

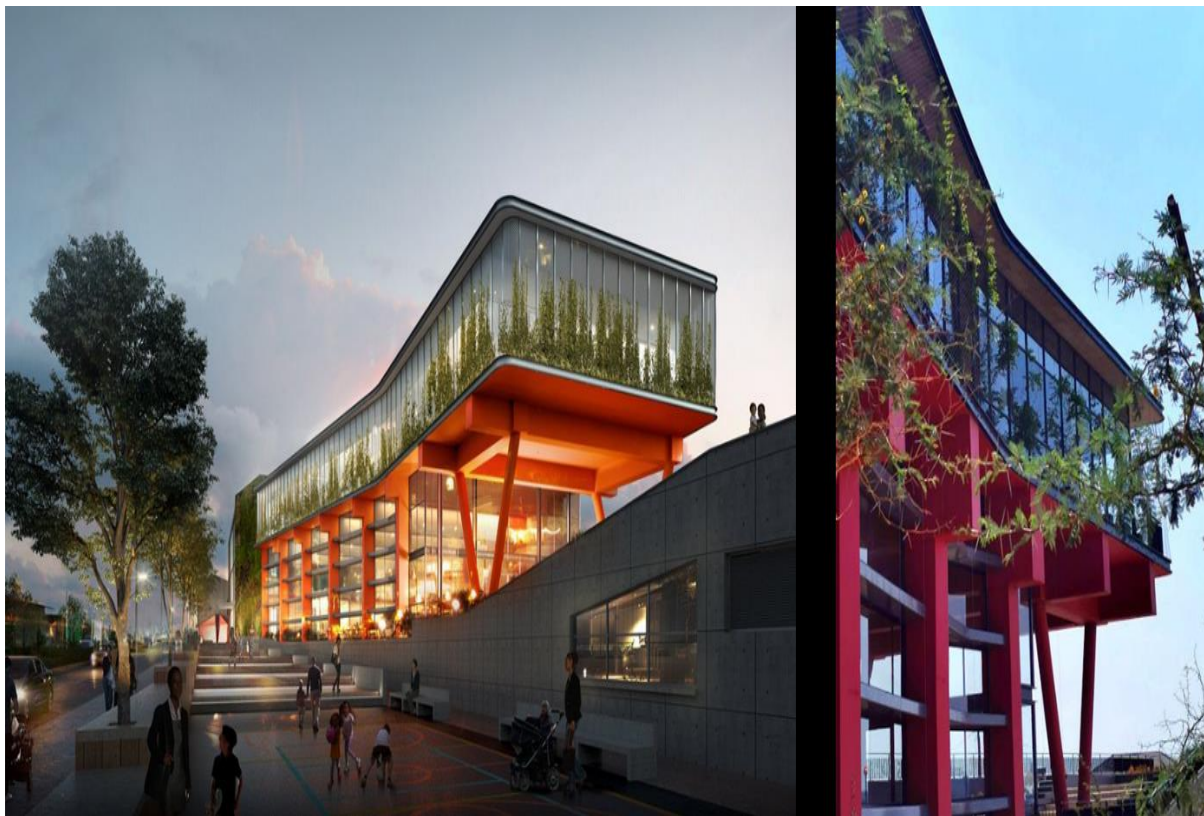


a world class African city



JOHANNESBURG DEVELOPMENT AGENCY (SOC) LIMITED

Registration no: 2001/005101/07



ANNUAL INTEGRATED REPORT 2020/21

IN TERMS OF SECTION 121 OF THE MUNICIPAL FINANCE MANAGEMENT ACT (2003) AND SECTION 46 OF THE MUNICIPAL SYSTEMS ACT (2000)

Registration number:	2001/005101/07
Shareholder / Municipality:	City of Johannesburg Metropolitan Municipality
Directors:	KM Phaahla (Chairperson) M Ntanga T Motloung K Marawu TTM Maepa M Lecoge TG Sambo V Ntshangase SS Ndlungwane NE Veyi SNK Mokoena SK Sibuyi A Ngcezula (Chief Executive Officer) S Moonsamy (Chief Financial Officer)
Registered address:	3 President (Helen Joseph) Street, Newtown, Johannesburg
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Website:	www.jda.org.za
Bankers:	Standard Bank of SA Limited
Auditors:	The Auditor-General of South Africa
Company Secretary:	Hasani Rodney Shirinda

JDA Vision

Building a more welcoming, competitive and resilient Johannesburg that is a better city to live, work and play in.

JDA Mission

To plan, implement, manage and facilitate area-based developments in efficient, equitable, sustainable and innovative ways

JDA Values

Accountability: To its shareholders, Board and key stakeholders




Innovation and creativity: Promoting an environment of fast-tracked decision-making and broader financial leverage, within which developments are planned, led, managed and implemented.

Responsiveness: To market forces, operating where it can make a difference, in locales and sectors where shareholders and their partners have a concentration of assets and expertise.

Results-driven and stakeholder-focused: With a 'user-friendly' approach

Seeking to empower: Through progressive procurement and work practices

APPROVAL

Mr Sihle Mkhize Name & Surname Acting Chief Financial Officer	 Signature	30 November 2021 Date of approval
Ms Sherylee Moonsamy Name & Surname Acting Chief Executive Officer/MD	 Signature	30 November 2021 Date of approval
Mr Mongezi Ntanga Name & Surname Acting Chairperson of the Board	 Signature	30 November 2021 Date of approval

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ACRONYMS AND ABBREVIATIONS

TABLE 1: ACRONYM AND ABBREVIATIONS

ACRONYM	Definition
ARP	Alexandra Renewal Programme
BBBEE	Broad-Based Black Economic Empowerment
BRT	Bus Rapid Transit
CBD	Central Business District
CPC	Community Participation Consultant
CoJ	City of Johannesburg
EPWP	Expanded Public Works Programme
GDS	Growth and Development Strategy Joburg 2040
GMS	Growth Management Strategy
GRAP	Generally Recognised Accounting Practice
ICT	Information and Communication Technology
IT	Information Technology
King Code	King Report on Governance for South Africa and the King Code of Governance Principles
KPI	Key Performance Indicator
MFMA	Municipal Finance Management Act (2003)
MOE	Municipal Owned Entity
NMT	Non-Motorised Transit
SMME	Small, Medium and Micro Enterprise
TOD	Transit Orientated Development

CONTENTS

About this Report	8
Section 1: Scope	8
Section 2: Materiality	8
Section 3: Assurance statement.....	9
Section 4: Board Responsibility and Approval.....	10
CHAPTER 1: JDA LEADERSHIP AND CORPORATE PROFILE	11
Section 1: Foreword by Member of the Mayoral Committee.....	11
Section 2: Board Chairperson’s Foreword.....	12
Section 3: Chief Executive Officer’s Report.....	14
Section 4: Chief Financial Officer’s Report	16
Section 5: Corporate Profile and Overview	18
Section 6: Strategic Goals and Objectives	20
Section 7: JDA’s Value Creation Process	22
CHAPTER 2: CORPORATE GOVERNANCE	1
Section 1: Corporate Governance Statement	1
Section 1.1: Board of Directors	3
Section 1.2: Directors & Prescribed Officers Remuneration	20
Section 1.4: Company Secretarial Function	23
Section 2: High-level organisational structure	24
Section 3: Governance of Stakeholder Relationships	25
Section 4: Risk Management.....	28
SECTION 4: ANTICORRUPTION AND FRAUD.....	30
Section 6: ICT Governance	34
Section 7: Compliance with Laws & Regulations.....	36
Section 8: Internal Audit Function.....	38
Section 9: Corporate Ethics and Organisational Integrity	39
CHAPTER 3: SERVICE DELIVERY PERFORMANCE.....	41
Section 1: Highlights and Achievements	41
Section 1.1: Financial Performance.....	41
Section 1.2: Organisational Performance.....	42
Section 1.3: EPWP Performance	44
Section 1.4: Projects in Construction Phase.....	45
Section 2: Service Delivery Challenges	46
Section 3: Response to Strategic Direction	48

Section 4: Performance against Service Standards	51
Section 5: Performance Against Predetermined Objectives	52
Section 6: Public Satisfaction in Municipal Services	73
Section 7: Recommendations and Plans for 2021/22	74
CHAPTER 4: HUMAN RESOURCES & ORGANISATIONAL MANAGEMENT	79
SECTION 2: EMPLOYEE REMUNERATION (TOTAL COSTS INCLUDING EXECUTIVES)	81
SECTION 3: KEY VACANCIES	81
SECTION 4: EMPLOYMENT EQUITY	83
SECTION 5: SKILLS DEVELOPMENT AND TRAINING	85
SECTION 6: PERFORMANCE MANAGEMENT	85
SECTION 7: DISCIPLINARY MATTERS AND OUTCOMES	86
SECTION 8: LEAVE AND PRODUCTIVITY MANAGEMENT	86
SECTION 9: EMPLOYEE WELLNESS	86
SECTION 10: EMPLOYEE BENEFITS	87
SECTION 11: OCCUPATIONAL HEALTH & SAFETY PROGRAMMES.....	87
Section 12: Batho Pele principles	88
CHAPTER 5: FINANCIAL PERFORMANCE	90
Section 1: Statement of Financial Position and High-level Notes	90
Section 2: Statement of Financial Performance and High-level Notes	92
Section 3: Cash Flow Statement and High-level Notes	93
SECTION 4: NET ASSETS.....	95
Section 5: Capital Projects and Expenditure	96
Section 6: Ratio Analysis (Liquidity, Solvency and Cost Coverage)	104
Section 6: Supply Chain Management, BBBEE and SMME	105
Section 7: Pending Litigations and Possible Liabilities	109
Section 8: Insurance Claims against/to MOE	112
Section 9: Statement on Amounts Owed By and To Government Departments and Public Entities	113
CHAPTER 6: AUDITOR-GENERAL AND INTERNAL AUDIT FINDINGS	114
Section 1: Progress on Internal Audit Plan	114
SECTION 2: PROGRESS ON RESOLUTION OF INTERNAL AUDIT FINDINGS.....	115
SECTION 3: PROGRESS ON RESOLUTION OF EXTERNAL AUDIT FINDINGS	116
SECTION 4: STATE OF INTERNAL CONTROLS	116
Section 5: Auditor-General's report for the current year	117
Section 6: Historical audit findings and remedial action	117
APPENDICES.....	118
Appendix A: Board of Directors; Committee Allocation and Attendance	118
Appendix B: Committee and Committee Purpose	123

Appendix C: Third Tier Administrative structure.....	124
Appendix D: FUNCTIONS OF ENTITY	125
Appendix G: Recommendations of the Audit and Risk Committee	126
Appendix H: Long-term contracts and Public-Private Partnerships	128
Appendix I: Municipal Entity Performance Schedule	130
Appendix J: Disclosure of financial interest.....	132
ANNUAL FINANCIAL STATEMENTS	166

ABOUT THIS REPORT

SECTION 1: SCOPE

Since 2012, the Johannesburg Development Agency (JDA) has applied circular 63 of the Municipal Finance Management Act (MFMA) (2003), issued by the National Treasury in the preparation of its annual reports. The circular prescribes the content municipalities should cover in their annual reports. The 2020/21 integrated annual report provides all of the required data and tables.

To comply with local and international sustainable reporting best practice guidelines, the 2019/20 integrated annual report also takes into account financial, social and economic factors in reporting on the JDA's operations. The guidelines applied include:

- Reporting requirements as per the Municipal Finance Management Act No. 56 of 2003, Circular 63 (MFMA)
- The South African Statements of Generally Recognized Accounting Practice (GRAP)
- Section 46(1) of the Municipal Systems Act (2000).
- International Integrated Reporting Council's Integrated Report Framework (IIRC IRF)
- King Code of Governance for South Africa
- National Treasury Guidelines and Regulations
- The Batho Pele principles

The JDA's outcomes are aligned with those set out in the City of Johannesburg's 2016/17–2020/21 integrated development plan and the Joburg 2040 Growth and Development Strategy (GDS), the collective and shared vision for the future of Johannesburg.

SECTION 2: MATERIALITY

The JDA applies the principle of materiality to determine the nature, timing and extent of the disclosures in its annual reports. A matter is material if it is of such relevance and importance that it could substantially influence an assessment of the report and the entity's ability to create value in the short, medium and long term. Material issues are embedded into the company's processes in at least the following four ways that ensure efficiency and impact:

- Strategy: To feed into ongoing strategy development by highlighting rapidly emerging issues and enabling them to be factored into strategy development and possibly addressed as business opportunities, rather than ignored until they become business risks.
- Performance: To promote an internal understanding of the link between environmental, social, and governance issues and business performance. The materiality determination provides a link between issue experts and strategic and operational managers.
- Stakeholder engagement: To provide a framework to design stakeholder engagement strategies and a powerful tool to help identify opportunities for dialogue and collaboration.
- Reporting: To determine the scope of reporting and other communications so that they are more strategically aligned and useful to external stakeholders.

TABLE 2: INTERNAL AND EXTERNAL CRITERIA WERE USED TO IDENTIFY MATERIAL ISSUES

Internal criteria	External criteria
Joburg 2040 GDS criteria and objectives	Emerging opportunities and challenges facing the JDA Changes in the socio-economic development agenda and priorities of the National and Provincial Government
Enterprise risk management process, including key risks affecting the JDA's strategic and operational objectives and the associated mitigating activities.	Factors that may affect the JDA's reputation and influence its ability to promote sustainable growth
The expectations and feedback of stakeholders such as residents, ratepayers, the business community, civil society, national and provincial government, neighbouring municipalities, and designated targeted groups.	The provisions of various frameworks, including the MFMA, section 46(1) of the Municipal Systems Act, King Code, the International Financial Reporting Standards, the Millennium Development Goals, and the broad-based black economic empowerment (BBBEE) code
The JDA's mission, vision and values	
JDA's governance framework and policy environment	

SECTION 3: ASSURANCE STATEMENT

The JDA's executive management, internal audit unit, and the Audit and Risk Committee have reviewed and assessed the entity's integrated annual report for 2019/20 to ascertain whether minimum disclosure requirements were adhered to in terms of the following:

TABLE 3: MINIMUM DISCLOSURE REQUIREMENTS

Integrated reporting framework	MFMA: Circular 63 annual reporting requirements
Ethical leadership and corporate citizenship	Chairperson's foreword and executive summary
Boards and directors Board independence Board reporting Board's performance Board committees Directors' remuneration	Governance Governance structures Intergovernmental relations Public accountability participation Supply chain management, by-laws and oversight committees Risk management Anticorruption and fraud Disclosure of financial interests Councillors and committee
Audit and Risk Committee Finance competence Audit and Risk Committee performance	Service delivery
The governance of risk	Organisational development performance
Compliance with laws, codes, rules and standards	Financial performance
Internal audit Assessment of governance risk, management ethics and internal control processes	Appendices and annual financial statements
Governing stakeholder relationships	
Integrated reporting disclosure Financial disclosure Sustainability disclosure	
Integrated reporting philosophy	

The JDA will continue to refine its approach to reporting to further align it with international standards and to strive to be consistent and accountable in its work to create sustainable value for all residents of Johannesburg.

SECTION 4: BOARD RESPONSIBILITY AND APPROVAL

The directors are responsible for the preparation, integrity and fair presentation of the financial statement of the entity. The financial statements presented in Chapter 5 have been prepared per Generally Recognised Accounting Practice and include amounts based on judgements and estimates made by management.

The directors are responsible for the preparation of the other information in the integrated annual report and are responsible for both its accuracy and consistency with the financial statements. The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the entity will not be a going concern in the foreseeable future based on the forecast and available cash resources. Refer to the Directors' report in Chapter 5 concerning the appropriateness of the going concern assumption for the preparation of the financial statements.

The financial statements were approved by the Board of Directors on 29th August 2021 and signed on its behalf by Mr K. Phaahla (Chairperson).

Mr Kevin Phaahla
Chairperson of the Board

CHAPTER 1: JDA LEADERSHIP AND CORPORATE PROFILE

SECTION 1: FOREWORD BY MEMBER OF THE MAYORAL COMMITTEE

As the MMC of Development Planning in the City of Johannesburg, I am proudly responsible for the Johannesburg Development Agency (or JDA). The JDA provides the essential area-based facilitation and project implementation services required by the City to ensure the delivery on long-term spatial and economic goals set out in the 2040 – the City’s Growth and Development Strategy and the priorities of the GLU.

The City of Johannesburg has developed a growth and development strategy to take us into 2040. It is a strategy that not only provides a vision of the future but importantly, defines clear outcomes against which to measure progress.

This strategy is central to the work of JDA, in particular, the agency is led by the 2040 strategy’s ideals of resilience, liveability and sustainability. This is driven by the conviction that a resilient city is flexible and strong enough to solve complex and unanticipated problems.

Emphasis is placed on harnessing project implementation to increase shared economic growth and implement Broad-Based Black Economic Empowerment, creating jobs and economic opportunities for all residents, especially for disadvantaged communities and businesses.

In 2019/20, the JDA objectives responded to the GLU Priorities in several ways. Firstly, by focusing particularly in the urban regeneration of key economic nodes in and around the Inner City, in Roodepoort, Lenasia and Jabulani. Secondly, playing an active role in the more marginalised areas including Diepsloot, Alexandra, Ivory Park, Drieziek and Lehae. Secondly through the efficient and effective delivery of infrastructure projects, including the continued roll-out of the Rea Vaya BRT infrastructure and the promotion of green building technologies such as solar water heating, efficient lighting and sustainable urban drainage systems in its designs and projects. Thirdly, by promoting economic empowerment and transformation, by targeting 30% of the value of all construction contracts for local SMMEs as well as to try and optimise the number of local construction jobs created. Finally, the JDA follows a strong facilitation and partnership role by working with local and governmental stakeholders to co-produce solutions and develop a shared vision for sustainable development implementation.



*Cllr Thapelo Amad
MMC Development Planning*

Cllr Thapelo Amad
Member of the Mayoral Committee for Development Planning

SECTION 2: BOARD CHAIRPERSON'S FOREWORD

The announcements by President Cyril Ramaphosa during Quarter 4 (Q4) moving the country to Level 3 and Level 4 because of the Covid-19 Third Wave was a significant external environment factor for the JDA's organizational performance and employee wellness. The construction industry, where the JDA draws most of its project implementation inputs, was also impacted negatively by Covid-19 restrictions and lockdowns. The JDA complied fully with the Disaster Management Act. Despite these impediments, the JDA posted a satisfactory performance and the Shareholder entrusted JDA with three additional programme / projects which were not part of JDA's business plan of the Financial Year 2020/21.

The JDA makes a contribution to both the National Development Plan 2030, Joburg Growth and Development Strategy 2040 as well as Strategic Priorities of the Government of Local Unity. Hence, during the period under review the JDA successfully implemented the biggest transport facility in the Southern Hemisphere and other social infrastructure projects in Spatial Development Framework Priority Transformation Areas that contribute to economic development, SMME development, job creation, eco-mobility, healthy living and sustained human settlements. There was an intensification, during Q4, of engaging meaningfully with all the stakeholders of JDA projects before, during and after the project implementation.

The JDA's capital expenditure at the end of the Quarter 3 (Q3) was lower than the Q3 target. Hence, in Q4 the organisation embarked on a Project Implementation Acceleration Plan which contributed to service delivery acceleration and yielded better CAPEX expenditure at the end of Q4 of 2020/21 (83%) than at the end of Q4 of 2019/20 (65%). The capacitation and resourcing of the organization was prioritized during the period under review in order to make the JDA an effective development agency and an employer of choice. The discussions of JDA's current mandate, strategy and funding model started gaining traction and engagements with the shareholder on some of these strategic issues took place during Q4.

We consider the results for 2019/20 in the context of COVID-19. The last four months of the financial year



*Mr Kevin Phaahla
JDA Chairperson*

have completely changed both the macroeconomic landscape as well as the level of uncertainty about the local economic outlook. These times of volatility posed significant challenges for management when making estimates and we commend the JDA team for still spending 83% of their capital budget.

The Board is also confident that with prevailing stability at the helm, the JDA can do even more to exceed its targets related to urban development and capital expenditure. For example, more needs to be done to ensure the projects and especially the land identified is ready for capital implementation. This is in addition to ensuring that all the necessary project management and performance management practices are strictly monitored and enforced. The board is convinced that the extension of contractors will be curbed to the minimum.

Secondly, in accordance with the COVID-19 Risk Adjustment Approach, the JDA has implemented a phased resumption of construction activity which has a knock-on effect that the resumption of project implementation will not negatively impact the JDA's performance. The JDA's construction sites were subject to contractors submitting and getting approval of their respective COVID-19 Risk Assessment.

I would like to thank the MMC of Development Planning, Councilor Thapelo Amad, for his political leadership. Moreover, I would like to thank all the Non-Executive Directors and Independent Audit and Risk Committee members for their commitment and diligence in executing their Board and Board Committees obligation of ensuring good governance and organizational performance. The JDA Board of Director extends its appreciation to management and staff on an improved organizational performance in the financial year 2020/21 while acknowledging that a concerted effort will need to be made by management and staff to pay close attention to those areas of improvements which were identified throughout the financial year of 2020/21.

Mr Kevin Phaahla
Chairperson of the Board

SECTION 3: CHIEF EXECUTIVE OFFICER'S REPORT

The country was still under Lockdown restrictions during Q4 and was further moved to Lockdown Level 3 and Level 4 in quick succession. Thus, JDA was impacted negatively at its offices and at its construction sites. The JDA experienced some Covid-19 positive cases in Q4 which resulted in JDA offices being closed for few days resulting in loss of labour hours and productivity. JDA ensured that there was adequate supply of Personal Protective Equipment, masks and sanitizers for its staff and offices during the period under review. Moreover, 4 projects reported Covid-19 positive cases during Q4. At least 20 days of construction days were lost resulting in project milestones being pushed back and Capex expenditure rate slowing down. The JDA used contract management to ensure that main contractors complied with Covid-19 regulations in all JDA construction projects during the period under review. Some construction companies and building material suppliers faced liquidation during Q4 resulting in the pool of service providers shrinking for the JDA.



*Mr Anthony Ngcezula
Chief Executive Officer*

The JDA completed the construction of the 50,000 square meters state of the art Johannesburg International Transport Interchange (JITI), an international long distance and cross border transport hub, during the period under review. It is the biggest and most commuter friendly public transport facility for long distance travellers on the African continent. The JDA also completed the construction of three modern clinics during Q4 i.e., Florida Clinic, Bophelong Clinic and Orchards Clinic. The Ivory Park Urban Development Framework Development Catalytic Node Infrastructure Projects and Alexandra Depot were completed in Q4 to assist urban development in two (2) of the marginalized areas of the City of Johannesburg. The JDA Stakeholder Management Unit performed better in Q4 of 2020/21 than Q3 of 2020/21 as there were only two (2) work stoppages at JDA construction sites caused by stakeholder dissatisfaction.

