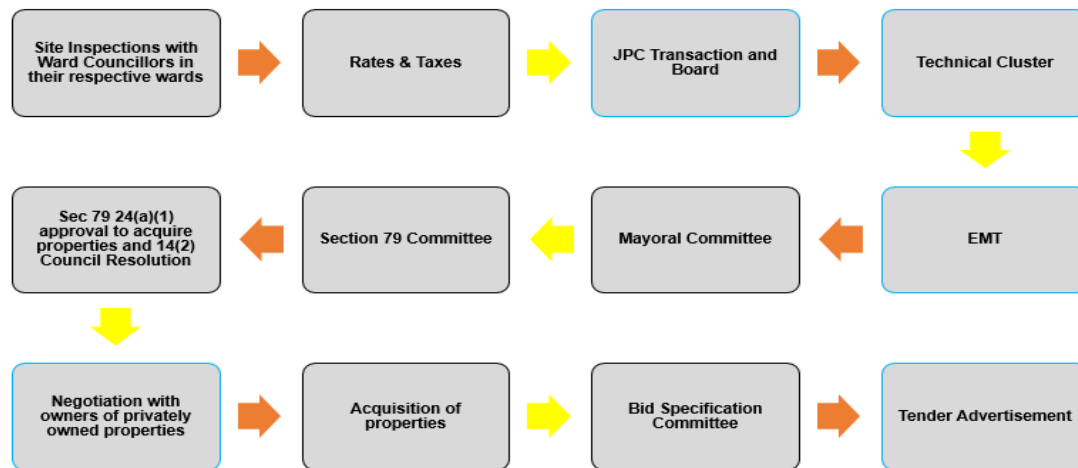
Phase 4 of the Inner Rejuvenation Programme places focus on the acquisition of privately owned bad buildings in the Inner City. The physical state that these buildings are in, accompanied by the criminal activities that take place has resulted in a decline of the property value of the surrounding buildings.

Following a Block-by-Block approach approximately 400 properties have been identified through site visits and collaborating with key stakeholders (CRUM, Law enforcement and The Ward Councillors Forum of Region F). The list of properties are reviewed on a monthly basis.

No properties have been approved by Council and released to the private sector for development. This is due to the unavailability of budget to acquire these properties for the 2022/2023 financial year.

Once budget is allocated, an Acquisition report will be tabled at various Committees for a Section 79(24)(a)(i) of the Local Government Ordinance and Section 14(2) approval, respectively.

Below is the schedule for report submission:



The Inner City Rejuvenation Programme was initiated and continues to be implemented in response to the growing need for affordable housing, and the reduction of dilapidated and hijacked buildings within the City and its surrounding areas. The Programme, by nature presents a cross-cutting and transversal solution. It is thus important for the CoJ's Departments, Entities and Teams to collaborate effectively and ideally, there should be shared frameworks and analysis across Departments and Entities so that ultimately the Programme is implemented successfully.

4.5. Strategic Goal 4: Utilise property transactions to create jobs opportunity and support SMME

The CoJ strives to increase economic growth and bring down unemployment with a special focus on youth. In line with the CoJ's commitment to support SMME's, JPC will continue to implement various programmes that are geared toward job creation, SMME development and empowerment. In its endeavour to reduce unemployment within the CoJ.

JPC will continue with the Learnership Programme in 2023/24. The Programme intends to capacitate the youth with various property development & management skills. The Programme is currently in its second phase and it is anticipated that, upon completion, trained learners will have the required skills and experience to be employed within the property sector.

In the 2023/24 financial year, JPC has planned to support a total of 500 SMMEs through rolling out of repairs and maintenance & property development projects. To further boost the development of SMMEs, JPC will also include measures that require user departments to implement the following initiatives:

- ❖ Development of Skills for the unemployed;
- ❖ Opportunities targeting the youth and women;
- ❖ Co-production; and
- ❖ Encourage larger businesses not only to sub-contract but also to form partnerships with SMMEs that will result in the transfer of skills and improve their capacity and expertise.

4.6. Strategic Goal 5: Improve and Strengthen JPC's Financial position

The purpose of this goal is to enhance the way the Company is doing business, with a focus on sound financial management, financial sustainability and clean governance. The focus is that JPC continues to be in a position that will ensure ongoing delivery of services while ensuring the funding of key initiatives that targets the realisation of the City's vision. The fundamental principles that JPC views as underpinning the achievement of this priority include a focus on:

- Optimising the use of JPC's resources.
- Improved productivity (including doing more with less and managing human resources efficiently).
- The revision and implementation of the JPC finance turnaround strategy.

Financial management

JPC has an approved delegation of authority matrix to ensure that the approval of transactions and activities is done at an appropriate level. These delegations also ensure that there is segregation of duties for incompatible functions.

Financial sustainability

Financial sustainability is critical to ensure that JPC delivers services to the residents of the CoJ. The City acts as a guarantor in terms of the Service Level Agreement. JPC aims to reduce revenue shortfall and increase proactive maintenance of Buildings. This increase in the proactive maintenance of Buildings will result in a 10% commission earned for JPC through works carried out on behalf of COJ departments.

As a measure of curbing commercial losses and enhancing revenue, JPC intends to:

- ❖ Develop a review process to ensure that the current leases are billed correctly.
- ❖ Investigate unbilled/uncollected revenue from leases.
- ❖ Improve the Collection rate of debt from debtors. JPC earns 10% on all debtor collections on properties leased by JPC on behalf of the CoJ.
- ❖ Implement measures to increase revenue generation from these streams regulated by SDA:
 - 25% on Rental Collections
 - 25% on Outdoor Advertising
 - 10% on Land Sales
 - 25% on Servitudes registered
 - 1.5% development facilitation fees
 - 25% Cell Masts (Outdoor Advertising)
 - 10% Management fees for works carried out on behalf of other CoJ. Departments
 - 10% on Land Acquisitions

Outdoor Advertising

JPC's mandate is to negotiate and conclude lease transactions for the installation of Outdoor Advertising signs on Council owned land and properties. The management of the outdoor advertising on Council owned land and properties is done under the provisions of the CoJ Supply Chain Management Policy for Land. The City's Outdoor advertising responsibilities is shared between JPC and the Department of Development planning whose mandate it is to regulate all outdoor advertising signs on council and privately owned land as well as properties using 2009 Outdoor Advertising By-laws.

There is a lot of illegal advertising on Council Owned-land in terms of the 2009 Outdoor Advertising By-laws.

The City has various advertising formats as per statics previously provided by Planning Department, and consists of:

- Over 46156 street pole ads,
- Over 300 Trailers parked illegally on Council roads
- Over 3986 litterbins with advertising
- About 400 billboards on Council land inclusive illegal billboards.
- Over +60957 street furniture installations such as street names, suburban names, etc.

The key objectives with regards to outdoor advertising are:

- Revenue optimisation: To optimise revenue from the portfolio and to implement additional revenue streams (new business)
- Transformation: To transform the ownership landscape of outdoor advertising on CoJ land and to create an environment in which access to the industry is not limited.
- Legalisation: To ensure compliance of all forms of outdoor advertising in the City with applicable law.
- De-cluttering: To reduce clutter in order to improve the aesthetics of the built environment of the City and to increase the value of the portfolio.
- Green Technology (encourage innovation and efficiency): digitalise the portfolio and introduce energy efficiencies to contribute to a green future

The current focus is to Seek Council approval to enter into new leases to optimize revenue for the City and work towards a Smart City and sustainable development.

Clean governance

JPC received unqualified audit opinions from 2018/19 to 2021/22 financial years and it has nevertheless taken the findings in the Auditor-General South Africa's (AGSA's) Audit report seriously by implementing mitigating controls to reduce the level of the control deficiencies and thereby improve the resolution rate of the findings. The resolution of findings is a matter of course overseen by the Audit and Risk Committee on a quarterly basis.