The JDA posted a better financial performance in some areas this Q4 of 2020/21 than Q4 of 2021/22. The JDA embarked on an Acceleration Plan during Q4. Hence, the CAPEX expenditure for the period ended 30 June 2021 was R1.2 Billion (2019/20: R888 Million) against an annual budget of R1.4 Billion (2019/20: R1.3 billion). This represents 83% (2019/20: 68.27%) of the overall annual budget. However, there was a slight decline of in revenue from R116.283 Million at the end of Q4 of 2019/20 to R115.88 Million at the end of Q4 of 2020/21. There was also an increase in OPEX expenditure from R89.126 Million at the end of Q4 of 2019/20 to R117.6 Million at the end of Q4 of 2020/21. There were still three (3) vacant executive positions which the process of filling started during this period Q4. Some of the deliverables of IT capacitation were achieved in Q4 such as beginning to enable the Project Planning and Facilitation unit to do all their work on SAP. It was decided during Q4 to

hold a JDA strategic planning session in order to formulate JDA's strategy for the next five (5) years.

Reflecting on the performance in light of the service delivery agreement, the JDA ended the 2019/20 financial year has spent 83% of its total capital budget. This reflects a considerable effort especially towards the end of the financial year.

The Johannesburg Development Agency (JDA) worked on over 60 capital projects across four programmes in the 2019/20 financial year, and it proudly continues to support the City in transforming the spatial economy.

The major driver of the JDA's capital expenditure was from Accelerated Public Infrastructure Delivery Programme (Programme 2). This programme specifically deals with the large construction works that are being undertaken on the Rea Vaya trunk routes along Louis Botha Avenue and community development projects.

It further includes projects to install pedestrian and non-motorised transport (NMT) infrastructure that serves to connect commuters with the Rea Vaya BRT system and commuter rail services. Programme 3 includes a managed portfolio of projects in the city's more marginalised areas, including internal roads and storm-water infrastructure in Braamfischerville for the Department of Housing, the Lehae Multi-purpose Centre for the Department of Community Development through to a range of clinics for the Department of Health. The JDA itself began a new cycle of planning in preparation for projects in Ivory Park and in Diepsloot where the JDA has worked for many years.

I would like I would like to thank the JDA Board Of Directors for their diligent oversight. I also extend my appreciation to JDA management and staff on an improved organizational performance in the financial year of 2020/21. However, I take cognizance of the fact that there are KPIs that JDA management and staff must improve on in the 2021/22 financial year such as: taking projects to completion, resolving internal audit findings, CAPEX expenditure, OPEX expenditure, creation of EPWP jobs, implementation of strategic management action plan as well as prompt and quality performance reporting.

Mr Anthony Ngcezula
Chief Executive Officer

SECTION 4: CHIEF FINANCIAL OFFICER’S REPORT

The JDA has always been a unique organisation with a funding model that is highly dependent on the capital projects that are implemented on behalf of its client departments. Over the years there have been fluctuations in the capital project budgets implemented by the JDA and our operational requirements have to be just as nimble for us to remain financially sustainable.

Actual deficit before taxation of R1.7 million (2020: R20.6 million surplus) was recorded against a balanced operational budget. The impact of the deferred tax adjustment of R1.4 million (2020: R1 million) resulted in a net deficit of R294k (2020: R14 million surplus) for the year under review.

The organisation achieved 96% (2020: 90%) of the budgeted revenue and 97% (2020: 110% after interest write-off) of the budgeted operational expenditure.

Gross Revenue was R115.8 million against a budget of R120.9 million. The variance of R5 million was as a result of the development management fees which was lower than the target. The organisation was able to earn approximately 94% of the budgeted management fees. The management fees earned were as a result of actual capital expenditure of 83% against total allocated budget being achieved. The original budgeted capital expenditure was estimated at 90% at the end of June 2021.

Actual operating expenses were R117.6 million against a budget of R120.9 million which resulted in a variance of R3.4 million. Included in the operational expenditure is interest on the sweeping account of R14.8 million.

The actual capital expenditure spent on 30 June 2022 was R1.2 billion (2020: R888 million) against an adjusted budget of R1.4 billion (2020: R1.3 billion).

The organisation’s total assets exceeded the total liabilities. The total net assets on 30 June 2021 were R83,624,615 (2020: R83,918,204). The net assets include accumulated reserves of R67,346,991 (2020: R67,640,580).

The ratios below indicate that the organisation is in a sound position albeit a slight decline in some areas as compared to the previous financial year.

TABLE 4: FINANCIAL RATIOS

Key Performance Area	Target	Actual 30 June 2020	Actual 30 June 2021
Current ratio	Above 1: 1	1.08: 1	1.075: 1
Solvency ratio	Above 1: 1	1.09: 1	1.10: 1
Salaries to expenditure ratio	Below 60%	60%	67%



*Ms Sherylee Moonsamy
Chief Financial Officer*

Revenue	R 108.2 million	R117.5 million	R115.9 million
Expenditure	R108.2 million	R96.9 million	R117.6 million
Surplus / (Deficit)	Rnil	R20 million	(R2 million)
Total net assets	R47.4 million	R84 million	R81 million
Capital expenditure	95%	68.31%	83%

- Current ratio – the current ratio is positive despite the organisation closing the year on an overdrawn treasury balance. This is due to the high value of related party debtors at year end. This trend is consistent with the prior financial year.
- Solvency ratio – the solvency ratio is also positive and mainly because the organisation does not have a high fixed asset base and non-current liabilities thus the current assets component of the ratio dominates the non-current (fixed assets) and non-current liabilities components. The trend is consistent with the prior financial year.
- Remuneration to expenditure ratio – Employee costs take up a large percentage of the overall JDA operational budget due to the organisation’s staff complement being made up of professionals particularly in the portfolio departments. The ratio has exceeded with the target due to the overall increase in the expenditure as this includes the R14 million interest incurred on the overdrawn sweeping account and a significant savings in the operational expenditure. The interest expense inflates the total expenditure. This would change the overall denominator of the ratio and affect the overall percentage.

Ms Sherylee Moonsamy CA (SA)
Chief Financial Officer

SECTION 5: CORPORATE PROFILE AND OVERVIEW

The JDA was established by the City of Johannesburg (CoJ) in April 2001 to initiate, stimulate and support development projects and rejuvenate economic activity throughout Johannesburg. The agency initially focused on applying economic development strategies to regenerate underperforming neighbourhoods, mostly in the inner city. However, this has evolved to focusing on transforming Johannesburg into a resilient, sustainable and liveable city by developing transit nodes and corridors.

5.1 Vision¹

Building a more welcoming, competitive and resilient Johannesburg that is a better city to live, work and play in.

5.2 Mission²

To plan, implement, manage and facilitate area-based developments in efficient, equitable, sustainable and innovative ways

5.3 Values

The key values that inform the work and approach of the JDA are:

- **Accountability:** To its shareholders, Board and key stakeholders
- **Innovation and creativity:** Promoting an environment of fast-tracked decision-making and broader financial leverage, within which developments are planned, led, managed and implemented.
- **Responsiveness:** To market forces, operating where it can make a difference, in locales and sectors where shareholders and their partners have a concentration of assets and expertise.
- **Results-driven and stakeholder-focused:** With a 'user-friendly' approach
- **Seeking to empower:** Through progressive procurement and work practices

Outcomes and challenges

The JDA's evolution into an area-based development agency has prepared it to respond to the objectives as outlined in the GDS. Under this model, the JDA takes on a more central role in developing strategic capital works projects and establishing urban management partnerships. Crucially, the model allows the JDA to mobilise development partners and other stakeholders to sustainably achieve the common economic and social objectives defined for each area. However, given the spatial, socio-economic and political environment in which the JDA operates, some challenges affect area-based development and the JDA's ability to facilitate common economic and social objectives, i.e. the focus on developing resilient, sustainable, inclusive and liveable urban areas in identified nodes and corridors.

¹ The Vision Statement focuses on the future; it is a source of inspiration and motivation. Often it describes not just the future of the organisation but the future of the industry or society in which the organization hopes to effect change.

² The mission statement describes what the JDA wants to do now a vision statement outlines what the JDA wants to be in the future. The Mission Statement concentrates on the present; it defines the customer(s), critical processes and it informs you about the desired level of performance.

Political governance and accountability

The JDA is accountable to the Department of Development Planning and the Member of the Mayoral Committee for Development Planning, who exercises political oversight and to whom the JDA submits compliance reports in respect of its performance scorecard.

The JDA relies on the Department of Development Planning for direction on its contractual obligations contained in the service delivery agreement, and on the Member of the Mayoral Committee for its political mandate and oversight. The Group Governance unit provides corporate governance and related support, including financial sustainability and compliance reporting and review

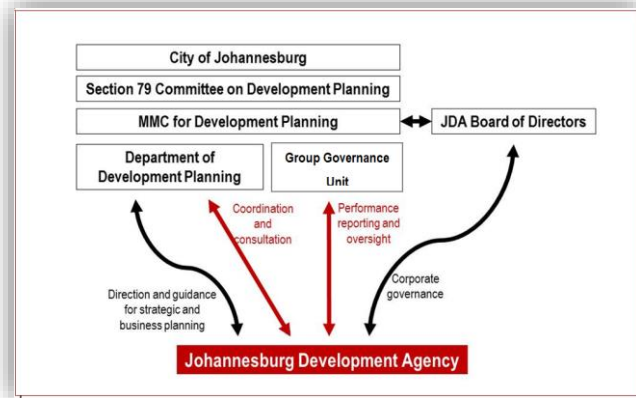


FIGURE 1: JDA GOVERNANCE SYSTEM

The Council’s Portfolio Committee on Development Planning provides political oversight of the JDA’s activities and functions. The JDA also falls under the Economic Development Mayoral Cluster Committee, which ensures that the work of the other departments and entities mandated with spatial transformation and economic growth of the city is integrated and coordinated. The JDA’s management is accountable for strategic and operational matters to the Board of Directors, which controls and maintains a fiduciary relationship with the company. The JDA coordinates its area-based development activities and other catalytic interventions with the Department of Development Planning and engages with client departments in the design and construction of infrastructure assets.

SECTION 6: STRATEGIC GOALS AND OBJECTIVES

JDA’s primary purpose is to promote resilient city strategies by restructuring the urban spatial logic of the city. The JDA’s current business plan represents a spatial response to specific Priority Transformation Areas as outlined in the 2015/16 Spatial Development Framework.

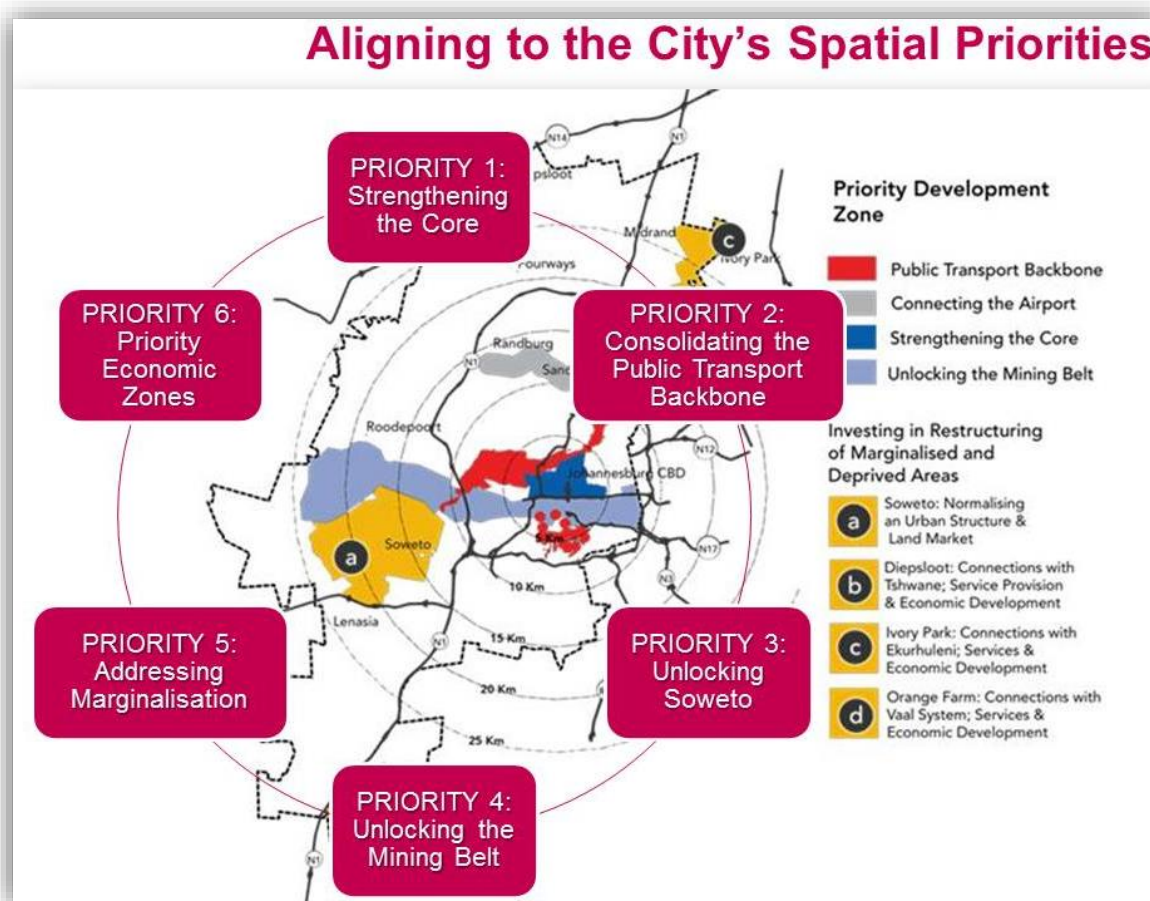


FIGURE 2: SDF 2040 PRIORITY AREAS

The JDA follows five strategic principles strategic objectives which are aligned with the Joburg 2040 GDS and the economic cluster’s plans for sustainable services and economic growth.

TABLE 5: STRATEGIC PRINCIPLES

Principles	Description
Catalyse growth and investment	Catalysing growth in areas with latent investment potential. Catalytic intervention and strategic capital investments in areas that have been previously marginalised or have failed to attract private investment can unlock development potential, stimulate local economies and boost job creation and entrepreneurial development.
Create great places	Creating robust democratic public spaces ³ that give dignity and choice to city users. As urban densities continue to rise, the public spaces in cities are becoming increasingly important for meeting citizens’ social needs. The quality of space is just as important as the quantity. Given the increasing demand for open space, public spaces need to be creatively designed, moving towards greater adaptability and multiplicity of use to ensure their longer-term sustainability.

³ Democratization is undoubtedly an uneven process and the transformations in the urban space and in the public sphere in general bear the marks of this unevenness and the various contradictions and perversities they generate (<http://www.publicspace.org/en/text-library/eng/a015-democracy-and-enclosed-spaces-from-social-movements-to-fortified-enclaves-to-hip-hop-in-s-o-paulo>)

Principles	Description
Connect people to opportunities	Connecting people with opportunities to live, work, play, learn, and be healthy in the city. Efficient mass public transport networks and connections, transit-oriented multi-use precincts, together with strategic land-use planning and zoning regimes, are essential in realising these connections.
Co-produce solutions	Co-producing solutions in partnership with local communities and stakeholders to meet local needs and mitigate challenges. This is an essential component of development intervention in cities. Since 1994, the state has made concerted efforts to engage communities in the development of local solutions. Unfortunately, this has not always been successful and often simply takes the form of decision-makers telling communities about their strategies. A more responsible and effective approach is to work with local stakeholders to produce solutions, drawing on their knowledge of the development context. This can cultivate a much more sustainable sense of ownership, civic pride and citizenship.
Continually improve	Underpinning all the strategic goals, there is the need for the JDA to run as efficiently, effectively and as economically as possible.

To ensure that the JDA is best positioned to respond to the spatial development priorities, the JDA has set itself the following four objectives.

TABLE 6: OBJECTIVES (MEDIUM-TERM)

Objectives
<ul style="list-style-type: none"> i) To efficiently, effectively and economically deliver sustainable social and economic infrastructure projects ii) To support the growth and development of strategic economic nodes into high-quality, investor-friendly and sustainable urban environments iii) To promote economic empowerment and transformation through the structuring and procurement of JDA developments iv) To strengthen and improve the JDA's corporate governance and operations to ensure that it remains an effective, efficient, sustainable and well-governed organisation.

The JDA coordinates its area-based development practices and services for catalytic interventions on behalf of the Department of Development Planning and with other client departments.

TABLE 7: PRACTICES AND SERVICES (SHORT-TERM)

Practices and Services
<ul style="list-style-type: none"> i) Development identification and project packaging - Identifying strategic opportunities to respond to the CoJ's focus area by bringing together all relevant stakeholders and parties to the initiative, and developing an implementation plan. ii) Development and project facilitation and co-ordination - Working with various stakeholders and parties to ensure that they are undertaking their roles as expected and required. iii) Overall development implementation involving capital developments - In ensuring that the development is implemented as planned, JDA may oversee specific project management functions within a development, while retaining overall accountability as a development manager. Through local beneficiation, in terms of a small, medium and micro-enterprise (SMME) and entrepreneurial support, the JDA aims to increase the number of local emerging contractors used in capital projects carried out in the various communities, as well as the number of local construction jobs created. iv) Post-implementation support and sustainability - Complement any capital development or investment with urban management initiatives and models. v) Impact Assessment/monitoring and evaluation - Analyse, review and quantify private sector investment in various JDA intervention areas, and assess the socio-economic impact of these interventions. This is achieved through, among others, analyses of property market trends and factors that influence investor interest in JDA development areas. Value for money assessment

The JDA has aligned the main elements of our work and highlights the flow between them:



FIGURE 3: DEVELOPMENT PROCESS / LIFECYCLE

SECTION 7: JDA'S VALUE CREATION PROCESS

The following three diagrams below unpack the JDA's value creation process to illustrate how:

- The JDA's various inputs (i.e. financial, manufacturing, human, intellectual) are transformed into financial returns as well as non-financial sustainability outcomes.
- The JDA has aligned its activities and efforts to achieve expected results by structuring the main elements of our work.