System of internal controls

JPC has employed internal auditing as per the MFMA (2003) Section 165 (1 and 2) requirements. The Internal Audit Department (IAD) is an independent, objective assurance and consulting activity designed to add value and improve JPC's operations. The IAD assists JPC to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The IAD adds value in ensuring that JPC accomplishes its objectives by:

- ❖ Developing and implementing a risk-based three-year rolling strategic Audit Plan ending 30 June 2021, which is approved by the Board.
- ❖ Annually preparing an assessment report expressing an opinion (Statement of Internal Control).
- ❖ The adequacy and effectiveness of the system of internal controls on issues of deficiencies not addressed or resolved by management on a quarterly basis. The report will form the basis of the Audit and Risk Committee Report.

Anti-fraud and corruption

JPC has prioritised fraud risk management as per the MFMA (2003). The Board has adopted a zero-tolerant approach to acts of fraud and corrupt activities. Internal auditing, risk management, internal controls and tip-offs recorded through the anonymous hotline assist in detecting fraudulent and corrupt activities. All reported cases, internally and externally, are registered, monitored and investigated by Group Forensic Investigation Services (GFIS) to ensure that they are resolved and people are held accountable. GFIS will be responsible for assessing the nature of investigations and will transfer cases relating to compliance matters to IAD for internal investigations. GFIS will be required to report on the status and progress of all the investigations and will in this regard submit and present Investigation Report on a quarterly basis to the Audit and Risk Committee.

4.7. Strategic Goal 6: Use of Technology for Effective and Efficient Operations

The purpose of this goal is to spearhead the use of technology and innovation for effective and efficient operation company-wide. The Information and Communication Technology (ICT) service plays a key role in strategically enabling the entity to deliver better services through the use of technology. The technology objectives for 2023/24 have been re-focused pursuant to a challenging 2023/24 financial year. The use of technology to automate services to drive efficient and effective operations remains core in the planned technology projects for 2023/24.

Technology initiatives or projects are imperative to curb the impact of the pandemic and implement innovative ways to leverage technology and change JPC's world of work to accommodate the new demands for work.

Key ICT business objectives:

- ❖ Improve engagement with customers.
- ❖ Increase focus on business and ICT's agility to support business.
- ❖ Integrated Enterprise Resource Management (ERP-SAP) solution for the management of the entity's operations.
- ❖ Develop innovation into an organisational capability.
- ❖ Execute the Smart Cities Programme.
- ❖ Optimise operational processes and reduce the total cost of operations.

Business analytics gives the power of insights to uncover significant events and identify trends in order to adapt quickly to ever-changing business dynamics. Delivering the right information to the right people in the right format and at the right time is a significant aspect of real-time business intelligence. It is the process of delivering information about business operations as they occur with minimum latency.

The long-term strategy is to create a platform that can seamlessly scale up (increased performance) and scale out (incorporate new data sources) to meet business information and reporting needs.

Innovation & technology

JPC has always recognised the importance of Research, Development and Innovation (RDI) as a means to improve services, and efficiencies and increase effectiveness. The ICT Unit has been set up to be a “virtual” operating section with a mission to promote the growth of RDI and appropriate/new technologies at JPC. The Unit achieves this by undertaking analyses of the critical operational issues facing JPC, identifying needed actions and resources, promoting collaboration among key stakeholders, influencing policy decisions, and securing strategic investments for technology-based development.

4.8. Strategic Goal 7: Enhance sound and clean governance

The City as a shareholder identifies good governance as a key principle for the attainment of its Strategic Vision. It is this principle that lays the foundation which focuses on creating a high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City.

Good governance requires not only efficient administration but also respect for the rule of law, accountability, accessibility, transparency, predictability, inclusivity, equity and participation. Furthermore, citizen participation is central to good governance principles.

It is therefore important for the City to create innovative platforms that enable meaningful citizen participation. JPC has attempted to attain and maintain its good governance principles. Therefore, this priority focuses on:

- ❖ The attainment of a clean audit,
- ❖ Running a functional administration that is corruption-free with deterrent mechanisms for possible occurrences.

- ❖ Optimising City resources, increasing productivity and focusing on service delivery.
- ❖ Professionalising JPC's service to ensure that the citizens' experience with the City is in line with the theme to be A City that must be felt, heard and seen to improve the daily lived experiences of citizens.

4.9. Strategic Goal 8: Invest in our staff to sustain optimal performance & service-focused culture with committed people

Performance is the key driver, which requires competent staff. The purpose of this goal is to ensure that staff is consistently developed to a competent level and keeps abreast with changing environment. Staff satisfaction remains key in order to have a committed workforce.

Talent management

JPC manages and retains talent through the development and implementation of programmes such as succession planning, skills development and implementation of competitive remuneration. The Talent Management process includes talent attraction, developing, redeploying, assessing and retaining. Through the Integrated Talent Management strategies and initiatives, JPC will accelerate the service delivery and its competitiveness within the property industry and create client value-added engagements to meet stakeholder requirements and demands.

Retention of scarce skills

JPC intends to implement an active Retention strategy which aims to improve retention rates, particularly for scarce skills, while at the same time decreasing the associated costs of high turnover. There are a number of programmes in place that cement the low turnover rate and encourage retention. These include the availability of career counselling, proper on-boarding and induction programmes as well as regular analysis of exits.

As part of retaining talent within JPC, the Board approved a Succession Plan/Policy in line with the entity's Talent Management Strategy. The overall objective of the talent management and succession planning process is to facilitate structured identification and growth of employees, as well as aid the retention of talent, in the process, create, and strengthen the talent pool of the entity. Succession planning is carried out through functional talent forums. The talent forums identify key positions at all levels for which succession planning is considered important. Succession plans, which identify individuals as well as their competency gaps, are drawn up and the identified individuals sign a succession planning agreement whereby they acknowledge their responsibilities as part of the succession planning process.

Recruitment

In an increasingly competitive national and global market for limited skills, it is critical that JPC provides a comprehensive working environment that will attract, retain and motivate the right calibre of employees. Our recruitment process serves as the first stage in ensuring that JPC provides quality

service and sustainable optimal performance. Identifying and attracting suitable applicants depends on the effectiveness of our sourcing strategies. The job design system ensures that job profiles which are utilised to draw advertisements are able to attract the right candidates for the job. Optimising our talent sourcing and recruitment is therefore one of the top priorities.

Reducing the time taken to fill vacancies has to be prioritised and a target of 10 weeks has been set for the filling of a vacancy for 2023/24. To accelerate the filling of positions the standard operating procedure for recruitment has been reviewed to ensure that the timelines are specified and adhered to. Furthermore, in the long-term certain phases of the recruitment process will be automated.

JPC's financial circumstances and ability to fund the filling of vacancies continue to be the biggest threat to filling vacancies. At this stage, the entity cannot fill its critical vacancies has to find alternatives.

Health and safety

JPC continues to be committed to protecting its employees, customers and the public from risks arising out of work-related activities and provide a healthy and safe working environment for all. This will be addressed through conducting Health and safety assessments and audits and compliance to health and safety legislation and regulations.

Employment equity

JPC acknowledges the need to develop a culture of diversity, equity and inclusion that goes beyond achieving the numbers through workforce representation. The society we service is very diverse and as such, it is important to develop a diverse workforce to serve the community and embraces the current best practices.

Capacity building

Analysis of the capacity requirements of JPC takes cognisance of training needs, attrition due to resignations, retention of scarce skills, retirements, employee well-being and addressing the changing needs of the staff complement due to growth and restructuring. Plans for the next five years, including the 2023/24 financial year, are aimed at addressing the above goal.

Capacity building in terms of skills development is directly linked to the skills needs that exist in JPC and that are projected for the next five years. JPC conducts a Skills Audit once every five years, to identify the skills and knowledge that the company requires, as well as the skills and knowledge that the company currently has. A training needs analysis is conducted annually to identify the training needs at the employee, departmental or company level to help JPC to perform effectively. This investment in employee skills development ensures a culture of lifelong learning and quality service delivery through committed people.

In an endeavour to achieve optimal performance and remain service focused, culture is an important factor. Company performance is an important factor and the contribution of employees is critical.

Skills development

JPC makes available a training budget equal to an average of 1% of the total annual payroll and has several initiatives being implemented and planned for internal staff, which include the following and are mainly focused on skills programmes, learnerships, apprenticeships, Management and Development Programmes – some of these, culminating into full qualifications.

JPC is not only committed and focused on the development of the current and future skills of employees but also to provide learning opportunities to learners from previously disadvantaged communities. These interventions increase their portability within the Company and marketability for jobs in industries outside the company. The Company adopts a holistic approach toward skills development initiatives. Training interventions planned from the 2023/24 financial year are categorised as follows, namely:

- ❖ Regulatory and Compliance training
- ❖ Leadership and Management Development Programmes
- ❖ Technical Training Programmes include apprenticeships; technical learnerships; technical skills programmes and ARPL.
- ❖ Occupational Health and Safety (OHS) and Compliance Training.
- ❖ Non-Technical Training Programmes; which include Adult Education and Training (AET); learnerships (non-technical related programmes); soft skills programmes, Management Development Programmes and RPL.
- ❖ The Company has a bursary scheme in place to assist employees to obtain approved qualifications through tertiary institutions. Enrolments for bursaries are conducted once a year.

4.10. Strategic Goal 9: Improve Customer and Stakeholder Satisfaction

The purpose of this goal is to enhance internal and external communication, which will lead to improved customer satisfaction. The JPC is looking at all stakeholders, both from an internal as well as an external point of consideration. It is against this backdrop that programmes will be inward and outward-looking. The JPC will create a culture of enhanced service delivery with pride through the use of an internal staff communication platform. Internal communication creates awareness of the company values and the importance of improved customer service. The company will further develop and disseminate the necessary publicity material to help create awareness among employees on the company values and the CoJ IDP outcomes and the strategic priorities.

Establishing an efficient customer-responsive culture will ensure that JPC responds to the needs of citizens, customers, stakeholders and businesses in the CoJ. The JPC will respond promptly and timeously to customer queries raised through petitions, public meetings, and the Councillor Consultations process.

In addition, the company will conduct regular targeted stakeholder engagement to establish a rapport with them, communicate targeted messages and receive and respond to their concerns and frustrations to minimise stakeholder and customer dissatisfaction.

Through various social media platforms, JPC will maximise the social media following and effectively use these platforms to ensure that external stakeholders and customers are kept informed of the various service delivery disruptions taking place in their respective areas.

There will be an engagement on an extensive drive to encourage community members to register on our SMS database to be able to reach out to all our customers who may not be following us on the various social media platforms.

4.11. Strategic Goal 10: Ensure a Hygienic Environment within COJ Facilities

JPC provides cleaning services for all corporate City offices and public facilities within the control of the city. JPC's measures to ensure a hygienic working environment will focus on the following:

- ❖ Implement a hybrid cleaning service model: insourcing vs outsourcing
- ❖ Securing COJ facilities to prevent vandalism and unhygienic behaviours which may lead to disorder and unsafe environments.
- ❖ Ensuring compliance to regulations in respect of the Corporate Building Portfolio within the allocated financial resources in terms of Health and Safety.

4.12. Strategic Goal: Reduction of urban decay

Urban decay is defined as the process whereby a previously functioning city, or part of a city, falls into disrepair and decrepitude. Urban decay may result from deindustrialization, depopulation or changing population, economic restructuring, abandoned buildings, high local unemployment, fragmented families, political disenfranchisement, crime, and a desolate, inhospitable city landscape. The City of Johannesburg like any other city has experienced the effects of urban decay which counteract development initiatives. JPC intends to partner with the City to prevent land invasions and implement measures to address urban decay.

The planned interventions to address urban decay include and are not limited to the following:

- Land Strategy implementation which aims to ensure that COJ properties are optimally utilised in line with their highest and best-used feasibility simultaneously identifies properties which can no longer fulfil their function due to physical, functional and economic obsolescence
- Inspections/identification of COJ owned properties to reduce urban decay - this process of inspection/ identification would translate into the initiation of processes to release properties for redevelopments and reduce the impact of urban decay.



Chapter 5: Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) seek to end poverty, protect the planet, and ensure prosperity for all as part of a new global sustainable development agenda. JPC recognises its vital role in pursuing SDG 17 goals hence the current attention on developing a sustainability framework that is aligned with 17 SDG goals.

Sustainable development is defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable development calls for concerted collaborative efforts toward building an inclusive, sustainable and resilient future for the people and the planet. For sustainable development to be achieved, it is crucial to harmonise these core elements: **economic growth, social inclusion, transformation and environmental protection.**

They are integrated, indivisible and requires a balancing act of the dimensions of sustainable development: the economic, social, transformation, technology and environmental. Each goal has specific targets to be achieved over the next years i.e. 2030. For the goals to be reached, everyone needs to do their part: government, the private sector and civil society. It is against this backdrop that JPC commits to conduct its business in a manner that supports the attainment of the following four SDGs which are applicable to the nature of the business, namely;

- **Goal 3:** Ensure healthy lives and promote wellbeing for all at all ages
- **Goal 5:** Achieve gender equality and empower all women and girls
- **Goal 7:** Ensure access to affordable, reliable, sustainable and modern energy for all
- **Goal 8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all
- **Goal 10:** Reduce inequality within and among countries
- **Goal 11:** Make cities and human settlements inclusive, safe, resilient and sustainable
- **Goal 13:** Take urgent action to combat climate change and its impacts
- **Goal 17:** Strengthen the means of implementation and revitalise the global partnership for sustainable development

SDG 5: Achieve gender equality and empower all women and girls

The Company aims to end all forms of discrimination against women through the implementation of the EE Plan. The objective of the plan is to provide advancement opportunities for members from designated groups, especially females and PWDs who are suitably qualified by ensuring proportional representation in the occupational profiles of JPC in line with set targets - this will ensure women's full and effective participation and the provision of equal opportunities at all levels within the Company.

SDG 8: Promote inclusive and sustainable economic growth, employment and decent work for all

Through the Expanded Public Works Programme (EPWP) and Community Development Programmes (CDP) the Company will create job opportunities as well as decent jobs while promoting inclusivity in the mainstream economy.

We will also continue supporting entrepreneurship, creativity and innovation, and encourage the formalisation and growth of SMMEs, including through access to financial services. In creating decent jobs, the focus will be given to all women and men, including young people and PWDs, on an equal-pay-for-work-of-equal-value basis.



a world class African city



JOBURG
PROPERTY COMPANY

Chapter 6: Service Standards

Service Standards

SERVICE STANDARDS TABLE

#	CORE SERVICE	SERVICE LEVEL STANDARD
1	Response in acknowledgement of requests, enquiries and complaints	Within 1 day of logged call
2	Provision of answers and/or results related to the receipt of the requests and enquiries regarding properties	Within 3 days of logged call
3	The performance of emergency work for JPC managed facilities	Within 1 day of logged call
4	Performance of minor works on facilities managed by JPC	Within 2 days of logged call
5	Performance of major works on facilities managed by JPC	Within 5 days of logged call
6	Complete the sale or lease and registration of servitudes of Council owned land	Within 12 months after Council Approval in terms of Section 14(2) of the Municipal Finance Management Act
7	Complete the sale or lease of Council Owned land	Within 9 months of Council approval (to sign off property agreement with 3 rd party)
8	Internal allocation of land and buildings to City Departments and Entities (PTOB: permission to occupy and build and lease office space from third parties)	Within 9 months of application and budget confirmation
9	Performance of surveys on the condition of all plant and equipment in order to allow the assessment of the required repairs and maintenance of facilities managed by JPC.	Quarterly
10	Response to applicants/interest to lease or acquire (formal applications) land and/or buildings	Within 30 days of application



Chapter 7: Financial Plan

7.1 Financial Structure Overview

The revenue and funding model of JPC has been subject to various discussions with the COJ since the conclusion of the integration of the old Metropolitan Trading Company (MTC) and the Facilities Maintenance Management Unit (FMMU) in 2012/13 financial year. Previous internal recovery models have proved to be difficult and burdensome to facilitate and have often left JPC in a difficult financial position, as illustrated in the annual financial statements. The introduction of a subsidy in 2015/16 not only alleviated cash constraints from monies being tied in related party debtors but also enabled the entity to generate a profit and utilize assessed tax losses from previous financial years.