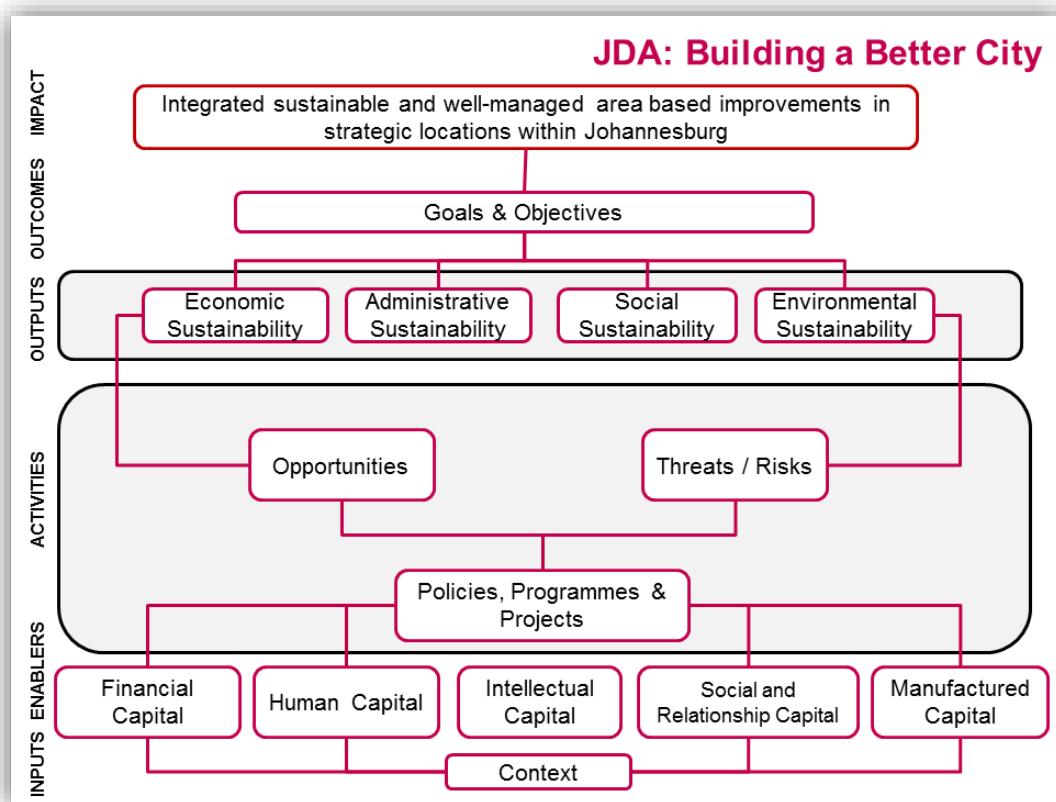


FIGURE 4: JDA'S VALUE CREATION PROCESS – LEVEL I

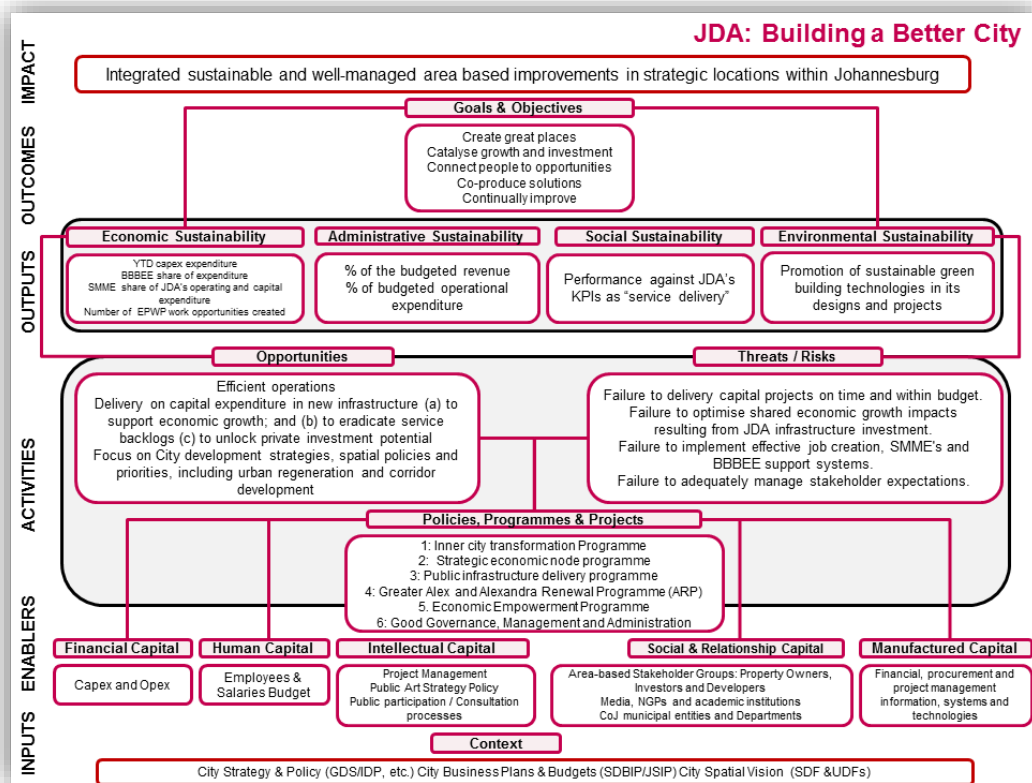


FIGURE 5: JDA'S VALUE CREATION PROCESS – LEVEL II

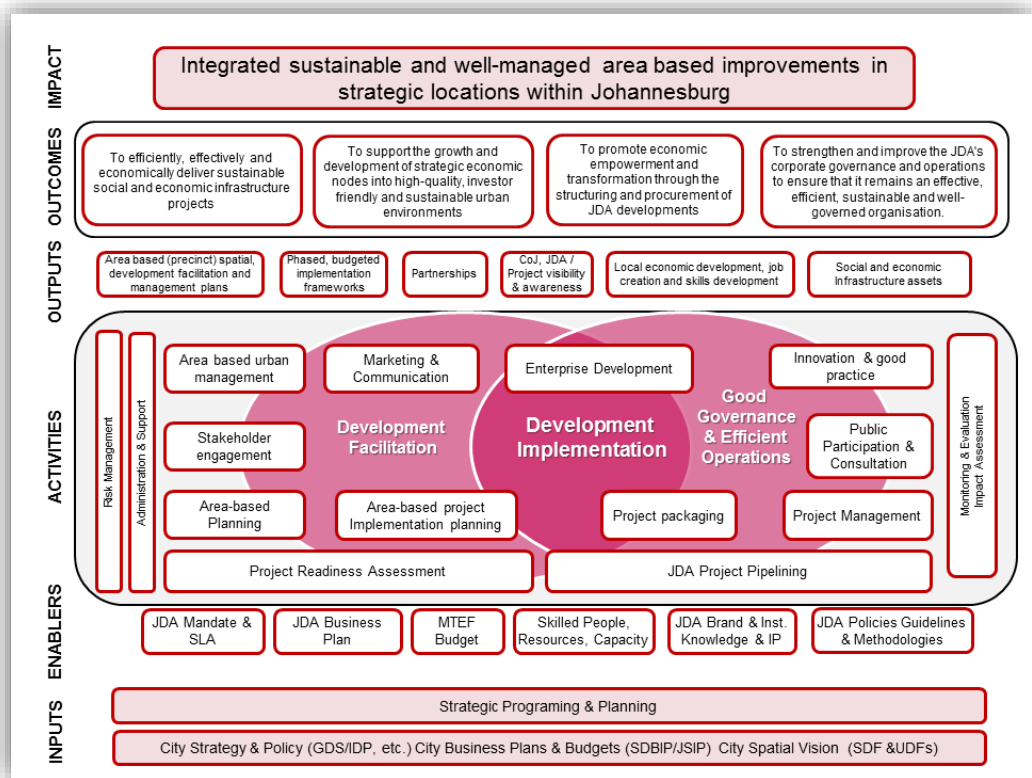


FIGURE 6: JDA'S VALUE CREATION PROCESS – LEVEL III

CHAPTER 2: CORPORATE GOVERNANCE

SECTION 1: CORPORATE GOVERNANCE STATEMENT

Governance Framework

The JDA recognises that conducting its affairs with integrity will ensure that the public and, the City of Johannesburg Metropolitan Municipality, have confidence in its work. To that end, the JDA's Board of Directors and executive management team subscribe to the governance principles set out in the Code of Conduct for Directors referred to in section 93L of the Municipal Systems Act, circular 63 of the MFMA and the King IV Code.

The Board also actively reviews and enhances the systems of internal control and governance procedures in place to ensure that the JDA is managed ethically and within prudently determined risk parameters. During the period under review, the Board conducted assessments to ensure that the JDA complied with the requirements of the Companies Act, the Municipal Systems Act and the MFMA.

JDA's Governance Arrangements

The JDA is accountable to the Department of Development Planning, which provides direction on contractual obligations and to the Member of the Mayoral Committee for Development Planning, who exercises political oversight. The JDA also falls under the Economic Development Mayoral Cluster Committee, which ensures that the work of departments and entities responsible for the city's spatial transformation and economic growth is integrated and coordinated. The Council's Section 79 Portfolio Committee on Development Planning provides political oversight of the JDA's activities and functions.

The JDA must perform according to a service delivery agreement and performance objectives set by the City of Johannesburg.

The JDA's management is accountable for strategic and operational matters to the Board of Directors, which controls and maintains a fiduciary relationship with the company. The JDA coordinates its area-based development activities and other catalytic interventions with the Department of Development Planning and engages with client departments in the design and construction of infrastructure assets.

The Legislative framework

The legislative framework for municipal entities came into effect through amendments to the Municipal Systems Act (MSA) and the passing of the Municipal Finance Management Act (MFMA). The new provisions of the MSA, including Chapter 8A, came into effect on 1 August 2004. The bulk of the provisions of the MFMA took effect on 1 July 2004 with some transitional provisions based on municipal capacity. The MSA defines three types of entities that may be established by a municipality with effect from 1 August 2004, a private company, service utility or multi-jurisdictional service utility. Before the MSA and MFMA requirements took effect, municipalities used various arrangements to deliver services and manage functions. These included trusts, section 21 companies and private companies. Given the legislative framework, municipalities are required to review these structures and either convert them to an entity or disestablish them if they are no longer required. A review would cover such things as the appropriateness of governance structures to provide effective municipal oversight, accountability and transparency.

Implementation of King Codes of Corporate Governance

The Board and management team are committed to the principles of openness, integrity and accountability advocated by the King Code. The JDA made progress during the reporting period towards entrenching and strengthening the implementation of the recommended practices in its governance structures, systems, processes and procedures. The internal audit team provided regular feedback to the Audit and Risk Committee, which is responsible for monitoring compliance with the King Code.

The entity applies the governance principles contained in the King Codes as far as it applies to it and continues to further entrench and strengthen recommended practices in its governance structures, systems, processes and procedures. The Board of Directors and Executives recognise and are committed to the principles of openness, integrity and accountability advocated by the King Code on Corporate Governance. Through this process, shareholders and other stakeholders may derive assurance that the entity is being ethically managed according to prudently determined risk parameters in compliance with generally accepted corporate practices. The monitoring of the entity's compliance with the King Codes on Corporate Governance is part of the shareholder mandate of the Audit and Risk Committee. The entity has complied with the Code in as far as it applies to it during the period under review.

The Board of Directors has incorporated the City of Johannesburg's Corporate Governance Protocol in its Board Charter, which inter alia regulates its relationship with the City of Johannesburg as its sole member and parent municipality in the interest of good corporate governance and good ethics.

The Protocol is premised on the principles enunciated in the King Codes Report on Corporate Governance for South Africa 2016 (King Code). The Entity steadfastly consolidated its position in respect of adherence to the King Codes report on Corporate Governance. The entity practices are, in most material instances, in line with the principles set out in the King Codes. Ongoing steps are however taken to align practices with the King IV's recommendations and the Board of Directors continually reviews progress to ensure that the entity improves its Corporate Governance. During the year under review, the Company entrenched its risk management reviews. Reporting and compliance assessments were conducted in terms of the Companies Act, the Municipal Systems Act (MSA) and the Municipal Finance Management Act (MFMA). The annual Board assessments and evaluations were conducted and an annual report for the previous year was effectively completed following section 121 of the Municipal Finance Management Act.

Ethical Leadership

The board provides effective leadership based on a principled foundation and the entity subscribes to high ethical standards. Responsible leadership, characterised by the values of responsibility, accountability, fairness and transparency, has been a defining characteristic of the entity since the company's establishment in 2001.

The fundamental objective has always been to do business ethically while building a sustainable company that recognises the short- and long-term impact of its activities on the economy, society and the environment. In its deliberations, decisions and actions, the board is sensitive to the legitimate interests and expectations of the entity's stakeholders.

Corporate citizenship

As an entity of a municipality, the JDA has social and moral obligations to the citizens. The Board is responsible for ensuring that the JDA protects, enhances and invests in the economy, society and the natural environment, and pursues its activities within the limits of social, political and environmental responsibilities outlined in international conventions on human rights.

Compliance with laws, rules, codes and standards

The Board is responsible for ensuring that the entity complies with applicable laws and considers adherence to non-binding rules, codes and standards. The company secretary certifies that all statutory returns have been submitted to the Registrar of Companies in terms of section 268(d) of the Companies Act. The internal audit team assures the JDA's compliance with laws and regulations.

Citizen Involvement in Plan-Making and Project Implementation

The City and the JDA are continually working on ensuring more involvement of communities and individuals in the preparation of plans and project implementation, and a better interface between officials and the public.

In the preparation of the Integrated Development Plan (which includes the Spatial Development Framework) and also in the annual revision of the Regional Spatial Development Framework, there is a structured participation process, which includes public meetings and which allows any interested party to comment on, or object to, any provision in a proposed plan.

For area-based planning, the JDA's participation is structured in some ways, including key public meetings at the start of the process and the point of draft proposals. But other participatory methods such as stakeholder meetings, information leaflets, etc. are also used depending on the context and project.

Citizens can also get involved with developing detailed precinct plans for their areas at the neighbourhood level. In many areas, these plans are initiated by the residents of a particular area. The planning department is investigating ways of helping people to pool their resources in communities to participate in preparing precinct plans.

The local Ward Councillor, Ward Committees and residents' associations are the key link for citizens to get involved in public participation processes in planning and project development.

The Board of Directors of the JDA subscribes to good corporate governance expressed in the King Code and the Code of Conduct for Directors referred to in section 93L of the Municipal Systems Act, 2000 (MSA). The Board recognises the need to conduct the affairs of the municipal entity with integrity to ensure increased public confidence and the confidence of its parent municipality. It is the policy of the Board to actively review and enhance the entity's systems of control and governance continuously to ensure that the entity is managed ethically and within prudently determined risk parameters.

Environmental Management

Environmental considerations are an essential part of the JDA's design and construction projects. The JDA promotes green building technologies such as solar water heating, efficient lighting and sustainable urban drainage systems in its designs and projects. The JDA works with the Department of Economic Development to explore opportunities to support locally produced green building and infrastructure products.

SECTION 1.1: BOARD OF DIRECTORS

The JDA has a unitary board, which comprises both executive and non-executive directors. Mr Kevin Phaahla is chairperson of the Board and a non-executive director. The JDA's sole shareholder, the City of Johannesburg CoJ, reviews the term of office for non-executive directors every year at the annual general meeting.

The Board is accountable to the CoJ and the citizens of Johannesburg. A service delivery agreement and shareholder compact, concluded following the provisions of the Municipal Systems Act, govern the entity's relationship with the CoJ. The Board provides quarterly, biannual and annual reports on its performance and service delivery to the City of Johannesburg as prescribed in the service delivery agreement, the shareholder compact, the MFMA and the Municipal Systems Act.

Non-executive directors maintain an independent stance to matters under consideration and add to the Board's depth of experience. The roles of the Chairperson and Chief Executive Officer are separate, with responsibilities divided between them. Members have unlimited access to the Company Secretary, who acts as an advisor to

the Board and its committees on matters such as corporate governance, compliance with company rules and procedures, statutory requirements, regulations and best corporate practices.

The Board or any of its members may, under appropriate circumstances and at the expense of the company, obtain the advice of independent professionals.

Shortcomings are addressed and areas of strength are consolidated during an annual Board evaluation. The performance of the Board committees is evaluated against their terms of reference.

The newly appointed JDA Board of Directors as at the AGM of 11 February 2021 consists of the following members:

- (i) Mr Kevin Mabatalale Phaahla (Chairperson)
- (ii) Mr Mongezi Ntanga (Retained)
- (iii) Mr Thabo Motloun (Retained)
- (iv) Ms Khanyisa Marawu
- (v) Mr Tahir Tebogo Maepa
- (vi) Ms Mpho Lecoge
- (vii) Mr Tiyani Given Sambo
- (viii) Mr Velaphi Ntshangase
- (ix) Dr Sandile Shepherd Ndlungwane
- (x) Ms Nomakhosazana Ella Veyi
- (xi) Ms Sue NK Mokoena
- (xii) Ms Sandra Koketso Sibuyi
- (xiii) Mr Anthony Ngcezula (Chief Executive Officer and Executive Director)
- (xiv) Ms Sherylee Moonsamy (Chief Financial Officer and Executive Director)

At the AGM of 11 February 2021 three members were retained and one newly appointed as Independent Audit and Risk Committee member:

- (i) Ms Keabetswe Onuoka (Retained)
- (ii) Mr Tumisho Makofane (Retained)
- (iii) Mr Vincent Vhena (Retained)
- (iv) Ms Farida Alidi (New Appointment)

TABLE 8: BOARD COMPOSITION FOR THE PERIOD FROM 11 FEBRUARY 2021

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Board Committee Membership
Kevin Mabatalale Phaahla	Chairperson (Non-executive)	Black	Male	Development and Investment Committee
Mongezi Ntanga	Non-executive	Black	Male	Development and Investment Committee
Thabo Motloun	Non-executive	Black	Male	Audit and Risk Committee
Khanyisa Marawu	Non-executive	Black	Female	Social Ethics, Human Resources and Remuneration Committee (Chair)
Tahir Tebogo Maepa	Non-executive	Black	Male	Development and Investment Committee (Chair) Social Ethics, Human Resources and Remuneration Committee
Mpho Lecoge	Non-executive	Black	Female	Social Ethics, Human Resources and Remuneration Committee

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Board Committee Membership
Tiyani Sambo	Non-executive	Black	Male	Audit and Risk Committee (Chair)
Velaphi Ntshangase	Non-executive	Black	Male	Development and Investment Committee
Sandile Ndlungwane	Non-executive	Black	Male	Development and Investment Committee
Nomakhosazana Ella Veyi	Non-executive	Black	Female	Social Ethics, Human Resources and Remuneration Committee
Sue NK Mokoena	Non-executive	Black	Female	Social Ethics, Human Resources and Remuneration Committee
Sandra Koketso Sibuyi	Non-executive	Black	Female	Development and Investment Committee

JDA Board members for the period 11 March 2020 who were retired from the JDA Board as at the AGM of 11 February 2021 except for the two members who were retained:

- (i) Mr Papi Kganare (Chairperson)
- (ii) Mr Mongezi Ntanga (Retained)
- (iii) Mr Errol Vincent Magerman
- (iv) Ms Virginia Magale
- (v) Ms Seipati Moichela
- (vi) Dr Murunwa Makwarela
- (vii) Mr Mzwandile Hleko
- (viii) Ms Nokuzola Moilola
- (ix) Mr Sakhile Masango
- (x) Mr Thabo Motloun (Retained)
- (xi) Mr Thomas Mvundle
- (xii) Mr Anthony Ngcezula (Chief Executive Officer and Executive Director)
- (xiii) Ms Sherylee Moonsamy (Chief Financial Officer and Executive Director)

TABLE 9: BOARD COMPOSITION FOR THE PERIOD (11 MARCH 2020 - 11 FEBRUARY 2021)

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Board Committee Membership
P Kganare	Chairperson (Non-executive)	Black	Male	Development and Investment Committee
M Ntanga	Non-executive	Black	Male	Development and Investment Committee (Chair)
EV Magerman	Non-executive	Black	Male	Development and Investment Committee
V Magale	Non-executive	Black	Female	Audit and Risk Committee
S Moichela	Non-executive	Black	Female	Audit and Risk Committee (Chair) Development and Investment Committee
M Makwarela	Non-executive	Black	Male	Social Ethics, Human Resources and Remuneration Committee (Chair) Development and Investment Committee
M Hleko	Non-executive	Black	Male	Social Ethics, Human Resources and Remuneration Committee
N Moilola	Non-executive	Black	Female	Social Ethics, Human Resources and Remuneration Committee
S Masango	Non-executive	Black	Male	Audit and Risk Committee

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Board Committee Membership
T Motloug	Non-executive	Black	Male	Social Ethics, Human Resources and Remuneration Committee
T Mvundle	Non-executive	Black	Male	Social Ethics, Human Resources and Remuneration Committee

Together, the JDA directors have a range of different skills and experience that they bring to bear for the benefit of the entity. These include accounting, finance, legal, business management, human resources and labour relations, marketing, construction and development management.

The Board meets regularly, retains full and effective control over the company and monitors the implementation of the company's strategic programmes by the executive management through a structured approach of reporting and accountability. It sets the strategic direction of the JDA and monitors overall performance. All JDA's Board Committees are chaired by non-executive directors and monitor overall performance.

TABLE 4: COMPOSITION OF THE BOARD

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
P Kganare	Chairperson (Non-executive)	11 March 2020	Masters in Business Administration; BA Honours; Programme in Economics and Public Finance; Bachelor of Arts; Certificate in International Relations; Management Advancement Programme	Black	Male	Development and Investment Committee Board Chairperson	N/A
M Ntanga	Chairperson (Non-executive)	17 April 2019 to date	B Proc, High Diploma in Tax, Postgraduate Diploma in Drafting and Interpretation of Contracts, LLM	Black	Male	Development and Investment Committee (Chair)	Development and Investment Committee
EV Magerman	Non-executive director	11 March 2020	Advanced Certificate in Governance and Public Leadership; Governance and Leadership; Project Management	Coloured	Male	Development and Investment Committee	N/A
V Magale	Non-executive director	11 March 2020	Diploma in Information Technology	Black	Male	Audit and Risk Committee	N/A
S Moichela	Non-executive director	11 March 2020	Masters in Business Administration;	Black	Female	Audit and Risk Committee (Chair)	N/A

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
			Bridging Certificate in Theory of Accounting; Diploma in Investment Analysis and Portfolio management			Development and Investment Committee	
M Makwarela	Non-executive director	11 March 2020	PhD Thesis, Masters in Science Thesis, BSc Honours, BSc Diploma of General Ministries, Certificate in Advanced Plant Biotechnology, Certificate in project management	Black	Male	Social Ethics, Human Resources and Remuneration Committee (Chair) Development and Investment Committee	N/A
M Hleko	Non-executive director	11 March 2020	Certificate in Community Management and Low Income; Certificate In Housing Policy Development and Management, political education, Advanced Certificate in Government and Public Leadership; Certificate in Sustainable Development	Black	Male	Social Ethics, Human Resources and Remuneration Committee	N/A

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
N Moila	Non-executive director	11 March 2020	Masters in Business Administration; Bachelor of Arts Higher Education and administration program; Certificate in Teaching English as Second Language	Black	Female	Social Ethics, Human Resources and Remuneration Committee	N/A
S Masango	Non-executive director	11 March 2020	BCompt Honours/CTA, BCompt Degree	Black	Male	Audit and Risk Committee	N/A
T Motloug	Non-executive director	11 March 2020 to date	Masters in Business Administration Management Advance Programme National Diploma Internal Auditing	Black	Male	Social Ethics, Human Resources and Remuneration Committee	Audit and Risk Committee
T Mvundle	Non-executive director	11 March 2020 to date	Matric	Black	Male	Social Ethics, Human Resources and Remuneration Committee	Social Ethics, Human Resources and Remuneration Committee
Kevin Mabatalale Phaahla	Non-executive director	11 February 2021	Master of Business Administration (MBA) – Finance & Strategy majors	Black	Male	N/A	Board Chairperson Development and Investment Committee

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
Khanyisa Marawu	Non-executive director	11 February 2021	National Diploma in Human Resources Management, B-Tech Degree in Human Resources Management, Development of Leadership & Team Skills, Qualified Trainer for: Targeted Selection International Interviewing tactics, 3-D Managerial Effectiveness, Business Executive Coaching for Organizational Excellence	Black	Female	N/A	Social Ethics, Human Resources and Remuneration Committee
Tahir Tebogo Maepa	Non-executive director	11 February 2021	Advanced Diploma in Law, Certificate in Labour Law, Diploma in Business Management	Black	Male	N/A	Development and Investment Committee (Chair) Social Ethics, Human Resources and Remuneration Committee
Mpho Lecoge	Non-executive director	11 February 2021	Diploma in Training & Development, Diploma in Secondary Education (Maths and Science)	Black	Female	N/A	Social Ethics, Human Resources and Remuneration Committee
Tiyani Sambo	Non-executive director	11 February 2021	Post Graduate Diploma in Programme Management, Advanced Diploma in Project Management, MBA-Master of Business Administration, BTech Degree in Civil Engineering-	Black	Male	N/A	Audit and Risk Committee (Chair)

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
			Transportation, National Diploma in Civil Engineering				
Velaphi Ntshangase	Non-executive director	11 February 2021	Masters In Business Management	Black	Male	N/A	Development and Investment Committee
Sandile Ndlungwane	Non-executive director	11 February 2021	PhD Social and Economic Transformation, MSc Social and Economic Transformation, B. Administration, Pstgraduate Certificate in Labour Relations, Postgraduate Certificate Management and Advanced Programme, Diploma Marketing and Sales Management, Diploma Independent Mediaation Service of South Africa	Black	Male	N/A	Development and Investment Committee
Nomakhosazana Ella Veyi	Non-executive director	11 February 2021	Public Health Management Courses, Hospital Management Programme, Bachelor of Arts in Nursing Science, Diploma in Orthopaedic Nursing Science, Diploma in Nursing, Diploma in Midwifery	Black	Female	N/A	Social Ethics, Human Resources and Remuneration Committee
Sue NK Mokoena	Non-executive director	11 February 2021	BSc Honours (Urban and Regional Planning), BSc (Urban and Regional Planning)	Black	Female	N/A	Social Ethics, Human Resources and Remuneration Committee

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
Sandra Koketso Sibuyi	Non-executive director	11 February 2021	Honours in Business Management Bachelors in Business administration	Black	Female	N/A	Development and Investment Committee
Anthony Ngcezula	CEO	1 April 2020	Masters in Business Administration, Masters in Science (Mathematics), BSc-Hons, BCom, BSc, Dip. MFMA	Black	Male	N/A	N/A
Sherylee Moonsamy	CFO	1 March 2018	BCompt Honours / CTA	Indian	Female	N/A	N/A

Table 5: Independent Audit and Risk Committee Members

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
Tumisho Makofane	Independent Audit and Risk Committee	11 March 2020 to date	BTech Construction Management, Management Development Programme,	Black	Male	Audit and Risk Committee	Audit and Risk Committee

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
			National Diploma in Building, Project Management Advanced Project Management				
Keabetswe Onuoka	Independent Audit and Risk Committee	15 March 2016 to date	Masters in Science Finance & Financial Law; Postgraduate Higher Diploma in Advanced Company Law; CIS Qualification (Institute of Chartered Secretaries and Administrators)	Black	Female	Audit and Risk Committee	Audit and Risk Committee
Vincent Vhena	Independent Audit and Risk Committee	11 March 2020 to date	Masters in Science Development and Planning; BA Honours; Project Management: Higher Postgraduate Diploma of Mechanical Engineering	Black	Male	Audit and Risk Committee	Audit and Risk Committee
Farida Alidi	Independent Audit and Risk Committee	11 February 2021	BCom Honours Accounting, Post Graduate Diploma in	Indian	Female	n/a	Audit and Risk Committee

Board member	Capacity:	Period of Membership	Qualification/s	Race	Gender	Board committee membership	
						AGM 11 March 2020 to AGM 11 February 2021	As at AGM 11 February 2021 to 30 June 2021
			Accounting Sciences, BCom Accounting				

The JDA’s directors bring together a range of complementary skills and experience that benefit the entity, including accounting, finance, legal, business management, human resources, labour relations, marketing, construction and development management.

1.2. BOARD COMMITTEES

Board Meeting Attendance

The Board meets not less than four times a year to consider matters specifically reserved for its attention. Indicated in the table below are the Board and committee’s meetings held during the period under review. Attendance at meetings held during the period under review was as follows:

TABLE 12: BOARD AND BOARD COMMITTEE MEETINGS & ATTENDANCE (11 FEBRUARY 2021 TO 30 JUNE 2021)

Name	Board				Audit & Risk Committee				Social & Ethics/ HR & Remuneration Committee				Development & Investment Committee			
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent
Kevin Mabatalale Phaahla	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0
Mongezi Ntanga	4	3	1	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	1	1	0
Thabo Motloug	4	4	0	0	2	2	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Khanyisa Marawu	4	4	0	0	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A
Tahir Tebogo Maepa	4	4	0	0	N/A	N/A	N/A	N/A	1	1	0	0	2	2	0	0
Mpho Lecoge	4	4	0	0	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A
Tiyani Sambo ⁴	4	4	0	0	2	2	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Velaphi Ntshangase	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0
Sandile Ndlungwane	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0

⁴ No fee is payable due to member is under the employment of the state.

² IAC members attended Special Board meeting (joint sitting) to consider the JDA's Business Plan.

Board Committees

The following committees have been formed, each of which is chaired by a non-executive director.

- Audit and Risk Committee
- Development and Investment Committee
- Social, Ethics, Human Resources and Remuneration Committee

Each committee composition is as follows:

TABLE 14: COMPOSITION OF COMMITTEES

Composition	Mandate and Quarterly Activities
Audit and Risk Committee	
<p>The Audit and Risk Committee, which consists of two non-executive directors and four independent members, meet not less than four times a year. Most members of these committee members are financially literate. The following members served on the committee during the period under review:</p> <ul style="list-style-type: none"> • Tiyani Sambo (Chairperson) • Thabo Motloung • Vincent Vhena (Independent Member) • Tumisho Makofane (Independent Member) • Keabetswe Onuoka (Independent Member) • Farida Alidi (Independent Member) 	<p>The committee has specific responsibility for ensuring that all activities of the JDA are subject to independent and objective review and financial performance oversight. The Audit and Risk Committee has a Charter with clear terms of reference as guided by the provisions of Section 166 of the MFMA. The Committee has the following responsibilities:</p> <p>Reviewing JDA's internal controls, publishing financial reports for statutory compliance and against standards of best practice, and recommending appropriate disclosures to the Board.</p> <p>Reviewing reports from management, internal and external auditors, to provide reasonable assurance that control procedures are in place and are being followed.</p> <p>Reviewing the half-yearly and annual financial statements before submission to the Board, focusing particularly on any changes in accounting policies and practices.</p>
Social and Ethics / Human Resources and Remuneration Committee	
<p>In line with the best practice of corporate governance, the Board maintains a Human Resources & Remuneration Committee/Social & Ethics Committee (HR & REMCO/Social & Ethics), comprising of 5 (five) non-executive directors and chaired by a non-executive director. It is responsible for directing human resources policies and strategies for the organisation and approving the remuneration for the Chief Executive Officer, senior executives and staff; the Committee is also responsible for acting as the social conscience of the business and ensuring that the company conducts itself as a responsible corporate citizen. This means ensuring that the JDA sustainably conducts its business, having regard for the environment, fostering healthy relationships with all its stakeholders and considering the impact of its work within the community. This committee also considers the treatment of and investment in employees, health and safety practices, black economic empowerment and the ethical corporate culture. The following members served on the committee during the period under review:</p> <ul style="list-style-type: none"> • Khanyisa Marawu (Chairperson) • Mpho Lecoge • Nomakhosazana Veyi • Sue Mokoena • Tahir Maepa 	<p>The committee meets not less than 4 (four) times a year. The executive directors are excluded from the HR & Remuneration Committee/Social & Ethics Committee when matters relating to their remuneration are discussed. The committee ensures that the remuneration of the Chief Executive Officer and senior management are within the upper limits as determined by the City of Johannesburg following the provisions of Section 89(a) of the MFMA.</p> <p>The remuneration of the Chairperson, the non-executive directors and independent audit committee members is determined by the City of Johannesburg.</p>
Development and Investment Committee	
<p>The following members served on the committee during the period under review:</p> <ul style="list-style-type: none"> • Tahir Maepa (Chairperson) • Kevin Phaahla • Velaphi Ntshangase • Mongezi Ntanga • Sandra Sibuyi 	<p>The Committee is responsible for evaluating development proposals to make recommendations for approval to the Board. This entails examining risks associated with the proposed projects such as the financing, returns and projects risk profiles.</p>

Composition	Mandate and Quarterly Activities
•Sandile Ndlungwane	

Duties of the Board

The Board retains full and effective control over the organisation and monitors the implementation of the JDA’s strategic programmes. It sets the agency’s strategic direction and monitors overall performance. The duties of the Board include:

- Providing effective, transparent, accountable and coherent oversight of the JDA’s affairs.
- Ensuring that the JDA complies with all applicable legislation, the service delivery agreement and the various shareholder policy directives issued by its parent municipality from time to time.
- Dealing with the CoJ in good faith and communicating openly and promptly on all pertinent matters requiring the attention of its shareholder.
- Determining and developing strategies that set out the organisation’s purpose and values following the shareholder mandate and strategic documents such as the integrated development plan.
- Reviewing and approving financial objectives, including significant capital allocations and expenditure as determined by the CoJ.
- Considering and ensuring that the entity’s size, diversity and skills are sufficient to achieve its strategic objectives.

Board charter

The Board of Directors has incorporated the City of Johannesburg’s corporate governance protocol into its charter, which regulates its relationship with the City of Johannesburg as its sole member and parent municipality in the interest of good corporate governance and good ethics. The protocol is premised on the principles of the King Code. The charter sets out the composition and powers of the Board.

SECTION 1.2: DIRECTORS & PRESCRIBED OFFICERS REMUNERATION

The JDA remunerates the non-executive directors and independent audit committee members following the policy and in the amounts determined from time to time by the City of Johannesburg Metropolitan Municipality, acting in its capacity as the sole shareholder of the JDA. The foregoing position was reaffirmed by special resolution at the 2021 Annual General Meeting. The non-executive directors and independent audit committee members are paid per meeting. Executive directors and prescribed officers are employees of the JDA and do not receive any additional remuneration because of their office. The table below reflects the gross or cost to company amounts paid by the JDA concerning executive directors, non-executive directors’ and independent audit committee members’ fees.

TABLE 65: EXECUTIVE DIRECTOR'S, SENIOR MANAGEMENT AND NON-EXECUTIVE DIRECTOR'S & INDEPENDENT AUDIT AND RISK COMMITTEE MEMBERS REMUNERATION AND ALLOWANCES FOR THE PERIOD 1 JULY 2020 - 30 JUNE 2021

Name	Designation	Salary/Board Fees	Pension	Acting allowance	Bonus/Board Retention Fees	Travel allowance	Total
Executive Directors & Senior Management							
A Ngcezula	CEO	2 432 028					2 432 028
S Moonsamy	CFO	1 610 376	204 852	48 640	151 744		2 015 612
Z Tshabalala	CAE (End of Contract)	1 018 990,00	106 970		111 008		1 236 968
D Cohen	EM: Strategy & Planning(end of contract)	433 353	45 493	47 964			526 811
R Shirinda	Company Secretary	1 496 400,00	157 104		135 847		1 789 351
B Seopela	EM: Corporate Services	2 098 356	-		164 577		2 262 933
N Mulovhedzi	Senior Development Manager	1 200 996,00	152 760	135 787	113 166		1 602 710
P Mkhize	Senior Development Manager	902 223,00	130 860	50 920	113 166		1 197 169
A. Kgoathe	Senior Development Manager	640 731,96	81 504				722 236
M. Soni	EM: Development Implementation(end of contract)	1 165 005	-		133 125	108 000	1 406 130
Sub-Total		12 998 459	879 543	283 311	922 634	108 000	15 191 948
Non-Executive Directors & Independent Audit Committee Members							
K Phaahla	Board Chairpeson	70 000					70 000
T Maepa	Board Member(chaiperson of D&I Committee)	62 000					62 000
K Marawu	Board Member(Chairpeson of REMCO)	56 000					56 000
T Sambo	Board Member (Chairperson of ARC)	92 000					92 000
T Mothloug	Board Member	132 000					132 000

Johannesburg Development Agency: Building a Better City: Unaudited Integrated Annual Report 2020/21

M Ntanga	Board Member	76 000					76 000
V Ntshangase	Board Member	54 000					54 000
S Ndlungwne	Board Member	54 000					54 000
N Veyi	Board Member	54 000					54 000
S Mokeana	Board Member	54 000					54 000
K Onuoka	Independent Audit and Risk Committee Member	36 000					36 000
V Vhena	Independent Audit and Risk Committee Member	42 000					42 000
T Makofane	Independent Audit and Risk Committee Member	42 000					42 000
F Alidi	Independent Audit and Risk Committee Member	18 000					18 000
M Lecoge	Board Member	54 000					54 000
S Sibuyi	Board Member	54 000					54 000
S Moichela	Board Member (Chairperson of ARC) Retired	92 000					92 000
M Makwarela	Board Member(Chairpeson of REMCO) Retired	76 000					76 000
M Hleko	Board Member Retired	60 000					60 000
P Kganare	Board Chairpeson Retired	134 000					134 000
E Megerman	Board Member Retired	60 000					60 000
S Masango	Board Member Retired	66 000					66 000
T Mvundle	Board Member Retired	60 000					60 000
N Moiloa	Board Member Retired	60 000					60 000
V Magale	Board Member Retired	84 000					84 000
Sub-Total		1 642 000	-		-	-	1 642 000
TOTAL		14 640 459	879 543		922 634	108 000	16 833 948

The directors' emoluments were taxed according to South African Revenue Services' guidelines. Included in the emoluments are fees for attendance of scheduled meetings, interviews and JDA strategic workshops that are held during the year.

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Loans and advances

Under the provisions of the MFMA, the JDA has a strict policy in place that prohibits it from providing loans or advances to directors and employees; therefore, no loans or advances were made during the period under review. The agency did not provide loans to any organisation or person outside of or in the employ of the JDA.

SECTION 1.4: COMPANY SECRETARIAL FUNCTION

The primary function of the Company Secretary is to act as the link between the Board and management and to facilitate good relationships with the shareholder. The Company Secretary is responsible for the general administration, more specifically to ensure compliance with good corporate governance practices and to provide guidance to the directors on corporate governance principles and applicable legislation. All directors have access to the advice and services of the company secretary who acts as the link between management, the Board and the shareholder.

The company secretary is responsible for the flow of information to the Board and its committees and ensures compliance with Board procedures. In addition to various statutory functions, the company secretary provides individual directors and the Board as a whole with guidance on their duties, responsibilities and powers, as well as the impact of legislative and regulatory developments, while maintaining an arms-length relationship with the Board.

The Board has empowered the company secretary with the responsibility of advising the Board, through the chairperson, on all governance matters, including the duties set out in section 88 of the Companies Act.

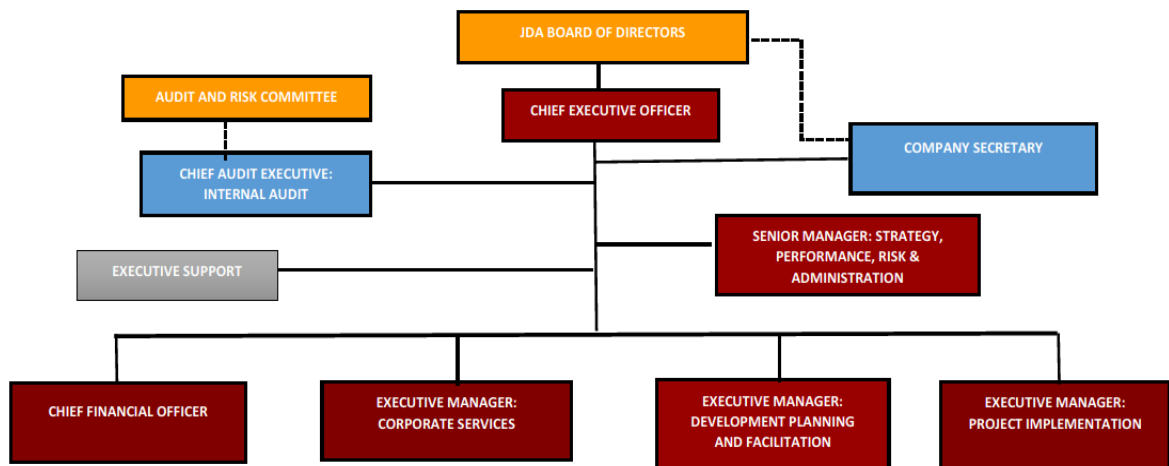
The company secretary's work covers a wide variety of functions, including but not limited to:

- Organising, preparing agendas, and taking minutes of meetings;
- Dealing with correspondence, collating information, writing reports, ensuring decisions made are communicated to the relevant people;
- Advising the Board and management on corporate governance matters;
- Contributing to meeting discussions, as and when required; and
- Arranging the annual general meetings.

SECTION 2: HIGH-LEVEL ORGANISATIONAL STRUCTURE

The JDA's structure is a response to the business model, which focuses on the development of strategic capital works projects as well as development facilitation to optimise the impact of the catalytic public investments, and the establishment of urban management partnerships to ensure the sustainability of the catalytic public investments. The organisational structure during the reporting period is presented below.

FIGURE 7: HIGH LEVEL ORGANISATION STRUCTURE



SECTION 3: GOVERNANCE OF STAKEHOLDER RELATIONSHIPS

Managing Stakeholder Relationships

The JDA engages with various State and community stakeholders. Stakeholders in JDA planning processes and projects are the people and organisations which impact upon and are impacted by JDA plans, interventions and projects.

City of Johannesburg Stakeholders

As a Municipal Owned Entity (MOE) the JDA has key linkages and relationships with the City of Johannesburg and other MOEs. These relationships are vital to ensure that development is aligned with the COJ vision and policies for Johannesburg. Some critical stakeholders and the relationships that JDA departments have with them are listed below:

TABLE 16: CITY OF JOHANNESBURG STAKEHOLDERS

CoJ Stakeholder	Nature of Engagement
Office of the Mayor	The JDA engages with the Office of the Mayor to ensure strategic engagement on city priorities, key decisions and formal oversight committees and steering groups. It ensures internal JDA priorities, policies and frameworks are in line with the Growth and Development Strategy (GDS) 2040 and other plans and policies of the city, and the JDA keeps the Office of the Mayor well informed of JDA project progress. The JDA highlights public addresses, site visits and mayoral priorities to the general public.
Office of the MMC for Development Planning	The JDA engages with the MMC for Development Planning to ensure both strategic and operational engagement on city priorities, key decisions and formal oversight committees. The JDA keeps the Office of the MMC well informed of JDA project processes, and where possible, involves the MMC in stakeholder engagement where political intervention is sought.
The JDA Board	The JDA is accountable for strategic and operational matters to the Board of Directors, which controls and maintains a fiduciary relationship with the company.
Members of the Mayoral Committee (MMCs)	The JDA has representation on and reports regularly to oversight committees, as well as to key fora with MMCs from particular client departments. The JDA also provides engagement and support to MMCs in external stakeholder engagement. On particular projects, the JDA works with specific portfolios for political support. The JDA also highlights public addresses, fora and site visits to the general public.
Office of the Speaker of the City of Johannesburg	As an agency of the City of Johannesburg, the JDA is bound by the rules on public participation as set out by the Office of the Speaker. The Speaker has to ensure public consultation, involvement and participation in the affairs of the municipality. As chairperson of the council's public participation and petitions committees, the Speaker must ensure that the public participates in city matters wherever possible, and facilitates the process whereby community requests and complaints are heard and ensures that there are appropriate responses from Council. To fulfil the role of building democracy, the Speaker manages community participation in local government.
City of Johannesburg Development Planning (City Transformation) (CT)	Planning roles in the JDA are integrally linked with planning in the City. Local area planning and implementation are undertaken in partnership between the JDA and City Transformation (CT). The JDA reports to City Transformation where it acts as implementing agent for planning projects. The JDA also provides strategic planning input on decision making for planning initiatives. The JDA collaborates with CT on providing input to the Integrated Development Plan (IDP) and associated Spatial Development Framework (SDF) as well as other key strategic planning initiatives. Through its relationship with CT, the JDA influences prioritisation and budgeting for infrastructural development to maximise impact. In terms of Development Facilitation, the JDA collaborates closely with CT on spatial planning, precinct/ area research and planning and project prioritisation and budgeting. Development Implementation (DI) collaborates with CT on the Capex requirements and scope of work for particular projects, and the DI teams provide critical feedback to the planning department for accurate budgeting for development projects.
Johannesburg Property Company (JPC)	JPC will remain the city property manager, handling all individual transactions of public land; however, as the key facilitator of area-based developments JDA's participation in these transactions is vital. The JDA provides strategic engagement on land acquisition and disposal matters related to JDA implemented projects. This includes input into strategic decision making on land acquisitions and disposals. At the local area level, it includes collaboration between the JDA and JPC on land identification, provision of key information

CoJ Stakeholder	Nature of Engagement
	and unblocking of developments on both city and privately owned land. Furthermore, it includes collaboration on transactions and connected developments are required regularly to ensure that work continues smoothly. The JDA has representation on the Joint Land Steering Committee.
Municipal owned entities (MOEs) and Departments	<p>These include Joburg Water, City Power, Johannesburg Roads Agency, City Parks, Pikitup, Department of Economic Development, Department of Community Development etc. These entities and departments act as project clients, co-implementers and operators in different projects. They are integral to any JDA development process.</p> <p>The JDA's engagement includes soliciting input into strategic planning initiatives underway by all relevant departments and the development of linkages between overall planning at the city level and the JDA business plan. At local planning and project-level, it means bringing relevant departments together to coordinate between existing opportunities and to generate plans for new area-based development. It is important to ensure that the adequate complementary infrastructure is in place (e.g. stormwater, water and electricity reticulation) as well as complementary services (e.g. small cooperatives, social services) to schedule and bring projects to completion. Development Implementation teams interact with relevant MOEs and departments on project-specific requirements. Marketing and Communications work with relevant departments, particularly where JDA acted as implementing agent, to share process and completion details as part of ensuring smooth implementation and to publicise the work of the City.</p> <p>The JDA engages with these entities individually as well as in joint forums. Technical forums are established by the DF team. They bring together the various City departments and entities working on specific investments/ projects to ensure that there is smooth communication between parties, that development blockages are unblocked and that opportunities in the particular precincts are realised. DI teams utilise these forums to resolve project-specific issues and ensure smooth coordination with other departments for development and handover processes.</p>
Housing Agencies of the City	<p>These include the City's Housing Department and Johannesburg Social Housing Company (JOSHCO), integral partners to ensuring the provision of affordable housing. The JDA provides input into strategic planning initiatives, prioritisation and budgeting for housing in the City. It also provides input into strategies for the provision of adequate housing and related social amenities in particular precincts. The JDA provides a service of implementation of refurbishment and development of housing where requested by JOSHCO or Housing Department.</p>

National and Provincial State Stakeholders

TABLE 7: NATIONAL AND PROVINCIAL STATE STAKEHOLDERS

State Stakeholder	Nature of Engagement
<p>National departments and entities include National Treasury, South African Police Services (SAPS) and Department of Public Works (DPW) as well as other critical partners in terms of budgeting and urban management on key projects.</p>	<p>These departments play key roles in developments across the City of Johannesburg in planning, implementation and sustainability of key developments.</p> <p>The various JDA departments engage with national and provincial departments at several levels. The JDA collaborates with departments on larger scale planning initiatives and the finalisation of national or provincial programmatic grants for infrastructural development.</p>
<p>Provincial Departments include Departments of Human Settlements, Education, Economic Development, Safety and Security, Department of Environmental Affairs and Water Affairs etc.</p>	<p>Utilises national or provincial programmes for area-based development initiatives. From time to time the JDA may implement projects for national or provincial client departments and from provincial grant schemes.</p>

Community Stakeholders

TABLE 18: COMMUNITY STAKEHOLDERS

Community Stakeholders	Nature of Engagement
Private investors and developers	The JDA engages with private investors to share information about the City's work and vision and encourage private investment. It further works with the private sector in conveying the City's vision, policy and processes and assessing and establishing partnerships for achieving this vision. At a local area level, the DF team engages with private investors and developers to highlight key opportunities for increasing private investment in areas where there is state investment. It also works with these stakeholders to understand the market dynamics and inhibitors to investment as well as to carve area-based investment approaches that will enhance the public good within those areas.
Small and Medium Enterprises (SMMEs)	The JDA's mission directs the JDA to create a conducive environment for economic empowerment and makes use of programmes for the development of SMMEs (e.g. Expanded Public Works Programme). SMMEs are an essential stakeholder group to be engaged on local area projects both for determining the economic conditions and opportunities within areas and for identifying opportunities for enhancing opportunities for small business in development areas and directly in JDA projects.
City Improvement Districts (CIDs) and other Urban Management Partnerships	These are key stakeholders in terms of the conceptualisation, implementation and maintenance of area-based development. CIDs and Urban Management Partnerships are important stakeholders in the long-term urban management of investments made by the JDA and others in local neighbourhoods.
Local area based stakeholder committees	These committees are established by the DF team and are representative of community interests in areas. They may include ward councilors, ward committee members, religious leaders, school governing bodies, business representatives, NGOs and community members, amongst others. These committees are integral for the approval and shaping of investments as well as for catalysing community efforts as a key resource for the development of local areas. These committees provide feedback on projects. They are also the platforms for resolving project-specific issues, for identifying local opportunities (including employment) and for discussing project schedules.