From a budgeting and funding perspective, the generation of revenue is essential to achieve break-even financial performance, as per the approved budgets. As is common practice amongst SOC's, JPC's expenditure is predominantly fixed with up to 90% of all company expenditure being committed through contractual obligations. Sustainable and achievable revenue targets are therefore imperative to, at a minimum; cover fixed operating expenses such as salaries, rentals, cleaning, security, etc.

The current structure of JPC's revenue is comprised as follows:

Source	Description
1. Rental Commission	1. 25% commission earned from the Portfolio for rental monies collected from COJ-owned facilities and buildings.
2. Commission on Land Purchases	2. 10% commission earned from the acquisition of private or state-owned land
3. Commission on Servitudes	3. 25% commission from registered servitudes
4. Commission on Land Sales	4. 10% commission earned from the sale of City-owned land
5. Commission on CAPEX	5. 10% commission earned by JPC for the facilitation of Portfolio's CAPEX spend
6. Operating Subsidy	6. Subsidy provided by the COJ to fund the Facilities Management operations of JPC
7. Cleaning services	7. Recovery of expenditure incurred on behalf of the COJ for cleaning services provided.
8. R&M Fees	8. 10% management fee earned on internal recoveries of repairs and maintenance work.
9. Facilitation Fees	9. 1 to 3% commission earned for the facilitation of developments with third parties
10. Asset Under Management Fees	10. Monthly fee paid by the Portfolio for the administration and management of City-owned property
11. Cellmast Income	11. Income derived from contracted advertising with an external party

7.2 City of Joburg Property Company Portfolio

The Portfolio is, in essence, the property debtors' book of the COJ that is administered and managed by JPC. It is important to note that JPC is incorporated without the mandate to own property. The property assets are owned and capitalised by the COJ with JPC providing property and facilities management expertise for their upkeep and to generate revenue. JPC receives a commission from the Portfolio for administering the property fixed asset register.

The portfolio of properties is a mix of commercial, residential and social leases that generate the revenue from COJ owned properties. Any developments on these properties to improve or increase their commercial viability are capitalized into the COJ fixed asset register. It is JPC in conjunction with the COJ determines and prioritizes the capital spending required to improve and increase the value of the property portfolio of the COJ.

Outdoor advertising demonstrates tremendous revenue potential for both the COJ and JPC. Recent legal challenges with obtaining approval for the outdoor advertising by-laws have been a setback in the Portfolio's revenue-generating capability. Operating expenditure in the Portfolio is predominantly variable as they often relate to ad hoc services such as repairs and maintenance, valuations, refuse removal and commissions payable to JPC for services rendered. Recent inclusions to Portfolio expenditure are line items for cleaning services provided by JPC and security services provided by Johannesburg Metropolitan Police Department.

The structure of the budget is approved by the COJ with JPC providing the inputs for the Portfolio to function. The financial performance and financial position of the Portfolio are accounted for and consolidated into the financial statements of the COJ on a monthly, quarterly and annual basis.

The current structure of Portfolio's revenue is comprised as follows:

Source	Description
1. Rental of COJ facilities	1. Revenue from commercial, residential and social leases between the COJ and its tenants
2. Interest on rental arrears	2. interest levied on tenants' accounts that are in arrears
3. Outdoor Advertising	3. Revenue related to the leasing of outdoor advertising space and signage
4. Gain on disposal of assets	4. Profit or loss on the disposal of COJ property assets

7.3 Operating Expenditure

JPC Portfolio Budget

JPC PORTFOLIO	Approved Budget 2022/23 R000	Adjusted Budget 2022/23 R000	CPIX %	Proposed Budget 2023/24 R000	CPIX %	Proposed Budget 2024/25 R000
REVENUE by source						
Property rates	-			-		-
Rental of facilities and equipment	115 131	70 000	5.3%	73 710	4.9%	77 322
Interest earned - outstanding debtors	3 849	3 849	5.3%	4 053	4.9%	4 252
Other revenue	63 142	50 000	5.3%	52 650	4.9%	55 230
Gains	5 000	5 000		5 000	4.9%	5 000
DIRECT REVENUE	187 122	128 849		135 413		141 804
TOTAL REVENUE excluding capital grants/contr,	187 122	128 849		135 413		141 804
EXPENDITURE by type						
Debt impairment	2 305	2 305	2 839.40%	67 753	4.9%	71 073
Depreciation and asset impairment	581	581	5.3%	612	4.9%	642
Other materials	2 708	1 000	400%	5 000	4.9%	5 245
Contracted services	89 284	46 838	96%	91 802	4.9%	96 299
Other expenditure	10 359	4 000	5.3%	4 213	4.9%	4 419
DIRECT EXPENDITURE	105 237	54 724		169 380		177 678
Internal Transfers						
Other expenditure : Inter-Company	108 720	81 869	1.1%	93 027	13.6%	98 935
Other expenditure : Inter-Company	49 187	47 947	7.2%	51 400	7.2%	54 356
Total Internal Transfers	157 907	129 816		144 427		153 291
TOTAL EXPENDITURE	263 144	184 540		318 807		330 969
OPERATING SURPLUS/(DEFICIT)	76 022	55 691		178 394		189 165

JOHANNESBURG PROPERTY COMPANY (SOC) LTD

FINAL BUSINESS PLAN 2023/24

JPC Budget

JPC BUDGET	Approved Budget 2022/23 R000	Adjusted Budget R000	CPIX %	Proposed Budget 2023/24 R000	CPIX %	Proposed Budget 2024/25 R000
REVENUE by source						
Other revenue	89 359	77 359	5.3%	81 459	4.9%	85 451
DIRECT REVENUE	89 359	77 359		81 459	0	85 451
Internal Transfers						
Interest earned : outstanding debtors: Inter-Company				6 845		7 159
Other revenue : Inter-Company	315 270	288 419	5.4%	304 090	4.6%	318 083
Transfers and subsidies received : Inter-Company	554 305	500 680	27.7%	639 302	2.7%	656 334
Total Internal Transfers	869 575	789 099		950 237		981 576
TOTAL REVENUE excluding capital grants/contr,	958 934	866 458		1 031 696		1 067 027
EXPENDITURE by type						
Employee related costs	469 782	497 782	5.4%	524 662	5.4%	549 846
Depreciation and asset impairment	15 457	15 456		12 600		12 600
Finance charges	4 950	2 450	5.3%	2 580	4.6%	2 699
Other materials	27 549	7 112	8.5%	7 720	-5.4%	7 306
Contracted services	127 937	63 249	3.3%	65 305	-0.5%	64 978
Other expenditure	185 769	185 769	75.9%	326 774	1.7%	332 428
DIRECT EXPENDITURE	839 294	771 818		939 641	0	969 857
Internal Transfers						
Finance charges : Inter-Company	40 442	15 442	5.3%	16 260	4.6%	17 008
Other expenditure : Inter-Company	79 198	79 198	4.5%	82 763	5.7%	87 471
Total Internal Transfers	119 640	94 640		99 023		104 479
TOTAL EXPENDITURE	958 934	866 458		1 038 664		1 074 336
OPERATING SURPLUS/ (DEFICIT)						