Specific interest groups

The JDA will engage with specific interest groups to discuss the aspects of the projects that affect them directly and in particular ways. These include:

TABLE 8: SPECIFIC INTEREST GROUPS

Specific interest groups	Nature of Engagement
Residents and business owners	A group of individuals that interact within their immediate surroundings. These are the stakeholders who should benefit from key investments. Engagements focus on how residents can create neighbourhood vision by defining specific activities that will improve the neighbourhood.
Women and Youth	These groups may be vulnerable in various ways or have unique needs that must be taken into account in projects. Engagements are directed at improving the responsiveness of developments to meet the particular needs of these groups to improve living conditions and optimise economic outcomes for them.
Organised Labour	It is necessary to engage workers on their needs in the environment (transport, access, safety etc.) as well as on the development of enterprise and employment opportunity through project interventions.
Researchers and urbanists	The JDA works with these groups at a strategic planning level as well as at project level. At a strategic level, the JDA works with researchers to inform evidence-based policy development and to gain insight into particular dynamics in areas or particular development issues. JDA planning and facilitation staff must keep abreast of critical research and discussions into various aspects of the city from demographics, to new policies, reports and publications. It is valuable to shaping thinking about area-based development, and Development Implementation staff are required to keep abreast of new methodologies, design approaches, materials etc. to ensure best practice implementation of projects

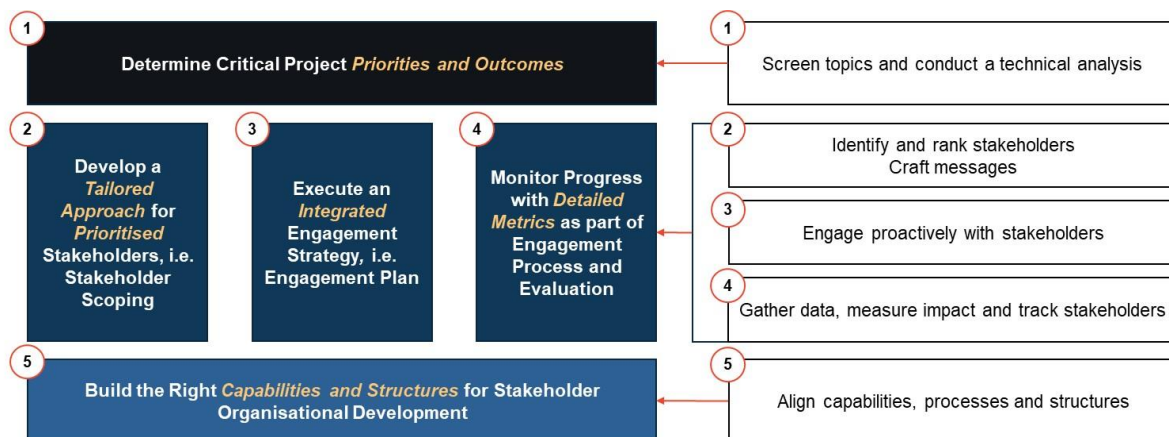
Stakeholder Engagement Framework

One of the JDA’s strategic goals is to co-produce solutions in partnership with local stakeholders to meet local needs and mitigate challenges. This is an essential component of development intervention in cities, but should not be read or interpreted as if it stands isolated from the other three strategic goals. Since 1994, the state has made concerted efforts to engage resident communities and other affected stakeholders in the development of local solutions. Unfortunately this has not always been successful and has often simply taken the form of decision-makers telling communities about their strategies. A more responsible and effective approach is to work with local stakeholders to produce solutions by drawing on their knowledge of the development context. This can cultivate a much more sustainable sense of ownership, civic pride and citizenship.

The JDA’s Stakeholder Engagement Framework represents the JDA’s on-going commitment to work effectively with its stakeholders through both the plans and interventions it designs and the projects it implements. This includes learning from past stakeholder and community engagement experiences and continuing to improve performance.

The Stakeholder Engagement Framework guides how the JDA supports productive development partnerships and co-operation between all stakeholders in these areas. It frames how the JDA works with the people and organisations which impact upon and are impacted by various JDA plans, interventions and projects which seek to fulfil the City of Johannesburg’s development policy objectives. The Framework seeks to:

- Ensure a coherent approach to stakeholder engagement across the complete range of JDA plans, interventions and projects
- Enable better-planned projects and programs
- Facilitate effective collaboration with all affected and interested parties



The Stakeholder Engagement Framework that the JDA utilise ensures sustainability through continuous monitoring with relevant enhancement to maintain impact

FIGURE 8: STAKEHOLDER ENGAGEMENT FRAMEWORK:⁵

SECTION 4: RISK MANAGEMENT

The JDA’s Board monitors risk through the Audit and Risk Committee, which ensures that there is an effective risk management process and system in place. The committee recommends risk strategies and policies that need

⁵ M&C – Marketing and Communications, DM – Development Managers, EM:DF – Executive Manager Development Facilitation, P&S – Planning and Strategy, CEO – Chief Executive Officer, PPC – Public Participation Consultants, SDM – Senior Development Manager, EM: DI – Executive Manager: Development Implementation

to be set, implemented and monitored. The JDA Board is responsible for identifying, assessing and monitoring the risks reported by the Audit and Risk Committee.

The JDA has a risk management strategy, which follows an enterprise-wide risk management system in which all identified risk areas are managed systematically and continuously on an on-going basis at departmental level. The risk register is treated as a working risk management document because risks are constantly recorded and managed. Management monitors and evaluates the implementation and efficiency of controls and actions to improve current controls in the risk register.

The JDA submits its risk management reports to the City of Johannesburg's Group Risk and Governance Committee. The committee assesses all risk affecting the CoJ and its municipal entities holistically and makes recommendations to the City Manager and Council on the general effectiveness of risk management processes in the City of Johannesburg.

Risk Management Process

Risk identification and assessment is an on-going process. JDA's management conducts an annual strategic and operational risk assessment workshops. This process is supported by an on-going risk management process at the departmental level, and all employees are required to take ownership of risks that fall within their respective areas of responsibilities.

The following risk management programmes and/or activities were approved and implemented during 2020/21 financial year are as follows:

TABLE 20: IMPLEMENTED RISK MANAGEMENT PROGRAMMES AND/OR ACTIVITIES

Programmes and/or activities	ARC and Board Recommended
Strategic Risks Management and Monitoring	X
Operational Risks Management and Monitoring	X
Universal Regulatory Register (URR) and Compliance Monitoring	X
Enterprise-Wide Risk Management Training	X
Anti-Fraud & Anti-Corruption and Ethics Management Training	X
Verification of Declaration of Interest	X

Corporate Ethics and Organisational Integrity

The JDA and its Board subscribe to high ethical standards and principles. The leadership provided by the Board is characterised by the values of responsibility, accountability, fairness and transparency, and has been a defining characteristic of the JDA since its establishment in 2001.

The JDA's main objective has always been to do business ethically while building a sustainable company that recognises the short- and long-term impact of its activities on the economy, society and the environment. In its deliberations, decisions and actions, the Board is sensitive to the interests and expectations of the JDA's stakeholders.

Code of Conduct

The JDA's code of conduct, which is fully endorsed by the Board, applies to all directors and employees. The code is consistent with schedule 1 of the Municipal Systems Act and the provisions of the CoJ Corporate Governance Protocol for Municipal Entities.

The code is regularly reviewed and updated as necessary to ensure that it reflects the highest standards of behaviour and professionalism. Through its code of conduct, the JDA is committed to:

- The highest standards of integrity and behaviour in all its dealings with its stakeholders and society at large.
- Fair commercial and competitive business practices.
- Eliminating discrimination and enabling employees to realise their potential through continuous training and skills development.
- Taking environmental and social issues into consideration.
- Ensuring that all directors declare any direct or indirect personal or business interest that might adversely affect them in the proper performance of their stewardship of the entity.

The code requires all staff to act with the utmost integrity and objectivity and in compliance with the law and company policies at all times. Failure to act in terms of the code results in disciplinary action. The code is discussed with each new employee as part of the induction process, and all employees are asked to sign an annual declaration confirming their compliance with the code. A copy of the code is available to interested parties on request. Non-adherence to the code of ethics-related matters can be reported to a toll-free, anonymous hotline. Any breach of the code is considered a serious offence and is dealt with accordingly, which serves as a deterrent. The directors believe that ethical standards are being met and are fully supported by the ethics programme.

Declaration of interest

In accordance with its code of conduct, the JDA maintains a register of directors' declarations of interests. The register is updated annually and as and when each director's declared interests change. A register is circulated at every Board and Board committee meeting for the directors to declare any interest related to every matter discussed at a particular meeting.

The JDA's employee code of ethics and terms and conditions of employment require all employees to complete declarations of interest covering shareholding in private companies, membership of close corporations, directorships held, partnerships and joint ventures, remunerative employment outside of the JDA, gifts and hospitality, and the status of their municipal accounts.

SECTION 4: ANTICORRUPTION AND FRAUD

Financial crime and other unlawful conduct pose a threat to the JDA's business and strategic objectives. The JDA supports government's efforts to combat financial crime at all levels. The JDA, in its endeavour to combat financial crime, ensures compliance with all relevant legislation and regulations. The antifraud and anticorruption programme supports and fosters a culture of zero tolerance to fraud, corruption and unlawful conduct.

The JDA has a whistle-blowing hotline number, which it advertises in the offices and on its website. In addition, all JDA tender documents urge people to report fraudulent activities or maladministration by JDA employees on the hotline.

Employees are regularly briefed and trained on fraud prevention. Strict payment management processes are in place and the Bid Evaluation Committee independently verifies whether preferred service providers can complete the work.

The strategic risk register identifies "fraudulent and corrupt activities" as a strategic risk with a high inherent risk rating and medium residual risk rating. The strategic risk register sets out specific future actions to mitigate

these risks, including conducting regular fraud risk assessments and creating fraud risk awareness. The Fraud Risk Register is an operational document and was approved by EXCO⁶ and is monitored quarterly.

Critical to the anti-fraud and anti-corruption programme is the prevention strategic pillar as contained in the Fraud Prevention Strategy and Response Plan, with exception of the Whistle Blowing Policy which was recommended to be presented to Social & Ethics Committee prior to Board approval.

- Fraud Risk Management Policies
- Fraud Prevention Strategy and Response Plan; and
- Declaration of Interest Policy

The Whistle Blowing Policy was presented to the Social & Ethics Committee and certain amendments were proposed to ensure alignment to the COJ Whistle Blowing Policy. The Policy is under review to ensure alignment to the COJ's Policy. Whistle Blowing Policy to be presented in the next Audit & Risk Committee.

There were two cases of fraud and corruption reported in 2020/21 financial year. Refer to the Fraud Case Register below:

⁶ The fraud risk register is approved by EXCO as it is an operational document. The Board approved the strategic risk register for current year in the previous financial year, as part of the business planning approval process. The strategic risk register includes fraud and corruption risk.

TABLE 21: REPORTED CASES

Date of Case Reported	Reference Number	Where or to whom it was reported	No. of Employees involved if applicable	Allegation	Nature of the Cases e.g., Corruption, fraud and maladministration	Status (If resolved, State the outcome)	Contact Person for Investigation	Value (if know/ applicable)
2021/05/04	9138	CFO	One	Alleged Corruption on a tender for the JDA/MARKT/AERIAL-PHOTO/004/2020	Corruption	In Progress	Marry Hay	Unknown
2021/03/24	101/03/2021	Joburg Development Agency	Not Stated/to be confirmed	Alleged fraudulent letter of appointment for Project JDA 17/10.1.1. A6000555.1 for appointment of Velman Construction Pty Ltd for construction of Eastern Gateway Oval Park.	Fraud & Corruption	In Progress	Not Yet Allocated	Unknown
2019/07/19	7/2-011424/17	Public Protector	Not known	Acquisition of land and construction at an excessive amount for the construction of Walter Sisulu square.	Corruption	The JDA previous response to the Public Protector regarding the land was accepted. To close the investigation the Public Protector's office is requesting that the construction process was awarded through a public process. The JDA is busy locating the documentation from storage and is in communication with the Public Protector on the status	Sello Ernest Raselalome SelloR@pprotect.org	R400m
2019/01/22	GFIS 116/02/2019	Chief Executive Officer	One	Third party purporting to be SCM official to a bidder for the Gandhi Precinct East Development construction tender.	Corruption	Matter referred to Group Forensics and Investigation Services for investigation. The investigation is still at the initial stage of collecting evidence and it is envisaged to be completed before the end of the financial year.	Lesiba Mashasha 0837026915	Unknown
2018/12/07	GFIS 44/12/2018	Chief Executive Officer	One	Unauthorized wavering of Construction penalties	Fraud, corruption or maladministration	Matter referred to Group Forensics and Investigation Services for investigation. The investigation was paused due to other competing investigations. It is envisaged	Phuti Ramara 0836283576	R4.5m

Date of Case Reported	Reference Number	Where or to whom it was reported	No. of Employees involved if applicable	Allegation	Nature of the Cases e.g., Corruption, fraud and maladministration	Status (If resolved, State the outcome)	Contact Person for Investigation	Value (if know/ applicable)
						that it will be commenced at the beginning of the second quarter of the financial year.		
2018/08/30	GFIS 171/08/2018	City of Johannesburg Group Fraud and Investigation Services	Not known	Alleged solicitation of bribes and kickbacks	Fraud, corruption or maladministration	The matter was referred to Group Forensics and Investigation Services for investigation. Investigation paused due to competing investigations. It is envisaged that it will be commenced at the beginning of the second quarter of the financial year.	Deputy Director Sibande 0837026918	Unknown
2018/06/13	107/06/2018	City Manager	Not known	Irregular acquisition of a Statue of the late President Nelson Mandela	Fraud, corruption or maladministration	Investigation is still underway and conducted by the Public Protector's office. No progress provided by the Public Protector.	Unknown	Unknown
2018/04/11	GFIS 184/04/2018	City of Johannesburg Hotline	One	JDA Official allegedly solicited bribe.	Corruption/ bribery	The matter was referred to GFIS for investigation. The investigation was paused due to other competing investigation, it is envisaged that it will be commenced at the beginning of the second quarter of the financial year.	Deputy Director Sibande 0837026918	Unknown
2018/03/16	105/03/2018	Chief Executive Officer	Not known	Unfair disqualification of SMMEs	Suspected corruption	Matter referred to GFIS for investigation. (Investigation not commenced, still to allocate an Investigation Officer).	Unknown	Unknown
2017/10/16	GFIS 485/09/2017	City of Johannesburg Group Fraud and Investigation Services	One	Underpayment of SMMEs.	Corruption	Investigation is conducted by Group Fraud and Investigations Services. Investigation completed.	Mshiwa Sibande 0837026918	Unknown

Note: As per the City's instruction all cases are to be investigated centrally through Group Forensics and Investigation Services.

SECTION 6: ICT GOVERNANCE

Introduction

During the period under review and indeed the entire current financial year, the concentrated focus has been to ensure that the JDA's business applications and the infrastructure that supports it is agile enough to respond to the continuity of lockdown regulations, which in their entirety have meant that employees work from both home and work seamlessly.

ICT Governance

The ICT Steering Committee continues to exercise oversight on the ICT function on behalf of the Audit and Risk Committee. Its main mandate is to ensure that the ICT function is fully supported with adequate resources to perform its mandate to optimally support business.

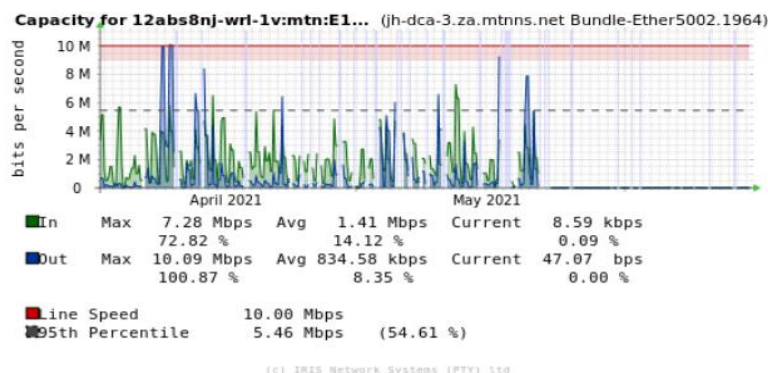
The JDA's compliance to the COBIT framework continues to be monitored through the JDA's internal assurance function and OPCA function. These monitoring functions ensure that there is a healthy level of compliance to the COBIT function, mainly through submission of evidence from various heads of departments to demonstrate adherence.

ICT Policies

The Cloud policy will be re-submitted to the new Audit and Risk Committee so that they are fully aware of its role in governing and supporting the ICT Cloud Strategy. ICT Management will be reviewing all other policies in preparation for the new financial year. Where there are significant changes, the policies will be re-submitted to audit and risk committee and the Board.

Network Performance/Availability of systems

Since the beginning of COVID-19 Lockdown, most employees have been working from home and also in the office on rotation basis. In this quarter the link has been up 98% against a target of 95%. This is mainly attributed to the recorded downtime during instances of load shedding. The final commissioning of the fiber project, which is earmarked to complete at the end of fourth quarter will eliminate the 2% and institute full 100% performance.



Backup Generator Project Completion

The Backup Generator project is complete, and the backup generator has since been handed over to JDA Management. This was a much-awaited development and could not have been finalized at a more opportune

time, a time when the country is experiencing various levels of load-shedding. Since its commissioning and handover, the Generator has performed successfully in all instances of load-shedding.

Business Applications Performance

SAP

The end of 2020/21 financial year is traditionally an extremely busy period in terms of spending. There is therefore a significant spike in transactions. This quarter has been no different. The ICT department has continued to ensure that SAP is very little to no downtime at all. An analysis of the performance of the system shows that the SAP system was up 98% of the time. The variance of 2 % is made up of instances where there was load shedding and the installation of the backup generator was still in progress.

Great Plains

A significant spike in transactions has also been experienced in the Great Plains Financial system. Its source are transactions that are initiated in SAP for CAPEX funded projects, as well as general operational expenditure.

Stakeholder Relations System

A stakeholder management system has been installed and is being configured in consultation with the stakeholder and SMME units of the JDA.

It was important that the stakeholder and SMME functions be automated as stakeholder relations management plays a pivotal role in ensuring that the overarching mandate of service delivery is successfully sustained. The COVID-19 era has presented an even greater complexity to the management of the JDA's stakeholders and with it the more pressing need to have a fully automated system that enables the whole stakeholder to set of processes to be managed efficiently.

The system is a tool that will enable capture, monitoring and make accessible a range of reports on the JDA's stakeholders. The solution will enable stakeholder issues across all of JDA's projects to be fully recorded and tracked in Realtime. This will be the start of institutional knowledge block that gives intelligence on patterns of stakeholder issues in various regions where the JDA operates, on historically problematic areas that prompt future decision nodes on project types required in those areas, on what stakeholder approaches within the framework work and which approaches have not worked, so as to inform future innovative approaches in order to continually improve relations with JDA's stakeholders.

Configuration and data capture are currently in progress. Training has been planned for the third week of the last month of the quarter.

Office 365 Training

Business Training for Office 365 was conducted on the 17th, 24th and 29th of June 2021. The objective is to ensure that users are continuously empowered to navigate and use Office 365 to their maximum benefit to improve their productivity and further develop their ICT skills.

Board Pac Solution Upgrade

The Board Pac solution is undergoing a system upgrade. The upgrade has been initiated by the system vendor. Training has been carried out with the technical team and one member of the user Team. The solution will be managed by the company secretariat function, while ICT will manage back-end support to ensure the system remains secure, technically operational, as well as upgraded as and when the need arises.

Upgrade of user hardware tools

The upgrade will involve the replacement of all obsolete user hardware tools to ensure that users work with efficient tools. In the period under review, a partial delivery is expected.

COJ Collaborations

ICT management continues to participate in COJ initiatives where required. In 2020/21 financial year management participated in scheduled ICT Forums such as smart cities, as well as CIO forums.

SECTION 7: COMPLIANCE WITH LAWS & REGULATIONS

The JDA monitors compliance with applicable legislation and regulations throughout the entity regularly. Regulatory compliance describes the goals that JDA aspires to achieve in their efforts to ensure that they are aware of and take steps to comply with relevant laws and regulations, whereas general compliance means conforming to a rule, such as a specification, policy, standard or law.

Due to the increasing number of regulations and need for operational transparency, JDA has adopted the use of consolidated and harmonized sets of compliance controls which will be achieved through the successful implementation of the compliance management programme. This approach ensures that all necessary governance requirements can be met without the unnecessary duplication of effort and activity from resources.

The JDA has committed to undertake an annual risk analysis review of legislation, particularly of new and changed legislation, to keep the Regulatory Universe for JDA relevant and up to date. These processes:-

- Develop and maintain a system for identifying the legislation that applies to JDA’s activities.
- Assign responsibilities for ensuring that legislation and regulatory obligations are fully implemented in JDA.
- Provide training for officials, and other relevant stakeholders in the legislative requirements that affect them.
- Provide officials with the resources to identify and remain up-to-date with new legislation.
- Conduct audits to ensure there is full compliance.
- Establish a mechanism for reporting non-compliance
- Identify accidents, incidents and other situations where there may have been non-compliance.

Concerning compliance performance, the JDA has detected or registered 4 out of 268 compliance obligations that are non-compliant at the end of the financial year. The overall URR compliance is 98.5%.

TABLE 9: IDENTIFIED NON-COMPLIANCE AND ACTION PLANS/STATUS

Legislation	Relevant Section	Non-Compliance Finding	Committed Action Plan/Status
Municipal Finance Management Act, No. 56 of 2004	Section 99(2)(b)	Service Providers must be paid within 30 days.	The JDA has committed to establishing a centralized point for receiving and vetting invoices. Training is currently conducted on departmental level on how to vet invoices. The process is envisaged was completed on 30 September 2019.