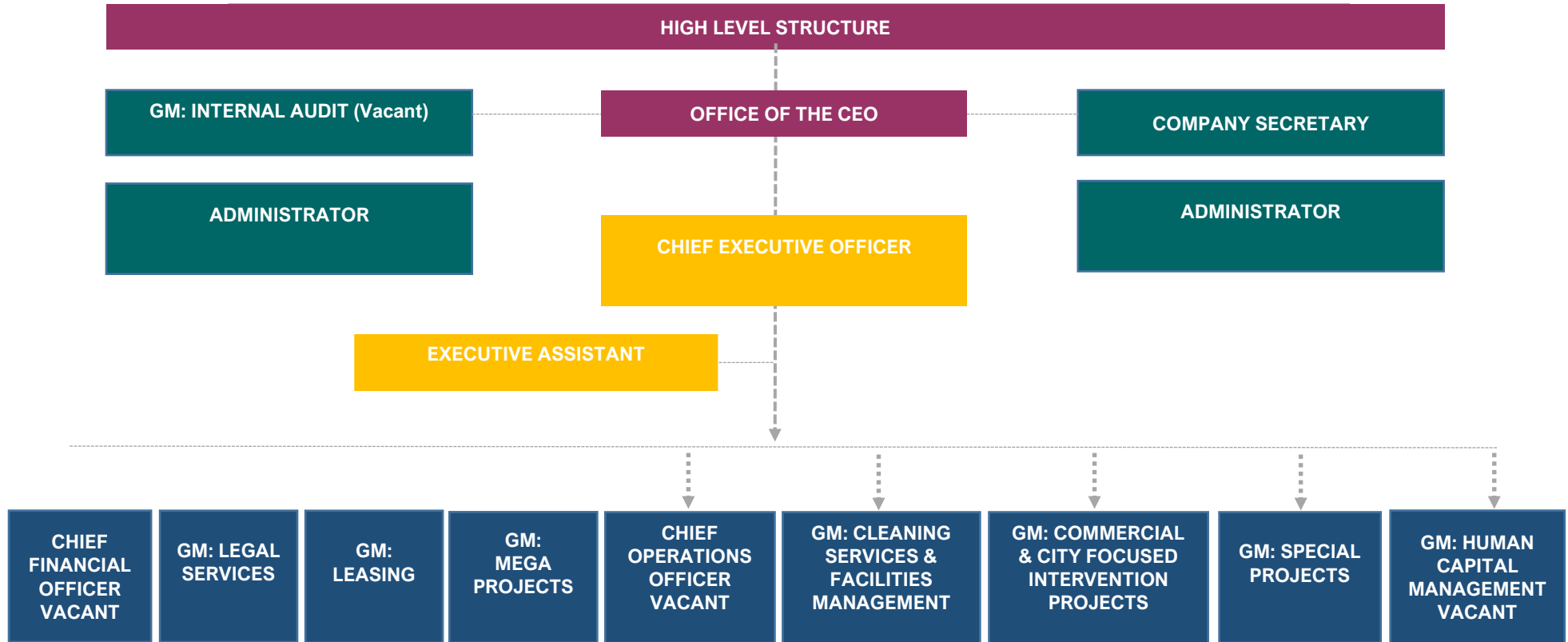
Capex Expenditure

Project Name	Budget 2022/23 R 000	Adjusted Budget 2022/23 R 000	Budget 2023/24 R 000	Budget 2024/25 R 000
Johannesburg Property Company				
Revamping of the Informal Trading Stalls within the Inner City Renewal Operational Capex JOHANNESBURG F Ward	10 000	4 000	2 000	20 000
Computer Equipment - New Computer Upgrades	5 000	-	5 000	7 500
Marlboro Station Project Land Preparation		350	400	
Neighbourhood Development for Bertrams Priority Block New Building Alterations BERTRAMS F Regional				
Site Development Projects New Land Preparation JOHANNESBURG F City Wide	2 000	650	1 000	
Erf 43-46 Victoria Ext 3(Paterson Park Node) VICTORIA EXT.3 E Regional	2 158	2 158	1 000	
Mooki Street Development Infrastructure; Orlando East New Precinct Redevelopment ORLANDO EAST D Regional				
Office Space Optimisation Program New Precinct Redevelopment JOHANNESBURG F City Wide	20 500	9 000	8 000	50 000
Walter Sisulu Square of dedication (Refurbishment)	5 000	-		
Metromall Taxi Rank Shop Revitalisation and Waste Management Area Redesign	19 000	9 000	3 000	
Soweto Empowerment Zone				
Inner City Rejuvenation Programme/Project				90 000
Acquisition of various properties in SOWETO	8 000	1 000	4 600	
Acquisition of Cleaning Equipment	10 000	7 500	7 500	5 000
23776_Walter Sisulu Square Upgrade	20 000	5 000	7 207	28 333
Sub Total	101 658	38 658	39 707	210 833



Chapter 8: Management & Company Structure

8.1. Company Structure



8.2. Analysis of the Company Structure



Helen Botes
Chief Executive
Officer



Sipho Mzobe CA (SA)
Acting Chief Financial Officer



Sizeka Tshabalala
General Manager:
Commercial &
City Focused Intervention



Musah Makhunga
General Manager: Mega
Projects



Tshepo Mokataka
General Manager: Legal
Services



Gontse Dlamini
Company Secretary



Imraan Bhamjee
General Manager:
Special Projects



Sipho Mhlongo
General Manager:
Leasing



Vacant
Acting Chief Operating Officer



Sifiso Mabizela CA (SA)
Acting General Manager:
Internal Audit



Shaun Kgatuke
General Manager:
Facilities Management & Cleaning Services

Capacity Analysis

The entity has 1574 permanent employees based at the head office and depots who execute the strategy of the organisation. The employment equity demographics indicate that the majority employees are black and mainly on the unskilled and defined decision-making level. The implication is that professionally qualified skilled occupational level is under-capacitated and impacts on execution of the core functions. Furthermore, most of the entity's vacancies are not funded due to budget constraints and as result critical vacancies cannot be filled.

The employment equity gaps for JPC relate to gender representation within all occupational levels and under-representation with respect to demographics within the non-designated group. These gaps confirm the need for the entity to expand its focus on employment equity to incorporate for diversity, equity, inclusion best practice and trends in its outlook.

Occupational Levels	MALE				FEMALE				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	M	F	
Top Management (1&2)	0	0	0	0	0	1	0	0	0	0	1
Senior Management (3&4)	5	0	1	0	1	0	0	0	0	0	7
Professionally. qualified & experienced specialists and mid-management (5&6)	16	1	3	3	21	1	3	3	0	0	51
Skilled & qual. workers, Jnr mgt., supervisors, foremen, superintendent. (7&8)	80	5	6	6	90	14	2	0	1	0	204
Semi-skilled and discretionary decision-making (9&10)	52	5	1	0	6	2	0	0	0	0	66
Unskilled and defined-decision making (11)	329	2	0	1	896	17	0	0	0	0	1245
Total Permanent Staff	482	13	11	10	1014	35	5	3	1	0	1574
Temporary Employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	482	13	11	10	1014	35	5	3	1	0	1574

In developing a Stakeholder Relations Management and Corporate Social Investment strategy JPC aimed to achieve the following key objectives:

- Promote JPC as a professional, transformative and customer-centric organisation;
- Position JPC as an employer of choice;
- Foster a corporate social investment and sustainability culture;
- Build and maintain sustainable relations with JPC stakeholders and the property industry at large; and
- The department to indicate how they intend to engage with the stakeholders to ensure public consultation/participation and who are the key stakeholders for the department/entity?

Key Stakeholders for JPC include the following:

Stakeholder	Ability to Disrupt	Understanding		Commitment		Required Support	Class
		Current	Required	Current	Required		
COJ- MAYCOM	H	H	H	M	H	H	Key Players
Executive Management Team (EMT)	H	H	H	M	H	H	Key Players
Councillors	H	M	H	M	H	H	Keep Satisfied
Municipal Entities	H	M	H	M	H	H	Keep Satisfied
Public / Local community	H	L	H	L	M	H	Keep Informed
Tenants	H	M	H	M	H	H	Key Players
Employees	H	M	H	M	H	H	Key Players
Organised Labour	H	M	H	M	H	H	Keep Satisfied
Property Industry	H	M	H	M	H	H	Key Players
Board of Directors	H	H	H	H	H	H	Key Players
Government-Deeds Office	H	M	H	M	H	H	Keep satisfied
Property Professionals	H	M	H	M	H	H	Key Players
Planning Professionals	H	M	H	M	H	H	Key Players
Institute of Planning Architects	H	M	H	M	H	H	Key Players
Legal Professional bodies	H	M	H	M	H	H	Key Players

Legend	High	Medium	Low
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Communication Plan

Stakeholder	Expectations	Method of engagement
COJ	JPC's mandate by the CoJ is to manage the property portfolio in an efficient and professional manner and to maximise value creation.	JPC continuously engages with CoJ through various meetings, including Regional Meetings, Joburg 10 Plus sessions.
COJ- MAYCOM	Approval of all land transactions by MAYCOM, thus it is critical that JPC provides professional and reliable information to enable sound decision making by the CoJ.	Through scheduled meetings.
Executive Management Team (EMT)	All JPC transactions should get the EMT's support before referral to MAYCOM for approval, JPC is to provide professional and reliable advice to enable sound decision-making.	Through scheduled meetings.
Councillors	Councillors are the Community representatives and their support is necessary to curb any community dissatisfaction in the management of the Council Properties. They expect efficient delivery of services and reliable information.	Councillors engaged through Visible Service Delivery Forums and other meetings.
Municipal Entities	Municipal Entities require property to operate an effective facilities management service from JPC.	Engagement through Cluster Meetings
Public at large/local community	There is a need to inform the public at large of JPC's processes and the process of alienating the properties should be transparent, prompt and efficient.	Through open days to walk-in clients and telephonic enquiries.
Tenants	Tenants require efficient and prompt finalisation of the property process.	Through engagement with Property Managers
Employees	Employees are key to the success of the company thus the need for information, engagement and education.	Through roadshows, internal communication and Intranet
Organised labour	The Unions can disrupt production if not satisfied with management's dealings with the employees, communication and engagement are vital.	Through organised labour forums
Board of Directors	The Board of Directors provide governance oversight and direction to Management and as such expects accurate and professional information to enable sound decision-making.	JPC engages with its Board Members as per scheduled meetings
Government Deeds Office	Lease and Sale transactions need the Deeds Office to endorse them and any delays in approving the Deeds can negatively affect JPC's business. It is, therefore, necessary to develop relations with these stakeholders.	JPC liaises with the Deeds Office through various channels, including telephonic discussions.



Chapter 9: Risk Management

Risk Management

The right governance and assurance processes are essential to us to ensure that we meet our customer, stakeholder and regulatory expectations around trust and openness. Robust governance and assurance are critical to the effective identification and management of risks in the development of our 2023/24 business plan. The Audit and Risk Committee, with enhanced governance and influence, was set up which has among other responsibilities oversight of Risk and Compliance within the organisation.

9.1 Meeting our statutory obligations

A range of legislation governs our activities. The process to make sure the company delivers according to customer and stakeholder needs and expectations and continues to meet Company obligations. By working collaboratively with regulators and stakeholders we ensure we are accounting for our obligations and wider considerations for the environment, resilience, and customer expectations in our proposals.

JPC adopts a rigorous and ongoing process of event and risk identification that also includes mechanisms to identify new and emerging risks timeously. The risk identification process covers all risks, regardless of whether or not such risks are within the direct control of the JPC. Risk identification is inclusive and draws as much as possible from unbiased independent sources, including the perspectives of important stakeholders

The combined assurance model identifies, and assigns accountability and responsibilities to three defined levels, with the first level being Management; the second level being consist of activities of the various departments like Strategic Corporate Support (including the risk and compliance sub-unit), Legal, Company Secretary and other control departments and the third level being Internal Assurance providers. The gaps or non-compliance are found actions are agreed upon to address the problem. The outcome of this assurance is shared with the Audit and Risk Committee as well as the Board.

9.2 Understanding the risks that could affect our plan

Overall, we consider the mechanisms within the current framework to ensure that risks are allocated to those best placed to manage them. The mechanisms also ensure that the rewards gained from our efficient delivery of services are shared between us and our stakeholders, in a way that is reflective of the risk allocation. We embed risk identification in all our management systems. A network of JPC management and risk management work with leadership teams to prompt risk identification, consistent measurement and review. Risks are logged and we run risk identification workshops with management and EXCO once a year, as well as for key projects. Each risk is allocated to a risk owner who is responsible for the monitoring, management and reporting of that risk through the risk management

process. We have also examined our plan and considered its resilience to changes in circumstances, the operating environment and inherent uncertainty to identify any further risks specifically associated with the delivery of our plan.

9.3 Our approach to risk management

Effective risk management is essential for us to manage uncertainties and achieve our objectives. It is embedded in our normal business process and culture and overseen by an independent Audit and Risk Committee. This improves our ability to predict and prepare for challenges to the achievement of our priorities and supports the creation and protection of value in our company. We manage risk in line with the following key principles:

- Transparent risk culture: all risks are measured, managed, monitored and reported.
- Proactive approach: risk management is dynamic with risks and opportunities identified and escalated to be managed at the appropriate level in the business.
- Risk governance: all risks are subject to appropriate controls and governance.

9.4 Risks and mitigation strategies

The Entity is committed to effective risk management and governance processes to support the business. The Board, senior management and shareholder have both the clear intention to manage risk effectively and the skills and resources to achieve this. Our Risk Management Framework sets out a clear “tone at the top” which is communicated through aligned Board and management objectives coupled with a clearly documented Governance Framework. This framework is embedded into our daily working practices including within our business systems. Supporting this is a culture that recognises the importance of continual improvement and learning. In the Board’s view, the risk management procedures, systems and processes that the Company operates (including management and Board oversight) together with the Company’s ability to effectively respond to down-side events results in an appropriate balance of risk for customers, and shareholders and management. The overall risk associated with delivering the level of service and initiatives outlined in this plan has been assessed and is considered stretching but tolerable. We have an embedded risk management process and culture to ensure risks are understood, escalated and managed at the right level of the business. Risk evaluation and assessment is a systematic process to quantify or qualify the level of risk associated with a specific threat or event, to enrich the risk intelligence available to the Entity.

JPC applies the 5 X 5 risk exposure scoring system i.e. the twenty-five (25) element model, and risk dashboard, as it allows for a more precise scoring approach. The risk exposure or severity level is obtained by multiplying the risk impact score by the risk likelihood score

The Audit and Risk Committee and the Board have reviewed this against our current appetite. The

assessment reveals the increased level of risk the business will be taking and the balance between those risks. This process takes into account the below-known risks but there may be additional risks unknown to the organisation and other risks, currently believed to be immaterial, which could develop into material risks. These are shown in the summarised version of the Strategic Risk Register in the table below.