Legislation	Relevant Section	Non-Compliance Finding	Committed Action Plan/Status
National Archives and Record Service of South Africa, No. 43 of 1996	Section 13(2)(c)	The Act requires that Public records are routinely inspected by records management staff.	Bid Evaluation Report was approved by Bid Adjudication Committee (BAC), therefore JDA is in the process of appointing a Service Provider for the outsourcing of Records Management.
Prevention and Combating of Corrupt Activities Act, 2004	Section 34	Any person who holds a position of authority and who knows or ought to reasonably have known or suspected that any other person has committed an offence of theft, fraud, extortion, forgery or uttering a forged document must report such knowledge or suspicion or cause such knowledge or submission to be reported to any police official.	JDA ensured that in the 2019/20 annual report a column was inserted to indicate the level of employee that blew the whistle.
COIDA Act, 1993	Section 80	An employer carrying business in South Africa is required to register with the Compensation Commissioner and obtain a COIDA certificate which is issued by the Department of Labour (DOL). COIDA certificate not made available upon request.	JDA pays annual COIDA subscriptions to the City. The City's COIDA certificate at group level covers all entities to ensure compliance. JDA via its HR Department has requested from the City a copy of the COIDA certificate.
POPIA Act, 2013	Section 19	Organizations to have adequate security measures in place to preserve the integrity and confidentiality of personal information.	JDA is in the process of developing a POPI manual that will articulate information security, personal information protection and compliance, the appointment of POPIA compliance representative etc. Completion date is expected by 30 June 2020.
EEA Act, 1998	Section 21	An employer to prepare a report that is based on the employment equity plan, for submission to the Department of Labour annually on 1 October.	Reports on employment equity plan are submitted as and when required, however, the finding relates to submission of the Employment Equity Plan to the Department of Labour. The Employment Equity Committee will be trained to develop the Employment Equity Plan by the end of the first quarter. The plan will be completed and submitted to DOL in the second quarter

The unauthorized, irregular, fruitless and wasteful expenditure must be compiled and adopted by municipalities and municipal entities to ensure compliance with Section 32 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and MFMA Circular 68 dealing with unauthorised, irregular, fruitless and wasteful expenditure issued by National Treasury on 10 May 2013.

JDA has not incurred any irregular, fruitless, wasteful and unauthorized transactions for the period of the 1st of July 2021 to 30th June 2021.

SECTION 8: INTERNAL AUDIT FUNCTION

The Internal Audit Function (IAF) subscribes to and accepts the mandatory nature of the definition of internal audit as defined by the International Standards for the Professional Practice of Internal Audit (“ISPPA”) which defines an internal audit as “an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization achieve its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”

The key objectives of the Internal Audit Function are to assist the Audit & Risk Committee in the effective discharge of their responsibilities, provide strategic support to the Chief Executive Officer (“CEO”) and management that contributes towards the establishment of adequate and effective systems of governance, risk management and internal control processes through providing value-adding recommendations to improve the effectiveness and efficiency of the operations of the JDA.

It is within this context that the IAF strives to continuously strengthen and understand its stakeholders, their specific requirements and business drivers so that there is continuous strategic alignment and value add to long term and short term goals.

Progress made against the approved Annual Internal Audit Plan

Annual Audit Plan

The internal audit progress to which this section of the report relates to covers the period 1 July 2020 to 30 June 2021; the section of the report includes progress on the planned audit projects as well as special audit requests (if any) that were undertaken during the reporting period. In this reporting period, there were fourteen (14) audit projects completed by internal audit. All 14(100%) planned audits were completed.

Probity Audits

In addition to the planned audits, internal audit conducted probity audits on six (6) bids above the value of R5 million before awarding of the tender in the 2020/21 financial year. These six (6) bids constitute a 100% of bids above R5million received by internal audit for review from 1 July 2020 to 30 June 2021.

Overall Performance

Overall, there were twenty (20) audits completed in the 2020/21 financial year, this translates into 100% completion of audit projects for 2020/21. All the areas for improvement identified through the audit efforts were communicated to management through the internal audit reports. Management continues to ensure that internal audit findings are resolved, through the implementation of recommendations and the agreed-upon action plans. Monthly, Internal Audit also conducts a follow-up on the implementation of internal and external audit recommendations. These reports are presented to both the Operation Clean Audit Committee and the Audit and Risk Committee, to monitor the progress made by management on the implementation of recommendations and action plans.

SECTION 9: CORPORATE ETHICS AND ORGANISATIONAL INTEGRITY

The JDA and its Board subscribe to high ethical standards and principles. The leadership provided by the Board is characterised by the values of responsibility, accountability, fairness and transparency, and has been a defining characteristic of the JDA since its establishment in 2001.

The JDA's main objective has always been to do business ethically while building a sustainable company that recognises the short- and long-term impact of its activities on the economy, society and the environment. In its deliberations, decisions and actions, the Board is sensitive to the interests and expectations of the JDA's stakeholders.

Code of Conduct

The JDA's code of conduct, which is fully endorsed by the Board, applies to all directors and employees. The code is consistent with schedule 1 of the Municipal Systems Act and the provisions of the CoJ corporate governance protocol for municipal entities.

The code is regularly reviewed and updated as necessary to ensure that it reflects the highest standards of behaviour and professionalism. Through its code of conduct, the JDA is committed to:

- The highest standards of integrity and behaviour in all its dealings with its stakeholders and society at large.
- Fair commercial and competitive business practices.
- Eliminating discrimination and enabling employees to realize their potential through continuous training and skills development.
- Taking environmental and social issues into consideration.
- Ensuring that all directors declare any direct or indirect personal or business interest that might adversely affect them in the proper performance of their stewardship of the entity.

The code requires all staff to act with the utmost integrity and objectivity and in compliance with the law and company policies at all times. Failure to act in terms of the code results in disciplinary action. The code is discussed with each new employee as part of the induction process and forms part of employees' annual declaration by confirming their compliance with the code.

A copy of the code is available to interested parties on request. Non-adherence to the code of ethics-related matters can be reported to a toll-free, anonymous hotline. Any breach of the code is considered a serious offence and is dealt with accordingly, which serves as a deterrent. The directors believe that ethical standards are being met and are fully supported by the ethics programme.

Declaration of interest

Following its code of conduct, the JDA maintains a register of directors' declarations of interests. The register is updated annually and as and when each director's declared interests change. A register is circulated at every Board and Board committee meeting for the directors to declare any interest related to every matter discussed at a particular meeting. Furthermore, verification of declaration of interest for all JDA employees and the Board is conducted by an accredited service provider.

The JDA's employee code of ethics and terms and conditions of employment require all employees to complete declarations of interest covering shareholding in private companies, membership of close corporations,

directorships held, partnerships and joint ventures, remunerative employment outside of the JDA, gifts and hospitality, and the status of their municipal accounts.

The JDA has a whistle-blowing hotline number, which it advertises in the offices and on its website. Also, all JDA tender documents urge people to report fraudulent activities or maladministration by JDA employees on the hotline.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SECTION 1: HIGHLIGHTS AND ACHIEVEMENTS

SECTION 1.1: FINANCIAL PERFORMANCE

Capital expenditure is the primary measure of the JDA's performance, and the budget for the capital projects to be implemented forms part of the agency's annual business plan and scorecard. The actual capital expenditure for the period ended on the 30th of June 2020 was R1.2 billion (2019/20: R888 million) against an adjusted budget of R1.4 billion (2019/2020: R1.3 billion). This represents 83% (2019/20: 68%) of actual expenditure against budget. The variance of R245 million (17%) was due to:

- Community unrests and protests resulting in contractor appointments being delayed or stopped.
- Delays experienced due to the closure of sites during the nationwide lockdown; and
- Minimum capacitation of sites due to COVID-19 work regulations.

Capital Budget Management⁷

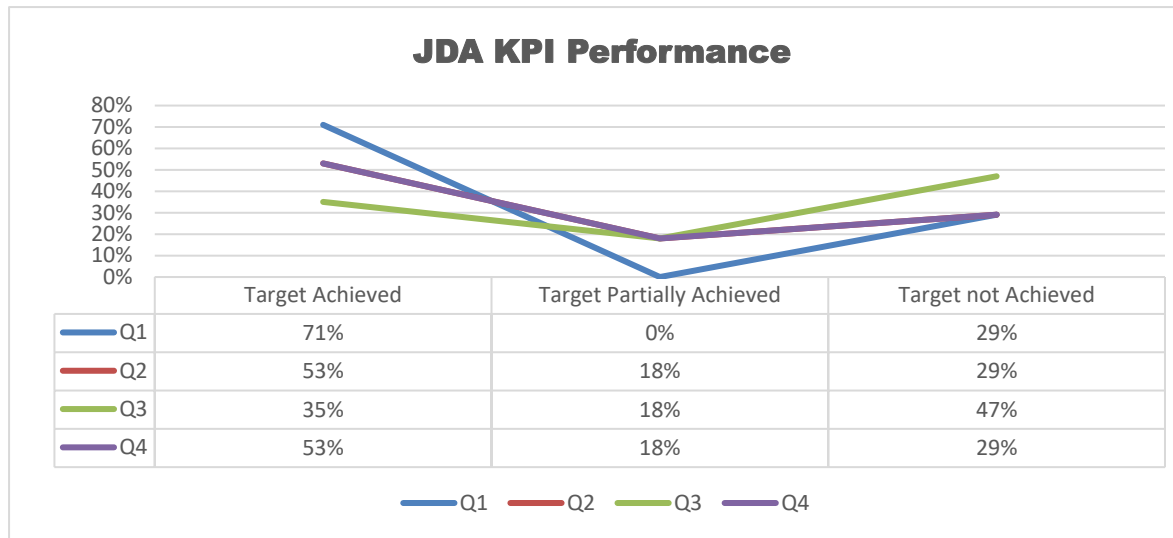
TABLE 10: OVERALL PROGRAMME PERFORMANCE

Overall Programme Performance	2020/21 Annual Budget	Target YTD	Actual YTD	Target %	% Actual / Annual budget Expenditure
	R' 000	R' 000	R'000	%	%
Overall Programme Performance	1 477 568	1 403 690	1 236 053	88%	83,65%

⁷ This measures effective capital budget management, in particular expenditure against set targets for project delivery. Targets of 100% expenditure have been set in respect of all funding sources for the financial year.

SECTION 1.2: ORGANISATIONAL PERFORMANCE

The annual report has been prepared against the JDA’s 2020/21 Business Plan and Scorecard. Regarding performance against the JDA’s 17 Strategic KPI’s, the JDA achieved 53% performance target achieved, 18% performance target partially achieved, and 29% performance target not achieved. The below graph highlights the JDA KPI Performance for year to date (as of 30th June 2021):



The focus on reporting on highlights and achievement is reflected for each of the JDA’s substantive programmes, as per the table below.

The JDA’s programme performance information policy and reporting framework covers the procedures and content in the JDA’s programme performance information management system. This includes for example, the definition of key performance areas and indicators and targets in the business planning process and the articulation of the link between programme objectives and results and the performance indicators and targets. The policy is supported by a programme performance reporting framework based on a comprehensive scorecard. This scorecard lists all of the output and outcome performance measures that the JDA should collect data on for a range of timeframes (quarterly, annually or periodically). From this reporting framework, the annual scorecard is developed, and the performance targets are set.

The JDA policy and reporting framework only defines a target as achieved with a 95–100% rating, a target as partially achieved with an 80–94% rating and a target not achieved with anything less than a 79% rating. Hence any less than 80% is regarded as not achieved.

TABLE 24: SUMMARY OF KPI PERFORMANCE

IDP Priority /	IDP Programmes	No of KPI's	KPI Number (Ref)	Target Achieved (95% - 100% rating)		Target Partially Achieved (80% - 94% rating)		Target not Achieved (<79% rating)	
				Count	%	Count	%	Count	%
<p>Priority 1: Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment, inequality and poverty</p> <p>Priority 2: Ensure pro-poor development that addresses spatial and all forms of income inequality and provides meaningful redress.</p>	<p>Inner-city regeneration, including key economic nodes</p> <p>Increased infrastructure investment (from both public and private sectors)</p> <p>Working to cut red tape and improve the ease of doing business in the City</p> <p>Residents live, work and play close to work, leisure and cultural opportunities</p> <p>Efficient and effective transport (Public and Freight) connecting home, work, culture and leisure</p>	7	(1-2-3-4-5-6-7)	5	71%	1	14%	1	14%
IDP Priority 5: Create an honest and transparent City that fights corruption.	Increasing forensic investigative capability and controls	2	(8-9)	0	0%	1	50%	1	50%
IDP Priority 8: Enhance our financial sustainability.	Focusing on driving up capital expenditure investment in infrastructure	2	(10-11)	1	50%	1	50%	0	0%
Day-to-day Programme	Other IDP or Day-to Day programmes	6	(12-13-14-15-16-17)	3	50%	0	0%	3	50%
		17		9	53%	3	18%	5	29%

Non-financial Performance

As a summary of the non-financial performance includes:

The annual report has been prepared against the JDA's 2020/21 Business Plan and Scorecard. Regarding performance against the JDA's 17 Strategic KPI's, the JDA achieved 53% performance target achieved, 18% performance target partially achieved, and 29% performance target not achieved.

- In comparison with the same period in the previous financial year the JDA achieved 47% targeted performance, 29% performance target partially achieved, and 24% performance target not achieved.
- For the period 1st July 2020 to 30th June 2021, the overall BBBEE share of expenditure was R 1 020 203 214.76. This translates into an achievement of 102% BBBEE claimed against quarterly expenditure.
- The SMME share of JDA's operating and capital expenditure was R340 780 737.33 for the period 1st July 2020 to 30th June 2021. This constitutes an achievement of 33% for the period under review.
- A total of 290 EPWP opportunities supported by reliable supporting evidence, such as identity documents, attendance registers and proof of payments were reported against the annual target of 500.

SECTION 1.3: EPWP PERFORMANCE

The Expanded Public Works Programme is one of the government's key programmes aimed at providing poverty and income relief through temporary work for the unemployed. The EPWP is a nationwide programme covering all spheres of government and SOEs. The programme provides an important avenue for labour absorption and income transfers to poor households, in the short to medium-term. EPWP projects employ workers on a temporary or ongoing basis with government, contractors or other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions.

Of the four sectors, namely infrastructure, non-state, environment and culture and social, the JDA creates EPWP work opportunities by increasing the labour intensity of government-funded infrastructure projects.

In the 2020/21 financial year, JDA experienced a challenge with EPWP work opportunities being reported on the EPWP database on JDA projects that were not always supported by reliable supporting evidence, such as identity documents, attendance registers and proof of payments. This resulted in the JDA having to reconcile the number of EPWP work opportunities reported with supporting evidence.

Therefore, throughout the financial year the JDA followed-up repeatedly with the relevant contractors, community liaison officers and community participation consultants, to gather the supporting evidence. The process resulted in either, reconciling what was reported on the project EPWP database all supporting evidence or removing or reducing the number of EPWP work opportunities reported due to fact that not all the necessary supporting evidence could be reconciled.

This process of reconciliation of reported versus what had supporting evidence is captured in the table below.

TABLE 25: EPWP PERFORMANCE

JDA Programme	Quarter 1 EPWP Opportunities created in 2020/21	Quarter 2 EPWP Opportunities created in 2020/21	Quarter 3 EPWP Opportunities created in 2020/21	Quarter 4 EPWP Opportunities created in 2020/21	YTD EPWP Opportunities created in 2020/21
	Q1 Reported & Evidence Reconciled	Q2 Reported & Evidence Reconciled	Q3 Reported & Evidence Reconciled	Q4 Reported & Evidence Reconciled	Q1 + Q2 + Q3 + Q4 Reported
Programme 1	9	0	0	6	15
Programme 2	27	2	18	21	68
Programme 3	44	107	24	32	207
Programme 4	0	0	0	0	0
TOTAL	80	109	42	59	290

SECTION 1.4: PROJECTS IN CONSTRUCTION PHASE

The following projects did not feature in the JDA's scorecard as they did not fall within KPI classification within the current year. Many of these projects are multi-year projects and were either in the construction phase for the financial year or were studies and related activities performed for client departments.

These projects include:

- Jabulani TOD (Phase 6a, Phase 7)
- Orchards Clinic

- Brixton Social Cluster: Work Package 1 and 2
- Paterson Park: Work Package 3 - Multipurpose Centre and Sports Facilities
- Regeneration of Lenasia CBD and Anchorville Industrial Hub – Region G
- Inner City Eastern Gateway_TOD and Movement Corridors
- CORR - Louis Botha Corridor
- Kaalfontein MPC New Construction
- Ivory Park Swimming Pool
- MPC Matholesville
- Drieziek MPC
- Gandhi Square East
- Bophelong Clinic
- Alexandra Depot
- Selby Depot 2C

SECTION 2: SERVICE DELIVERY CHALLENGES

Given the spatial, socio-economic and political environment in which the JDA operates, there are often challenges that affect area-based development and the JDA's ability to facilitate common economic and social objectives.

By the end of the 2020/21 financial year delivery was affected on several projects. Some of these issues are highlighted below:

- Although the construction is underway there is no finalization of the agreement regarding the Post Office portion of land which forms part of the JITI development. The matter is sitting with the JPC to finalize the negotiations of the land acquisition agreement.
- COVID 19 had impacted in the availability of materials both locally and internationally. A shortage of these materials resulted in project completion dates being pushed out, e.g., Karzene Public Transport Facility Redevelopment, PTF: Small Public Transport Facilities: DRIEZIEK EXT.3 etc.
- Limited number of construction workers on site in compliance with the COVID-19 regulations had negatively impacted the production output on construction sites and most of the project timelines had to be revised as a result.
- SMME issues as some of the major sites are continually experiencing SMME work stoppages which also impacts on the time and cost of the project, e.g., Karzene, Bophelong Clinic and Florida Clinic. The Executive Committee has developed an SMME Engagement Strategy and Framework which aimed to outline the Standard Operating Procedure in relations to engagement with SMME matters, as well as to enhance the development of SMMEs and to protect their rights against unfair treatment by the main contractors. The SMME Strategy and Framework is at the beginning stage of implementation.
- Limited resources (Declining CAPEX Budget) Client departments are experiencing budget constraints which resulted in the delayed start of some projects in order to access the funds in the outer years.
- Poor performance from main contractors, which resulted in other contracts being terminated and procure for new contractor which delays the project and also required additional budget to complete the project.
- All Development Implementation Targets will be monthly monitored and tracked and monthly update report will be shared with the EXCO. When the contractor is appointed, close progress monitoring will be done and reported on to reach the annual target.

SECTION 3: RESPONSE TO STRATEGIC DIRECTION

The JDA forms part of the City’s Economic Growth Cluster and plays both a direct and indirect role in regard to the following Mayoral Priorities against which it can be measured and held accountable. The JDA’s responses to four outcomes, eleven priorities and spatial polices against which it can be measured and held accountable, are outlined in the table below:

TABLE 26: ALIGNMENT OF THE JDA OBJECTIVES TO THE COJ PRIORITIES

GDS Outcomes	GDS Outputs	Key CoJ Programmes 2016-2021	Key CoJ Programme/s	IDP	GLU Strategic Priorities	GLU Priority Programmes	Matching Programme/s	JDA	JDA	Sub-
#1 Improved quality of life and development-driven resilience for all	Sustainable human settlement. Reducing Economic, Spatial Gender inequalities.	Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment by 2021.	Inner city regeneration, including key economic nodes. Increased infrastructure investment (from both public and private sectors).	Integrated settlements. Sustainable delivery. Sustainable Environmental development.	human service	Accelerated and visible service delivery and re-introduction of co-production in the delivery of the basic service.	1. Economic Delivery Programme.	Strategic Node	1A: Inner City Transformation Sub-Programme. 1B: Economic Node Sub-Programme.	
#2 Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy	Sustainable human settlement. Reducing Economic, Spatial Gender inequalities.	Ensure pro-poor development that addresses inequality and poverty and provides meaningful redress.	Residents live, work and play close to work, leisure and cultural opportunities. Efficient and effective transport (Public and Freight) connecting	Integrated settlements. Sustainable delivery. Sustainable Environmental development.	human service	Accelerated and visible service delivery and re-introduction of co-production in the delivery of the basic service.	2. Accelerated infrastructure Delivery Programme.		2A: Deprivation Areas Revitalization Sub-Programme. 2B: Urban Infrastructure Delivery Sub-Programme.	

GDS Outcomes	GDS Outputs	Key CoJ Programmes 2016-2021	Priority 2016-2021	Key CoJ Programme/s	IDP	GLU Strategic Priorities	GLU Programmes	Priority	Matching Programme/s	JDA Programme/s	JDA Programme/s	Sub-
				home, work, culture and leisure.								
#3 An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens	Promotion and support of small businesses. Reducing Poverty and dependency.	Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment by 2021.		Improving ease of doing business Attracting, expanding and retaining investment Address spatial inequality within the city Target sectors with high job-growth potential Empower the residents of Johannesburg Build a city that works for its residents		Economic development. Job opportunity and creation. Smart city.	Job opportunities and creation. Development and support of SMMEs.		3. Economic Empowerment Programme. 4. Good Governance, Management and Administration Programme.	BBBEE. EPWP. SMME / EME procurement (PPR, 2017).		
#4 A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally	A responsive, corruption-free, efficient and productive metropolitan government.	Priority 5: Create an honest and transparent City that fights corruption.		Increasing forensic investigative capability and controls.		Smart city. Good governance. Financial sustainability Active and engaged citizenry.	Improve and strengthen financial position. Combat corruption, fraud and maladministration.		4. Good Governance, Management and Administration Programme.	N/A.		

GDS Outcomes	GDS Outputs	Key CoJ Programmes 2021	Priority 2016-	Key CoJ Programme/s	IDP	GLU Strategic Priorities	GLU Programmes	Priority	Matching Programme/s	JDA	JDA	Sub-
competitive City Region	Gauteng											

The JDA's current business plan represents a spatial response to specific Priority Transformation Areas as outlined in the City of Johannesburg's Spatial Development Framework 2040.

TABLE 27: SDF PRIORITY TRANSFORMATION AREAS AND CORRESPONDING JDA DEVELOPMENT REGIONS

SDF Priority Transformation areas	Corresponding JDA Regional Classification
Strengthening the metro core	Inner City and the Old South (including Turffontein and Mining Belt)
Unlocking Soweto	Greater Soweto (including Lenasia, Eldorado Park, Nancefield)
Consolidating public transport backbone	The Transit-Oriented Development Corridors: Empire-Perth Corridor and Louis Botha Corridor
OR Tambo Corridor	Alex and the OR Tambo Corridor (includes Randburg, Sandton, Cosmo City, Modderfontein, Frankenwald)
Addressing marginalisation	Marginalised Areas – Diepsloot, Ivory Park, Orange Farm

The JDA coordinates its area-based development activities and other catalytic interventions with the Department of Development Planning and with other client departments. The JDA responds to the above development priorities as the agency coordinates and manages its activities through its substantive programmes.

Also, we ensure good governance of the organisation through an Operational Focus area, resourced to support the optimal performance of the substantive programmes.

TABLE 28: SUMMARY OF JDA SUBSTANTIVE PROGRAMMES

JDA Substantive Programme	JDA Sub-Programme	Purpose
1. Strategic Economic Node Delivery Programme	1A: Inner-city transformation Programme	Guided by the Mayoral Priority on the Inner City and the Inner City Roadmap the JDA will focus on strengthening the position of the inner city as a critical business and residential node and the primary gateway to transit networks for the city; financial services networks for the City Region; and cross-border trade networks for the African continent. The JDA will continue to implement a phased plan to strengthen inner-city precincts, address movement challenges, and improve the quality of the built environment across the inner city. The activities include managing the development of the Johannesburg inner city

JDA Substantive Programme	JDA Sub-Programme	Purpose
		through capital investments in selected precincts, by overseeing integrated investments by other departments and entities, and by facilitating partnership initiatives.
	1B: Economic Node Sub-Programme	<p>The objective is to develop nodes that are compact, walkable, liveable, mixed-use and mixed-income areas and centres around which to densify. They should be areas where people can live, work and play and have good access to public transit. Guided by the CoJ policy⁸ on the categorising of the current city nodes with prospects for growth, the work of the programme is to promote densification, diversification and development in these nodes.</p> <p>The main categories of nodes are mixed-use/key urban nodes (under various categories), industrial nodes, Transit-Oriented Development (TOD) nodes and neighbourhood nodes.</p>
2. Accelerated Public Infrastructure Delivery Programme	2A: Deprivation Areas Revitalisation Sub-Programme	<p>Investment is specifically required to eradicate backlogs and deficiencies of engineering and social infrastructure related to the revitalization of deprivation areas. Investment in these areas also needs to address the structural and built form aspects that have been raised in the SDF. Infrastructure investment is therefore targeted at resolving problems specifically related to the deprivation areas and at the same time create sustainable and liveable settlements as an outcome.</p> <p>Several deprivation area programmes are already in place (previously referred to as marginalised area programmes) including Orange Farm, Diepsloot, Ivory Park/Kaalfontein and Alexandra</p>
	2B: Urban Infrastructure Delivery Sub-Programme	The objective is to effectively and efficiently deliver on the City's priority social and/or economic infrastructure programmes. This work includes overseeing capital investments by other departments and entities. This programme includes Rea Vaya BRT infrastructure, taxi and transport facilities, primary healthcare clinics and fire-stations.
3. Economic Empowerment Programme		A cluster of the JDA's economic development programmes that aims to (i) Develop skills and capacity within the construction industry in Johannesburg (ii) Optimise the JDA's contribution to inclusive economic growth and empowerment, and the transformation of the construction industry; and (iii) establish a monitoring and reporting system to measure the impact of the JDA's managing contractor development programme.

TABLE 29: SUMMARY OF THE JDA OPERATIONAL PROGRAMME

JDA Programme	Programme Purpose
4: Good Governance, Management and Administration	This programme manages the governance, admin and operational functions and improves efficiency through Finance, Governance, Risk and Compliance, Supply Chain Management and IT.

SECTION 4: PERFORMANCE AGAINST SERVICE STANDARDS

Not applicable to the JDA.

⁸ A thorough nodal review is underway to review the boundaries of existing nodes in the city, and define new nodes where appropriate.

SECTION 5: PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

The JDA’s progress towards achieving its KPIs is assessed using the performance scorecard, which measures performance in terms of both the JDA’s service delivery mandate and financial and other resource management processes. The scorecard targets, which are set and agreed on by JDA management, the Board and the Shareholder, aim to improve the JDA’s performance and efficiency, and achieve longer-term goals for specific developments, such as area-based revitalisation.

The JDA policy and reporting framework only define a target as achieved with a 95–100% rating, a target as partially achieved with an 80–94% rating and a target not achieved with anything less than a 79% rating. Hence anything less than 80% is regarded as not achieved.

Performance per programme and per KPA are summarised in the table below:

TABLE 30: KPI ACHIEVEMENT RATINGS





Achievement	Rating
	Target achieved (95–100% rating)
	Target partially achieved (80–94% rating)
	Target not achieved (<79% rating)


TABLE 31: SCORECARD

Priority 1: Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment, inequality and poverty & Priority 2: Ensure pro-poor development that addresses spatial and all forms of income inequality and provides meaningful redress.


Strategic Priorities: Priority 3: Integrated sustainable human settlements; Priority 4: Sustainable Service Delivery; Priority 6: Safer City and Priority 11: Minimising the impact of COVID 19

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
Inner-city regeneration, including key	1) Number of pre-feasibility studies conducted. ⁹	12	4 (cumulative)	4	0		Target achieved.	
			1. Zandspruit New Clinic ZANDSPRUIT EXT.4 C Ward 114 (Acquisition of land, layout			Target achieved.	Completed	


⁹ Detailed local area plans, detailed local area implementation plans or area-based studies produced, reviewed or updated

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
economic nodes including the implementation of the Transit-Oriented Development Corridors			and design and construction of buildings etc.)					
			2. PTF: Transfer Facility: Lenasia Scholar Transport Interchange			Target Achieved.	Completed	
Increased infrastructure investment (from both public and private sectors)			3. CoF_Road, NMT and Highstreet_PEU_Norwood, Ave_Louis Botha Corridor			Target achieved.	Completed	
	2) Number of projects at concept design phase.	14	17 (cumulative)	17	17	0		Target achieved.
Residents live, work and play close to work, leisure and cultural opportunities			1. PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G)			Target achieved.	Completed	
			2. Randburg CBD regeneration Renewal Precinct Redevelopment FERNDALE B Regional			Target achieved.	Completed	
			3. PTF: Redevelopment of Inner-City Ranks			Target achieved.	Completed	
			4. 4003_07_Innercity Core PEU (Including the Southern Parts)			Target achieved.	Completed	
			5. Inner City Roadmap Economic Development Initiatives Renewal Inner City Intervention JOHANNESBURG F Regional			Target achieved.	Completed	
			6. Melville Activity Street_Neighbourhood Development_CoF_Upgrade			Target achieved.	Completed	

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
Efficient and effective transport (Public and Freight) connecting home, work, culture and leisure			7. PTF: Transfer Facility: Lenasia Scholar Transport Interchange			Target achieved.	Completed	
			8. PTF: Upgrading of Sunninghill Public Transport Facilities			Target achieved.	Completed	
			9. PTF: Public Transport Facility in Sandton			Target achieved.	Completed	
			10. Betrams New Multi Purpose Center			Target achieved.	Completed	
			11. Complete Streets: Deep South			Target achieved.	Completed	
			12. Complete Streets: Turfontein			Target achieved.	Completed	
			13. CORR - Louis Botha Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Constriction and Upgrading Renewal Corridors of Freedom Intervention ORANGE GROVE E Regional			Target achieved.	Completed	
			14. NR: Nodal Regeneration: Braamfontein Precinct			Target achieved.	Completed	
			15. Orlando East Station Precinct New Precinct Redevelopment ORLANDO EAST D Ward			Target achieved.	Completed	

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.										
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.										
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual			Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
			16. Pennyville Precinct Renewal Precinct Redevelopment PENNYVILLE EXT.1 B City Wide					Target achieved.	Completed	
			17. Shelters for Displaced People Region F					Target achieved.	Completed	
			18. Revitalisation of Pageview and Vrededorp					Target achieved.	Completed	
	3) Number of projects reaching contract award stage.	15	16 (cumulative)	16	14	2			Target partially achieved. The following project did not achieve the Contract Award target as planned: PTF: Redevelopment of Inner City Ranks and Complete Street: Merafe NMT.	
			1. PTF: Small Public Transport Facilities: Tshepisong					Target achieved.	Completed	
			2. 4003_03_Ghandi Square East					Target achieved.	Completed	
			3. Complete Streets: (KFW - German Development Bank): Orlando East to UJ Soweto Route					Target achieved.	Completed	
			4. Naledi clinic New Building NALEDI D					Target achieved.	Completed	
			5. Balfour Park Transit Precinct Development (Louis Botha Corridor) Renewal Precinct Redevelopment SAVOY ESTATE E City Wide					Target Achieved.	Completed	

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.									
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.									
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance	
			6. Diepsloot Development Renewal Precinct Redevelopment DIEPSLOOT WES A Regional			Target Achieved.	Completed		
			7. Inner City Eastern Gateway TOD and Movement Corridors			Target Achieved.	Completed		
				8. Lib.Johannesburg Library (Centre of Excellence) JOHANNESBURG F			Target Achieved.	Completed	
				9. PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G)			Target Achieved.	Completed	
				10. Small: Public Transport Facility in Zakariya Park Region G			Target Achieved.	Completed	
				11. Fire Station - Central Fire Station Renewal Building Alterations MARSHALLS TOWN F Ward			Target Achieved.	Completed	
				12. 3877_01_Brixton Social Cluster			Target Achieved.	Completed	
13. PTF: Redevelopment of Inner City Ranks			Target Not achieved	The contract award was delayed due to lack of access granted Taxi Associations to do preliminary designs. Consultative sessions approval was only granted end of March 2021 for the project team to meet the Taxi Associations and to	There are communication plans in place with each Taxi Rank Managers in order to gain access when required in order for the planning to be completed by mid-July 2021. Site handover and main contractor award is anticipated to be achieved in the first quarter of 2021/22 financial year.				

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
							engage and present a status quo report.	
			14. 3877_09_New Turfontein Clinic & Multi-purpose center			Target Achieved.	Completed	
			15. Complete Street: Merafe NMT			Target Not achieved.	Project is on hold because no funding was allocated by the client department (Transport) in 2020/21 financial year. Funding will only be made available in 2022/23.	Management will continue to engage with client departments to indicate prior projects where funding will be withdrawn before Mid-year Adjustment period in order to make sure such projects are not elevated into Corporate Scorecard level but monitored at an operational level.
			16. PTF: Small Public Transport Facility Design and Construction of Kya Sand Superstop New Nodal Transport Facilities KYA SAND			Target Achieved.	Completed	
4) Number of projects reaching practical completion stage.	22	28 (cumulative)	17	11			Target was not achieved. The following projects did not achieve the practical completion target as planned: Alexandra Sports and Youth Development _SAFA Safe Hub Facility, Aqua - Construction of the IVORY PARK new swimming pool EXT.2 A Ward, Banakekelen Hospice New Clinic ALEXANDRA EXT.38 E Ward, Braamfischerville Ext 12&13:Roads and Stormwater Management Systems including a Pedestrian Bridge New Bulk Infrastructure BRAM FISCHERVILLE EXT.13 C Ward, CORR - Perth Empire Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading	

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
							Renewal Corridors of Freedom Intervention WESTBURY B Regional, PTF: Small Public Transport Facilities: DRIEZIEK EXT.3, Rec- Construction of Drieziek MPC (ACH and Sports and Recreation), BRT Depots and Terminals: Selby Depot 2B, BRT Depots and Terminals: Selby Depot 2C, Greenstone Terminal and Section 15K (Watt Interchange).	
			1. 3877_13_Paterson Park - stormwater & new social facilities, park and road upgradings			Target achieved.	Completed	
			2. 4003_06_Inner City Partnership Fund			Target achieved.	Completed	
			3. Construction of a new MPC in Matholesville New Community Centre MATHOLESVILLE C Regional			Target achieved.	Completed	
			4. Florida clinic New Clinic FLORIDA EXT C Ward			Target Achieved.	Completed	
			5. Rec - Construction of the new multipurpose centre (Library included) at Kaalfontein (Ebony Park) New Community Centre KAALFONTEIN EXT.4 A Ward			Target Achieved.	Completed	
			6. Bophelong Clinic			Target Achieved.	Completed	



National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
			7. Ivory Park Development_Catalytic infrastructure projects	UDF_Node		Target achieved.	Completed	
			8. Large: Public Transport Facility Redevelopment of Karzene, NEWTOWN EXT.1 Region F			Target Achieved.	Completed	
			9. Minor works at various Sport and Recreational facilities: Citywide (Aqua, stadiums recreational centres etc.)			Target achieved.	Completed	
			10. Heritage Bridge Landscaping			Target achieved.	Completed	
			11. Park and Ride Facility: Design and Construction of a Park n Ride in Greenside Region E			Target achieved.	Completed	
			12. BRT Stations: Phase 1C Stations (Metro Loop Stations)			Target achieved.	Completed	
			13. 3879_02_Jabulani Precinct Upgrades			Target Achieved.	Completed	
			14. 4003_03_Ghandi Square East			Target Achieved.	Completed	
			15. Alexandra Sports and Youth Development _SAFA Safe Hub Facility			Target Not achieved	The practical completion and construction work has been delayed due to poor performance by the contractor. A Contractual letter was written to the main contractor on the 14 th June 2021 with 14 day	Construction project will continue without pause in 2021/22 financial year and will be completed in first quarter of the following financial year. Going forward the focus will be on additional project

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
							period to improve performance or a contract will be terminated.	management attention to unlock delays and ensure that construction remains on schedule.
			16. Aqua - Construction of the IVORY PARK new swimming pool EXT.2 A Ward			Target Not achieved	The practical completion and construction work has been delayed due to poor performance by the contractor.	Construction project will continue without pause in 2021/22 financial year and will be completed in first quarter of the following financial year. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.
			17. Banakekelen Hospice New Clinic ALEXANDRA EXT.38 E Ward			Target Not achieved	Construction is under way. Delays have been experienced due to the discovery of ground water on the site.	Construction project will continue without pause in 2021/22 financial year and will be completed in second quarter of the following financial year. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.
			18. Braamfischerville Ext 12&13:Roads and Stormwater Management Systems including a Pedestrian Bridge New Bulk Infrastructure BRAM FISCHERVILLE EXT.13 C Ward			Target Not achieved	Before Mid-Year the project had budgetary constraints, the main contractor's cash flow has been affected and has in turn affected progress on site. Construction work has been	Construction will continue without pause in 2021/22 financial year and will be completed by the end of the second quarter. Going forward the focus will be on additional


National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
							delayed due to poor performance by the contractor and the contract was terminated. Procurement of the new contractor has been finalized. A new contractor has been appointed to complete the works.	project management attention to unlock delays and ensure that construction remains on schedule.
			19. CORR - Perth Empire Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Constriction and Upgrading Renewal Corridors of Freedom Intervention WESTBURY B Regional			Target Not achieved	Delay was due to the budget shortfall after mid-year budget adjustment which results into a practical completion not to be achieved. The 2021/21 budget allocation will be enough to ensure the project in concluded.	Construction project will continue without pause in 2021/22 financial year and will be completed in first quarter of the following financial year. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.
			20. Orchards Clinic New Clinic ORCHARDS E City Wide			Target achieved.	Completed	
			21. PTF: Small Public Transport Facilities: DRIEZIEK EXT.3			Target Not achieved	The construction stage is at an advanced stage and the overall construction progress is at an advanced stage. Delays were attributed to delays by the contractor to complete the steel canopy for the public transport facility. The impact of COVID-19 pandemic and resultant lock-down on steel sheeting in the country, as such suppliers have	The project is currently at snagging stage. The contractor's performance is monitored twice a week by the professional team and JDA. Contractual letters have been issued to the contractor. The anticipated practical completion date is 16 July 2021. Going forward the focus will be on additional project management attention

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
							not been able to supply adequate steel for the projects in general.	to unlock delays and ensure that construction remains on schedule.
			22. Rec- Construction of Drieziek MPC (ACH and Sports and Recreation)			Target Not achieved	The practical completion and construction work has been delayed due to poor performance by the contractor.	Construction project will continue without pause in 2021/22 financial year and will be completed in first quarter of the following financial year. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.
			23. BRT Depots and Terminals: Selby Depot 2B			Target Not achieved	The project is at advanced stage, with all major works being completed to date. Project at 96% completion. The recent delays were related to rain delays in May, and supply of roofing material which was primarily affected by COVID pandemic.	The project is currently at snagging stage. The anticipated practical completion date is 16 July 2021. The main contractor is working through weekends as well to meet the set practical completion date. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.
			24. BRT Depots and Terminals: Selby Depot 2C			Target Not achieved	The project is currently at 65% completion. The project has experienced several delays and issues of poor performance by the main contractor. The project further suffered delays	The anticipated practical completion date is October 2021. Constant engagements are ongoing with main contractor. JDA considering other contractual intervention

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
							related to steel works which was primarily due to impact of COVID pandemic.	in order to successfully complete the project. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.
			25. TS (Fibre Loop and CCTV)- Redundancy Loop			Target achieved.	Completed	
			26. Greenstone Terminal			Target Not achieved	Construction works is underway. Delays were due to on-going SMMEs stoppages which resulted in site closure. All issues were addressed, and construction work started in April 2021.	The overall construction progress is at 70%. Construction will continue without pause in 2021/22 financial year and the project will be completed in the first quarter. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.
			27. Section 15K (Watt Interchange)			Target Not achieved	The project is at the advance and practical completion has been delayed due to project contractual claims i.e. additional scope of work was added by the Client that led to project time extensions.	The anticipated practical completion will be achieved in mid-July 2021. The project works will be fast-tracked to ensure that target is achieved before Annual Report submission. Going forward the focus will be on additional project management attention to unlock delays and ensure that construction remains on schedule.



National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
			28. Alexandra Depot			Target Achieved.	Completed	
	5) Number of precinct management implementation plans. ¹⁰	5	3 (cumulative)	3	-		Target achieved.	
			1. OCOB x Hillbrow			Target Achieved.	Completed	
			2. Newtown Improvement District Business Plan			Target Achieved.	Completed	
			3. Indlulamithi Routes and Hillbrow Tower Precinct			Target Achieved.	Completed	
	6) Number of JDA Communication and Media related Initiatives.	392	280 (cumulative)	458	+178		Target achieved.	During the first quarter, there was a total of 6 press media releases issued and a total of 102 social media posts. During the second quarter, there was a total of 8 press media releases issued and a total of 137 social media posts. During the third quarter, there was a total of 5 press media releases issued and a total of 83 social media posts. During the fourth quarter, there was a total of 8 press media

¹⁰ Includes precinct management plans that are operationalized (implemented) or produced, reviewed or updated

National Outcome: Outcome 6: An efficient, competitive and responsive economic infrastructure network. Outcome 8: Sustainable human settlements and improved quality of household life.								
GDS Outcome: Outcome 1: Improved quality of life and development-driven resilience for all. Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
								releases issued and a total of 109 social media posts.
	7) Number of impact performance assessments completed. ¹¹	4	4 (cumulative)	4	-		Target achieved.	
			1. Ghandi Square East Mapping			Target Achieved.	Completed	
			2. Evaluation of Two JDA Construction Project			Target Achieved.	Completed	
			3. Our City, Our Block Review			Target Achieved.	Completed	
			4. Comparative Assessment of JDA Partnerships			Target Achieved.	Completed	



¹¹ Impact assessments completed can either be area, community or project related

Strategic Priorities: Priority 2: Good governance



National outcome: Outcome 11: Creating a better South Africa and contributing to a better and safer Africa in a better world									
GDS Outcome: Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region									
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance	
Increasing forensic investigative capability and controls	8) Percentage resolution of Internal Audit findings.	83%	100%	93%	7%		Target partially achieved. The reason for partially achievement is that the controls that supposed to be implemented by management were not implemented or still in progress for implementation.	Internal Audit will continue to conduct follow-up reviews on a monthly basis on the status of unresolved findings and then provides these monthly reports on the status of unresolved findings to the Chairperson of the Operation Clean Audit (OPCA) Committee and to the Group Risk Assurance Services for discussion with the City Manager and to the JDA ARC Board subcommittee	
	9) Percentage resolution of Auditor General ¹² findings.	Clean Audit Opinion	100%	68%	32%		Target was not achieved. The reason for partially achievement is that the controls that supposed to be implemented by management were not implemented or still in progress for implementation.	Internal Audit will continue to conduct follow-up reviews on a monthly basis on the status of unresolved findings and then provides these monthly reports on the status of unresolved findings to the Chairperson of the Operation Clean Audit (OPCA) Committee and to the Group Risk Assurance Services for discussion with the City Manager and to the JDA ARC Board subcommittee	

¹² From the previous financial year


Strategic Priorities: Priority 1: Financial Sustainability

National outcome: Outcome 9: Responsive, accountable, effective and efficient developmental local government system								
GDS Outcome: Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region								
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
Focusing on driving up capital expenditure investment in infrastructure	10) Percentage of budget spent on city-wide infrastructure.	88%	95% (cumulative)	83,65%	11,35%		<p>Target partially achieved.</p> <p>Delays were due to various factors that continue to affect projects including poor contractor performance and stakeholder stoppages. In addition, in February 2021 the annual budget had increased by at least R200 million and this budget had only become available to spend in March 2021 which delayed project implementation process.</p>	The impact of COVID 19 on production rates is also to be noted. The shortage of material in the industry also has an impact on the production rates. Most of the panels have been approved, which has streamline the procurement projects.
	11) Percentage of valid invoices paid within 30 days of invoice date.	95%	100%	97%	3%		<p>Target achieved</p> <p>The JDA policy and reporting framework only defines a target as achieved with a 95–100% rating, a target as partially achieved with an 80–94% rating, and a target not achieved with anything less than a 79% rating</p>	The JDA Finance will continue to encourage all JDA units to make sure 100% of all invoices are paid within 30 days to meet the City target of 100%.



Strategic Priorities: Priority 5: Economic development and Priority 7: Job opportunity and creation,

National outcome: Outcome 9: Responsive, accountable, effective, and efficient developmental local government system									
GDS OUTCOME: Outcome 3: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens									
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual		Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
Other IDP or Day-to-Day Programmes	12) Percentage spent on Broad-Based Economic Empowerment through local procurement as a share of total expenditure.	106%	100%	100%	102%	+2%		Target achieved.	
	13) Number of Expanded Public Works programmes (EPWP) work opportunities created City-wide. ¹³	493	500 (cumulative)	500	290	210		Target was not achieved.	Delays in project implementation has resulted in under achievement on the Expanded Public Works programmes (EPWP) work opportunities target. The Enterprise Development Manager at the JDA has been appointed as the EPWP Champion. This will address the poor EPWP performance and timeous compliance with reporting, i.e., more EPWP sub-projects and EPWP compliance i.e., ensuring all the necessary evidence as required by the Department of Public Works and by the Auditor General are provided. In addition, the JDA amended

¹³ Paid work for an individual for any period of time, the same individual can be employed on different projects and each period will be counted as a work opportunity.


National outcome: Outcome 9: Responsive, accountable, effective, and efficient developmental local government system									
GDS OUTCOME: Outcome 3: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens									
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual		Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
									the contract governing the construction contracts, which hold the service provider to account on their contractual EPWP commitments.
	14) Percentage of SMME expenditure as a share of total expenditure.	29%	30%	30%	33%	+3%		Target achieved.	