Strategic Risk Register

No	Risk Description	Inherent rating	Residual rating
1	Inability to maximise revenue	Very High	High
2	Possible loss of life due to the occupation of buildings that are not OHASA compliant	High	Medium
3	Loss of value of city-owned land and properties due to invasion, vandalism, fraud and corruption, and theft.	Very High	Medium
4	Lack of Financial viability of cleaner insourcing and prevalent unhygienic conditions prevailing at COJ buildings	Very High	High
5	Reputational and Financial losses due to Non-compliance with legislation, policies, and procedures	High	Low
6	Inability to attract investment	High	Medium
7	Inadequate Contract Management	Very High	High
8	Inadequate ICT delivery and electronic storage system	Very High	Medium
9	Inadequate internal and external stakeholder management resulting in a negative brand reputation	Very High	High
10	A perceived lack of trust between Management and the board.	Very High	High
11	Theft and loss of assets due to lack of physical security at premises.	Very High	High
12	Threat to the future existence of JPC due to lack of land banking under acquisition	High	High
13	Inadequate maintenance of COJ properties	High	High
14	Inadequate Human Capital management	High	High
15	Lack of adequate Document Storage and Security	High	High



a world class African city



Chapter 10: Corporate Scorecard

10.1. Company Scorecard

10.1.1 Unlocking investments/ business through property transactions and developments

GDS OUTCOME: An Inclusive, Job-Intensive, Resilient, Competitive, and Smart Economy that harnesses the potential of citizens STRATEGIC PRIORITY: Sustained Economic Growth																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Cape x	Ope x	Q1	Q2	Q3	Q4				
Rand value of investment attracted / business facilitated within COJ boundaries based on the signed contract.	R9 723 463 032.71 billion	R5Billion	R2Billion	R2.5 Billion	0	R500m	R2b	R2.5b	0	0	0	0	0	0	The agreement signed by both parties indicated the amount to be spent on the project	JPC	Planning Dept & SCM	ECG

10.1.2. Investment Spend within CoJ boundaries based on construction value on the ground

GDS OUTCOME: An Inclusive, Job-Intensive, Resilient, Competitive, and Smart Economy that harnesses the potential of citizens STRATEGIC PRIORITY: Sustained Economic Growth																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Rand value of investment spend on projects within CoJ boundaries based on construction value on the ground.	R702 500 817.10 million	R500 Million	R600 million	R700 million	R125 million	R125 million	R125 million	R125 million	R0	R0	R0	R0	R0	R0	Signed investment Spend confirmation certificate/letter	JPC	Planning Dept & SCM	ECG

10.1.3. Jobs opportunities created

GDS OUTCOME: An Inclusive, Job-Intensive, Resilient, Competitive, and Smart Economy that harnesses the potential of citizens STRATEGIC PRIORITY: Job Opportunities Creation																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Number of jobs opportunities created	822	1000	1500	2000	250	250	250	250	R39 million							Signed appointment letter/ contract and ID document.	JPC COJ Dept & SCM	ECG

10.1.4. SMMEs supported through property transactions

GDS OUTCOME: An Inclusive, Job-Intensive, Resilient, Competitive, and Smart Economy that harnesses the potential of citizens STRATEGIC PRIORITY: Job Opportunities Creation																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Number of SMMEs supported	148	700	840	1000	175	175	175	175	R39 million	R96 777					JPC appointment letter or valid lease agreement	JPC	COJ Dept & SCM	ECG

10.1.5. Number of asset management plans formulated

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region STRATEGIC PRIORITY: Financial Sustainability																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Number of asset management plans formulated	304	320	350	375	80	80	80	80	R0	R0	R0	R0	R0	R0	Assets management plans.	JPC	COJ Dept & SCM	ECG

10.1.6. Number of properties acquired on behalf of City departments and entities

GDS OUTCOME: An Inclusive, Job-Intensive, Resilient, Competitive, and Smart Economy that harnesses the potential of citizens STRATEGIC PRIORITY: Sustained Economic Growth																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Number of properties acquired on behalf of Departments and Municipal Entities for the advancement of City's service delivery objectives.	16	8	0	0	0	0	4	4	R1 million	0	0	0	0	0	Signed sale agreement together with Windeed transfer confirmation.	JPC	COJ Dept & SCM	ECG

10.1.7. Release of 120 properties on social and economic leases including servitudes and sales

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region STRATEGIC PRIORITY: Financial Sustainability																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Number of properties released on social and economic leases including servitudes and sales	565	140	150	160	0	40	50	50	0	R3 Million	R1.5 million	R1.5 Million	0	0	Council Resolutions approving the release on social and economic leases including servitudes and sales	JPC	Planning Dept & SCM	ECG

10.1.8. Implementation of the Outdoor Advertising masterplan

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region STRATEGIC PRIORITY: Financial Sustainability																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage implementation of the Outdoor Advertising masterplan	New	100%	N/A	N/A	25%	25%	25%	25%							Signed Outdoor Advertising Masterplan,	JPC	Planning Dept & SCM	ECG

10.1.9. Implementation of Annual Refurbishment Plan for Metro Centre Precinct

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																			
STRATEGIC PRIORITY: Good Governance																			
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster	
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4					
Percentage Implementation of Annual Refurbishment Plan for Metro Centre	New	100%	100%	100%	25%	25%	25%	25%	R8 million							Signed Annual Refurbishment Plan. Completion Report, which shows the progress against the annual refurbishment Plan.	JPC	COJ Dept & SCM	ECG

10.1.10. Renewal of Office Accommodation Leases

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Financial Sustainability																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Renewal of Office Accommodation Leases	New	27	N/A	N/A	6	7	7	7							Signed Lease agreement	JPC	Planning Dept & SCM	ECG

10.1.11. Implement training and development initiatives to address competency gaps

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Good Governance																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Number of employees trained	1490	800	950	1050	200	200	200	200	0	R3.4 million	R850K	R850K	R850K	R850K	Attendance register for trainings.	JPC	COJ Dept & SCM	ECG

10.1.12. Income generated through property transactions

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Financial Sustainability																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Rand value of income raised from acquisition, outdoor advertising, leases, servitudes and sales	R96 452 440.03	R115 Million	R125 Million	R130 Million	R28.75 million	R28.75 million	R28.75 Million	R28.75 million	0	0	0	0	0	0	Portfolio Statement of Financial Performance	JPC	COJ Dept & SCM	ECG

10.1.13. Spend of allocated CAPEX

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																			
STRATEGIC PRIORITY: Financial Sustainability																			
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster	
					Q1	Q2	Q3	Q4	Capex		Opex	Q1	Q2	Q3					Q4
Percentage spend of allocated Capex	87%	95%	100%	100%	25%	25%	25%	20%	R 39 million		R0	R0	R0	R0	R0	Capex Spend Report	JPC	COJ Dept & SCM	ECG

10.1.14. Percentage spent on operating budget against approved operating budget

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Financial Sustainability																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage spent on operating budget against approved operating budget	88%	95%	100%	100%	20%	50%	75%	95%		R0	R0	R0	R0	R0	The actual spent/ allocated budget as per the Statement of Financial Performance.	Finance	Dept & SCM	ECG

10.1.15. Percentage of spent on repairs and maintenance budget

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Financial Sustainability																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage of spent on repairs and maintenance budget	20%	8%	100%	100%	0%	4%	2%	2%		R0	R0	R0	R0	R0	Financial Report indicating total repairs & maintenance expenditure versus JPC budget.	Finance	Dept & SCM	ECG

10.1.16. Percentage of valid invoices paid within 30 days of invoice date

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Good Governance																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage of valid invoices paid within 30 days of invoice date	100%	100%	100%	100%	100%	100%	100%	100%		R0	R0	R0	R0	R0	Financial report reflecting date invoice captured and when invoice paid.	Finance	Dept & SCM	ECG

10.1.17. Percentage reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region STRATEGIC PRIORITY: Good Governance																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	76%	50%	70%	8%	10%	10%	10%	20%							Financial Report	Finance	All Departments	ECG

10.1.18. Percentage achievement of Service Standards Levels in terms of the Shareholder Compact (Service Standards Levels)

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region STRATEGIC PRIORITY: Active and Engaged Citizenry																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage achievement of service standards	100%	95%	100%	100%	95%	95%	95%	95%							Performance reports on compliance to the service standards	CBO	Asset Management Property Management Property Development	ECG

10.1.19. Audit Opinion

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Good Governance																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	N/A	Unqualified audit	N/A	N/A	0	R5 million	R1.5 million	R1.5 million	R500K	R1.5 million	AGSA audit report.	JPC	COJ Dept & SCM	ECG

10.1.20. Resolution of Auditor General's findings

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Good Governance																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage resolution of Auditor General findings.	100%%	95%	100%	100%	95% of the previous AG letter	95% of the previous AG letter	50% of the Current/NEW AG letter	95% of the Current/NEW AG letter		R0	R0	R0	R0	R0	Audit progress report.	JPC	COJ Dept & SCM	ECG

10.1.21. Percentage resolution of Internal Audit findings

GDS OUTCOME: A high-performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region																		
STRATEGIC PRIORITY: Good Governance																		
Key Performance Indicator	Baseline 2022/23	2023/24 Target	2024/25 Target	2025/26 Target	2023/24 Quarterly targets				2023/24 Quarterly budget per project						Means of Verification	Lead Dept/Me	Support	Cluster
					Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
Percentage resolution of Internal Audit findings.	100%	95%	100%	100%	10%	30%	70%	95%		R0	R0	R0	R0	R0	Internal Audit Report	JPC	COJ Dept	ECG

10.2. Technical Indicator Descriptions

KPI NO	INDICATOR TITLE	SHORT DEFINITION	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	INDICATOR RESPONSIBILITY
1.	Unlocking Investments/ business through Property Transactions And Developments	Measures the amount of Investment attracted/ Leveraged by JPC On COJ Land	Agreement signed by both parties indicating the amount for development costs	Amount for developmental costs as per agreement	Cumulative	Quarterly	No	R5 Billion	Property Portfolio
2.	Investment spending on projects within COJ boundaries based on construction value on the ground	Measures the amount of investment spending by JPC on COJ land, through construction that is currently on the ground	Signed Investment Spend confirmation certificate/letter	Investment Spend By Developers Based On Sla	Cumulative	Quarterly	No	R500	PROPERTY PORTFOLIO
3.	Job Opportunities Created	Measures the number of work opportunities created and sustained	Signed appointment letter/ contract and ID document	Number of job opportunities created through JPC transactions	Cumulative	Quarterly	No	1000	ALL DEPARTMENTS
4.	SMMES supported through property transactions	Measures the number of SMMES Supported	JPC appointment letter or valid lease agreement	Number of SMMES supported	Cumulative	Quarterly	No	700	ALL DEPARTMENTS
5.	Asset Management Plans formulated	Asset Management plan informs and creates Property Pipelines for future developmental projects and leases to be entered into.	Asset Management Plans	Number of Asset Management Plan produced	Cumulative	Quarterly	No	320	PROPERTY PORTFOLIO
6.	Acquisitions of properties on behalf of the COJ and Entities	Measure the number of Properties acquired	Sale agreements with Windeed transfer confirmation.	Number of properties acquired	Cumulative	Quarterly	No	8	Property Portfolio
7.	Release of properties on social and economic leases	Measure the number of properties released on social and economic leases	Council resolutions approving the release on social and economic leases	Number of properties released to the public	Cumulative	Quarterly	No	140	property portfolio
8.	Implementation of the outdoor advertising masterplan	Measures the implementation of the outdoor advertising masterplan.	Signed Implementation Outdoor Advertising masterplan	percentage implementation progress against signed Outdoor Advertising masterplan	Cumulative	Quarterly	Yes	100%	leasing

KPI NO	INDICATOR TITLE	SHORT DEFINITION	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	INDICATOR RESPONSIBILITY
9.	Implementation of Annual Refurbishment plan for the Metro Centre Precinct	Measures the progress made in respect of the Annual Refurbishment plan of COJ owned Offices	Signed Annual Refurbishment Plan. Completion Report, which shows the progress against the annual refurbishment Plan.	percentage implementation progress against signed annual refurbishment plan	Cumulative	Quarterly	Yes	100%	mega projects
10.	Renewal of office accommodation leases	Measures the number of office accommodation leases renewed	Signed lease agreements	Number of leases renewed	Cumulative	Quarterly	Yes	27	Fm & cleaning department
11.	Implement training and development initiatives to address competency gaps	Measures the total number of employees trained & employees whose skills have been audited	Attendance register for trainings.	Number of employees trained	Cumulative	Quarterly	No	800	Human resources
12.	Income Generated	Measure the amount of income raised from acquisition, outdoor advertising, leases and servitude sales	Portfolio Statement of Financial Performance	Amount of income raised based on leases	Cumulative	Quarterly	No	R115 million	Property portfolio
13.	Percentage Spend of Allocated Capex	Measures the spent on Capital projects against the approved budget. The objective is to improve, stabilize and sustain a positive financial position.	Capex Spend Report	Total Capex spend divided by the budget Capex spend* 100	Cumulative	Quarterly	No	95%	Mega Projects
14.	Percentage spent on operating budget against approved budget	Operational costs spent by the organization against the allocated budget the organization against the allocated budget. The objective is to improve, stabilize and sustain a positive financial position	The actual spent/ allocated budget as per the Statement of Financial Performance.	Actual costs /allocated budget *100	Cumulative	Monthly	No	95%	All depts
15.	Percentage of spent on repairs and maintenance budget	It measures the level of repairs & maintenance to prevent breakdowns and interruptions to service delivery.	Financial Report indicating total repairs & maintenance expenditure / budget	Total repairs and maintenance expenditure/ allocated budget *100	Cumulative	Monthly	No	8%	Facilities management

KPI NO	INDICATOR TITLE	SHORT DEFINITION	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	INDICATOR RESPONSIBILITY
16.	Percentage of valid invoices paid within 30 days of invoice date	Measures the percentage of valid invoices paid within 30 days. The objective is to increase the number paid within 30 days	Financial reports reflecting date invoice captured and when invoice paid	Total number of invoices processed for month/number of invoices paid within 30 days*100	Non-Cumulative	Monthly	No	100%	All departments
17.	Percentage reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	Measures the percentage reduction on UIFWE compared to the previous financial year AG finding.	Financial Report	The UIFW Expenditure closing balance of the current financial year against (will be compared with) the closing balance of the previous financial year.	Non-Cumulative	Quarterly/Annually	No	50%	All departments
18.	Percentage achievement of service level standards (SLS)	Measure the percentage Achievement of service level standards of the total approved number of service level standards	Performance Reports	The percentage of service level standards achieved of the total approved number of service level standards multiply by 100	Non-cumulative	Monthly	No	95%	All departments
19.	Audit opinion	Measures the audit opinion of the AG	AGSA audit report	The financial statements are free from material misstatements (in other words, a financially unqualified audit opinion)	Non-Cumulative	Annually	No	Unqualified Audit	JPC
20.	Percentage Resolution of auditor general's findings	Measures the number of audit findings resolved against the total number of audit findings issued by the AGSA	Audit progress report	Total number of Auditor General findings resolved/total number of Auditor General findings (excluding findings that are less than 60 days)*100	Cumulative	Annually	No	95%	Internal audit
21.	Resolution of internal audit findings	Measures the number of audit findings resolved against the total number of audit findings issued by the internal audit	Internal audit report	Total number of Internal Audit findings resolved/total number of Auditor General findings (excluding findings that are less than 60 days)*100	Cumulative	Annually	No	95%	Internal audit