Day-to-day Programme

National outcome: Outcome 9: Responsive, accountable, effective and efficient developmental local government system									
GDS Outcome: Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region									
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual		Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
Other IDP or Day-to-Day Programmes	15) Percentage spend on JDA operating budget against approved operating budget.	90%	95% (cumulative)	97,20%		+2,2%		Target achieved.	
	16) Percentage implementation of the strategic risk	77%	95% ¹⁴ (cumulative)	70%		25%		Target was not achieved.	Implementation of rescheduled activities will be closely

¹⁴ From Red and Amber to Green Status

National outcome: Outcome 9: Responsive, accountable, effective and efficient developmental local government system									
GDS Outcome: Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region									
IDP programme/s	Key Performance Indicator	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance	
	management action plan findings resolved.						<p>Delays are primarily attributable to a variety of reasons linked to the respective committed action plans. Key reasons for non-implementation are the following:</p> <ul style="list-style-type: none"> - Suspension of the CEO pending an investigation without the appointment of an acting candidate to ensure business continuity. - Resignation of action owner. - External dependencies from other institutions, e.g. delays in Provincial Government approving filing plan and awaiting city's final approval on the JDA's revised Financial Model to address financial sustainability risk. - Catching-up on competing priorities as a result of COVID- 19 delays. <p>Committed actions that were not possible to be implemented</p>	<p>monitored, and progress reported on a monthly basis to ensure that the control environment is strengthened, and risk management operates effectively.</p>	

National outcome: Outcome 9: Responsive, accountable, effective and efficient developmental local government system									
GDS Outcome: Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region									
IDP programme/s	Key Indicator	Performance	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
								within scheduled timeframes have been revised to the 2021/22 financial year.	
	17) Percentage of predetermined objectives targets achieved		52%	85%	53%	32%		<p>Target was not achieved.</p> <p>The following KPIs were not achieved:</p> <ul style="list-style-type: none"> - #4 - Number of projects reaching practical completion stage. - #9 - Percentage resolution of Auditor General¹⁵ findings. - #13 - Number of Expanded Public Works programmes (EPWP) work opportunities created City-wide. - #16 - Percentage implementation of the strategic risk management action plan findings resolved - #17 - Percentage of predetermined objectives targets achieved <p>The following KPI's were partially achieved:</p>	

¹⁵ From the previous financial year

National outcome: Outcome 9: Responsive, accountable, effective and efficient developmental local government system									
GDS Outcome: Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region									
IDP programme/s	Key Indicator	Performance	Baseline	2020/21 Annual Target	2020/21 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 th June 2021	Variations and steps to be taken to improve performance
								<ul style="list-style-type: none"> - #3 - Number of projects reaching contract award stage. - #8 - Percentage resolution of Internal Audit findings. - #10 - Percentage of budget spent on city-wide infrastructure. 	

SECTION 6: PUBLIC SATISFACTION IN MUNICIPAL SERVICES

The mandate of JDA is to implement area-based development and regeneration projects. There are three core development tasks which are crucial to the fulfilment of this mission:

- The JDA plans
- The JDA facilitates the development
- The JDA constructs

Every area-based development undertaken by the JDA is therefore supported in the pre-development and post-development phases to enhance the value added by the capital works interventions and improve the longer-term sustainability of the capital investment. To do so, the JDA gives much emphasis on the co-production of solutions in partnership with local communities and stakeholders to meet local needs and mitigate challenges. The JDA strives for a more responsible and effective approach to work with local stakeholders to produce solutions, drawing on their knowledge of the development context. This can cultivate a much more sustainable sense of ownership, civic pride and citizenship. This also involves continuing to draw on our established partnerships with professional bodies, and the academic fraternity to extend co-production opportunities and democratise the process of spatially restructuring the city.

Co-produced solutions in urban design and development have over many years proven to be more sustainable and robust than technical expert-driven ones because they are more responsive to local needs and context and draw on a range of alternative knowledge forms (e.g. tacit and experiential knowledge).

The JDA always seeks to engage the public in a meaningful way at every stage of development. In the 2019/20 financial year, this included doing public participation in the planning stage, consultations with communities and affected parties during the design stage, and value-adding activities involving community members in projects such as the peoples' history, heritage exhibitions and public art projects that tell the story of the neighbourhood. Methods of engaging with local stakeholder communities also need to evolve to the responding needs and lifestyles of city users in the 21st century, therefore conventional methods must be enhanced by the use of social media platforms, electronic communication and other more engaging and relevant forms of sharing knowledge and ideas between professional teams and local communities.

To this end, the JDA strived to:

- Enable the City to keep stakeholders informed, making sure there is an accurate understanding of the impact of City developments in their area. This is about ensuring that stakeholders are actively engaged from the very inception of the project concept and play a meaningful role in shaping the development outcomes and future custodianship of the development
- Enable the City to manage expectations and perceptions of all stakeholder groups throughout the project by providing clear and regular communication and mobilization activities, explaining the purpose, scope and outcomes of each project to minimize misunderstanding and misinformation.
- Enable the City to make sure all stakeholders understand, support and develop buy-in and ownership of the City Project

The following provides a sense of some of the JDA's approaches toward co-production in place-making during the 2020/21 financial year:

#JoziWalks - to assess the impact of its developments, the JDA annually conducts various project and area-based impact or baseline assessments. The #JoziWalks are a JDA facilitated but community-led impact assessment. The

JDA's approach is to work with local stakeholders to produce solutions, drawing on their knowledge of the development context.

Our City, Our Block - As cities globally face the challenge of converting large-scale urban plans into the meaningful social impact a new understanding of the real city and its actual needs calls for small-scale urban projects, rooted in society and spatial structures, imminently useful, and able to deliver on their promises. The "Our City, Our Block" initiative is geared at transforming and revitalising the inner city by creating formal and informal collaborative partnerships to create sustainable benefits in the inner city. The objective of such productive partnerships is to develop:

- Symbiotic City-Business-Community Trust Relationships
- Rebranding of the Inner City – harnessing existing or latent precinct identity and activity
- Rewarding and supporting active citizenry and civic pride

SECTION 7: RECOMMENDATIONS AND PLANS FOR 2021/22

The Joburg 2040 Growth and Development Strategy (GDS) responds to the multiple challenges and uncertain futures faced by the city. Joburg 2040 offers a vision, mission and framing paradigm and principles, alongside outcomes, outputs and indicators. The City has confirmed four IDP Outcomes / Pillars and eleven strategic priorities to guide the strategic planning process leading to the development of 2021/22 Business Plans, Service Delivery and Budget Implementation Plan (SDBIP) and Integrated Development Plan (IDP).

The four outcomes and eleven priorities of the City's GLU are as follows:

TABLE 32: CITY OUTCOMES AND OUTPUTS

GDS Outcomes	GDS Outputs	Multi-Sectoral Outputs
#1. Improved quality of life and development-driven resilience for all.	<ol style="list-style-type: none"> 1. Reduced poverty and dependency. 2. Food security is both improved and safeguarded. 3. Increased literacy, skills and lifelong learning amongst all our citizens. 4. Substantially reduced HIV prevalence and non-communicable diseases – and a society characterized by healthy living for all. 5. A safe and secure city. 6. A city characterised by social inclusivity and enhanced social cohesion. 	<ol style="list-style-type: none"> (i) Reducing Poverty and dependency. (ii) Reducing Economic, Spatial and Gender inequalities. (iii) Building co-operative and inter-governmental partnerships. (iv) Smart approaches to reducing consumption and improved service delivery.
#2. Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy*.	<ol style="list-style-type: none"> 1. Sustainable/integrated infrastructure services. 2. Eco-mobility. 3. Sustainable human settlements. 4. Climate change resilience and environmental protection. 	
#3. An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens*.	<ol style="list-style-type: none"> 1. Job-intensive economic growth. 2. Promotion and support to small businesses. 3. Increased competitiveness of the economy. 4. A 'smart' City of Johannesburg, that can deliver quality services to citizens in an efficient and reliable manner. 5. Re-industrialisation. 	
#4. A high performing metropolitan government that proactively contributes to and builds a sustainable, socially	<ol style="list-style-type: none"> 1. An active and effective citizen-focused Gauteng City Region. 2. Responsive, accountable, efficient and productive Metropolitan Government. 	

GDS Outcomes	GDS Outputs	Multi-Sectoral Outputs
inclusive, locally integrated and globally competitive Gauteng City Region*.	3. Financially and administratively sustainable and resilient city. 4. Meaningful citizen participation and empowerment. 5. Guaranteed customer and citizen care and service.	

Outcomes 2, 3 and 4 are particularly relevant to the JDA mandate and business plan.

TABLE 33: STRATEGIC PRIORITIES 2021/22

GLU Strategic Priorities	Priority Programmes
1. Good governance. 2. Financial sustainability. 3. Integrated human settlements*. 4. Sustainable service delivery. 5. Job opportunity and creation*. 6. Safer city. 7. Active and engaged citizenry. 8. Economic development*. 9. Green-Blue economy. 10. Smart city*. 11. COVID 19 Response.	1. Service delivery acceleration. 2. Hostels and flats development. 3. Joburg 10+. 4. Job opportunity. 5. SMME development. 6. Mayoral imbizos. 7. Displaced communities. 8. Drugs.

*Priorities 3, 5, 8 and 10 are particularly relevant to the JDA mandate and business plan.

To coordinate effective responses to the aforementioned eleven priorities, each functional Cluster of the City of Joburg has identified key interventions to pursue toward achieving these. The JDA forms part of the City's Economic Growth Cluster and has alignment with the cluster's implementation plans.

JDA's Strategic Response

The JDA is positioned to respond to the above development priorities, the agency coordinates and manages its activities through three substantive programmes with four sub-programmes and one administrative programme that support the good governance and optimal performance of the substantive programmes.

The JDA coordinates its area-based development activities and other catalytic interventions with the Department of Development Planning and with other client departments.

The JDA's responses to four outcomes, eleven priorities and spatial policies against which it can be measured and held accountable, are outlined in the table

TABLE 34: ALIGNMENT TO THE PRIORITIES 2021/22

GDS Outcomes	GDS Outputs	Key CoJ Priority Programmes 2016-2021	Key CoJ IDP Programme/s	GLU Strategic Priorities	GLU Priority Programmes	Matching JDA Programme/s	JDA Sub-Programme/s
#1 Improved quality of life and development-driven resilience for all	Sustainable human settlement. Reducing Economic, Spatial and Gender inequalities.	Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment by 2021.	Inner-city regeneration, including key economic nodes. Increased infrastructure investment (from both public and private sectors).	Integrated human settlements. Sustainable service delivery. Sustainable Environmental development.	Accelerated and visible service delivery and re-introduction of co-production in the delivery of the basic service.	Strategic Economic Node Delivery Programme.	1A: Inner City Transformation Sub-Programme. 1B: Economic Node Sub-Programme.
#2 Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy	Sustainable human settlement. Reducing Economic, Spatial and Gender inequalities.	Ensure pro-poor development that addresses inequality and poverty and provides meaningful redress.	Residents live, work and play close to work, leisure and cultural opportunities. Efficient and effective transport (Public and Freight) connecting home, work, culture and leisure.	Integrated human settlements. Sustainable service delivery. Sustainable Environmental development.	Accelerated and visible service delivery and re-introduction of co-production in the delivery of the basic service.	2. Accelerated infrastructure Delivery Programme.	2A: Deprivation Areas Revitalization Sub-Programme. 2B: Urban Infrastructure Delivery Sub-Programme.
#3 An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens	Promotion and support of small businesses. Reducing Poverty and dependency.	Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment by 2021.	N/A.	Economic development. Job opportunity and creation. Smart city.	Job opportunities and creation. Development and support of SMMEs.	3. Economic Empowerment Programme. 4. Good Governance, Management and Administration Programme.	BBBEE. EPWP. SMME / EME procurement (PPR, 2017).
#4 A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region	A responsive, corruption-free, efficient and productive metropolitan government.	Priority 5: Create an honest and transparent City that fights corruption.	Increasing forensic investigative capability and controls.	Smart city. Good governance. Financial sustainability Active and engaged citizenry.	Improve and strengthen the financial position. Combat corruption, fraud and maladministration.	4. Good Governance, Management and Administration Programme.	N/A.

Implementation and Performance Overview for 2021/22

The 2021/22 Scorecard responds to four IDP priority programmes with 11 KPIs and one day-to-day Programme, with 6 KPIs.

TABLE 35: IMPLEMENTATION AND PERFORMANCE OVERVIEW FOR 2020/21

IDP Priority 1: Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment, inequality and poverty			
IDP Priority 2. Ensure pro-poor development that addresses spatial and income inequality and provides meaningful redress			
IDP programme/s	Key Performance Indicator	Annual Target	JDA Outcome Statement/s
Inner city regeneration, including key economic nodes	Number of pre-feasibility studies conducted. ¹⁶	4 (cumulative)	To efficiently, effectively and economically deliver sustainable social and economic infrastructure projects
	Number of projects at concept design phase	20 (cumulative)	
Increased infrastructure investment (from both public and private sectors)	Number of projects reaching contract award stage.	22 (cumulative)	To efficiently, effectively and economically deliver sustainable social and economic infrastructure projects
	Number of projects reaching practical completion stage.	22 (cumulative)	
Residents live, work and play close to work, leisure and cultural opportunities	Number of precinct management implementation plans. ¹⁷	3 (cumulative)	To enable the long-term growth and development of strategic economic nodes in the city (including the CBD, future mixed use and TOD nodes) through multi-year delivery programmes, proactive development facilitation and productive development partnerships.
	Number of JDA Communication and Media related Initiatives.	280 (cumulative)	
Efficient and effective transport (Public and Freight) connecting home, work, culture and leisure	Number of impact performance assessments completed. ¹⁸	4 (cumulative)	
IDP Priority 5: Create an honest and transparent City that fights corruption.			
IDP programme	Key Performance Indicator	Annual Target	JDA Outcome Statement/s
Increasing forensic investigative capability and controls	Percentage resolution of Internal Audit findings	100%	To strengthen and improve the JDA's corporate governance and operations to ensure that it remains an effective, efficient, sustainable and well-governed organisation.
	Percentage resolution of Auditor General findings	100%	
IDP Priority 7: Enhance our financial sustainability.			
IDP programme	Key Performance Indicator	Annual Target	JDA Outcome Statement/s
Focusing on driving up capital expenditure investment in infrastructure	Percentage of budget spent on city-wide infrastructure.	95% (cumulative)	To strengthen and improve the JDA's corporate governance and operations to ensure that it remains an effective, efficient, sustainable and well-governed organisation.
	Percentage of valid invoices paid within 30 days of invoice date	100%	

¹⁶ Detailed local area plans, detailed local area implementation plans or area-based studies produced, reviewed or updated

¹⁷ Includes precinct management plans that are operationalized (implemented) or produced, reviewed or updated

¹⁸ Impact assessments completed can either be area, community or project related

Day-to-day Programme			
IDP programme	Key Performance Indicator	Annual Target	JDA Outcome Statement/s
Other IDP or Day-to Day programmes	Percentage spent on Broad-Based Economic Empowerment through local procurement as a share of total expenditure.	100%	To promote economic empowerment and transformation through the structuring and procurement of JDA developments
	Number of Expanded Public Works programmes (EPWP) work opportunities created City-wide.	500 (cumulative)	
	Percentage of SMME expenditure as a share of total expenditure.	30%	
	Percentage spend on JDA operating budget against approved operating budget.	95% (cumulative)	To strengthen and improve the JDA's corporate governance and operations to ensure that it remains an effective, efficient, sustainable and well-governed organisation.
	Percentage implementation of the strategic risk management action plan findings resolved.	95% (cumulative)	
	Percentage of predetermined objectives targets achieved	85%	

It is incumbent upon the shareholder to ensure that the JDA is well positioned, structured and capacitated in order to:

- Deliver against committed projects in the City's spatial transformational priority areas;
- Manage expectations and perceptions of all stakeholder groups throughout the development process by focusing on frequent communication, meaningful engagement and a co-creation ethos; and
- Effectively, efficiently and economically oversee the capital budget. This funding is broken up as per the figure below:

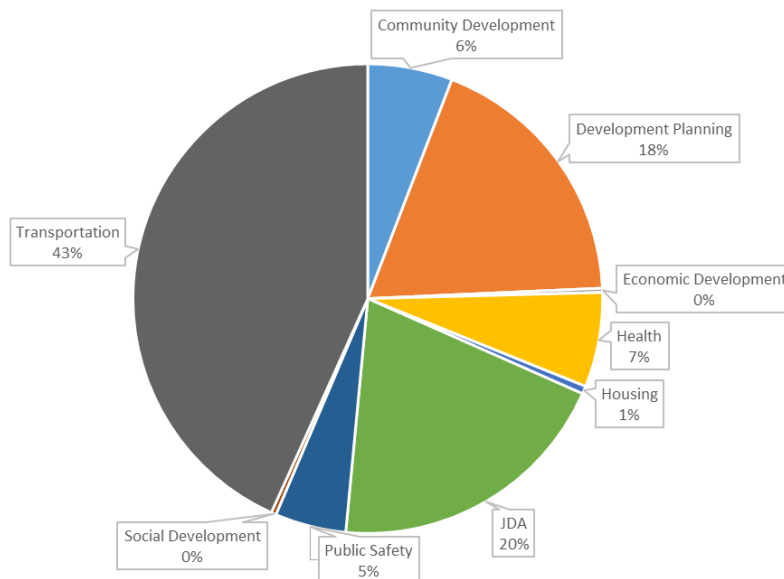


FIGURE 9: JDA FUNDING BY CLIENT / SOURCE

CHAPTER 4: HUMAN RESOURCES & ORGANISATIONAL MANAGEMENT

The JDA aims to be the employer of choice in its field. This is supported by the JDA's overall objective, as set out in its Employment Policy, to ensure that its employment practices and remuneration policies motivate and retain talented employees and create an attractive work environment. The JDA periodically reviews all its employment policies and practices in line with applicable prescripts to ensure that it remains relevant and practical for the changing world of work and is attractive to potential employees.

Since May 2019, the JDA became a two-union workplace, with SAMWU (The South African Municipal Workers' Union) being the majority union ahead of IMATU (Independent Municipal and Allied Trade Union).

The JDA has adopted a new structure with new naming conventions and new role profiles. The job profiling and benchmarking process is underway.

The structure includes:

- Top Management consists of the Chief Executive Officer (CEO)
- Executive Management consists of the Executive Management Committee Team excluding the CEO i.e., the:
 1. Chief Financial Officer (CFO)
 2. Executive Manager: Project Implementation
 3. Executive Manager: Development Planning and Facilitation
 4. Executive Manager: Corporate Services
 5. Chief Audit Executive and the
 6. Company Secretary
- Senior Management consists of Senior Manager and Managers in the departments that reports to their Executives without heading departments, it comprises of:
 1. Senior Development Managers
 2. Senior Manager: Strategy, Performance, Risk and Administration
 3. Senior Manager: Financial Management
 4. Senior Manager: Supply Chain Management
 5. Senior Manager: Human Capital Operations and Talent Management
 6. Senior Manager: Communication, Marketing and Public Relations
 7. Senior Manager: Internal Audit x 2
 8. Senior Manager: Marketing & Communication
 9. Senior Manager: Information, Communication & Infrastructure Management
 10. Manager: Management Accounting
 11. Manager: Facilities
 12. Manager: Stakeholder Engagement and Relationship engagement.
 13. Manager: Enterprise Oversight
- Professional and Middle Management comprises of:
 1. Risk and Integrity Manager
 2. Communications and Marketing Manager
 3. Development Facilitation Specialist
 4. Senior Internal Auditor
 5. Internal Auditor
 6. Public Relations and Social Media Specialist
 7. Corporate Social Responsibility Officer
 8. Planning and Facilitation Specialist
 9. Development Facilitation Specialist
 10. Business Development Officer
 11. Spatial/Urban Planning Officer

12. Enterprise Development Specialists
 13. Project Managers
 14. Manager: Project Quality and Support
 15. Accountants
 16. Accounts Payable Officer
 17. Demand and Acquisition Specialist
 18. Contract Management Specialist
 19. Marketing Business Partners
 20. Risk and Compliance Officer
 21. Information and Document Management Specialist
 22. SHE Officer
 23. Facilities and Security Officer
 24. ICT Network and Security Officer
 25. ICT Governance Officer
 26. ICT Support Officer
 27. Information and Document Specialist
 28. ICT Administrator (Infrastructure Engineer)
 29. HR Business Partners
 30. Performance and OD Specialist
 31. Employee Relations Specialist
 32. Manager: Legal Services
 33. Stakeholder Engagement Specialist.
- Skilled Employees consists of:
 1. Technical, Academically Qualified and Junior Management,
 2. Executive Support
 3. Legal Services Assistant
 4. Assistant Company Secretary
 5. ICT Coordinator and Help Desk
 6. Data Capturers
 7. Administrator and Data Capturers
 8. Maintenance Specialist
 9. Security Specialist
 10. Coordinator
 11. Events Coordinator
 12. Project Coordinator
 - Semi-Skilled Employees consists of Drivers and Receptionists.
 - Unskilled Employees consists of General Workers and Housekeepers.

In terms of physical location, there are 95 employees including 2 learners and temporary workers who are based at the JDA Head Offices in Newtown. The JDA also hosts 16 Security Guards as part of the City of Johannesburg insourcing project.

Learnership Programme

The learnership programme provides an opportunity for learners to acquire practical work experience in their field of expertise, as well as all other operational areas of the JDA. It also provides an opportunity for learners to get a practical feel of the work environment and at the same time meet the required competencies for a professional qualification. It is for this reason that the JDA fully supports and subscribes to a structured learnership programme.

There are currently two (2) learners at the JDA, based in the Internal Audit and Risk Management and Compliance department.

HR Policies

The JDA recently reviewed and updated ten (10) of its key HR policies to be in-line with legislation and good practice and more policies are still under review.

Organisational Development

The JDA has recently embarked on an organisational development (OD) process in order to review the current structure of the organisation to ensure that to enable the JDA to better respond and adapt to the changing environment and to unlock internal efficiencies.

TABLE 36: INJURIES, SICKNESS AND SUSPENSIONS (1 JULY 2020 – 30 JUNE 2021)

Salary band	Total sick leave	Proportion of sick leave without medical certificate	Employees using sick leave	Total employees in post ¹⁹	Average sick leave per employee	Estimated cost
	Days	%	No.	No.	Days	R 000
Top management	0	0	0	1	0	0
Executive management (including chief audit executive)	0	0	0	5	0	0
Senior management	10	0	2	17	0.58	41 312
Middle management	8	0	1	36	0.22	24 640
Skilled technical/junior management	0	0	0	27	0	0
Semi-skilled	0	0	0	3	0	0
Unskilled	0	0	0	9	0	0
TOTAL	18	0%	3	98	0.80	65 952

SECTION 2: EMPLOYEE REMUNERATION (TOTAL COSTS INCLUDING EXECUTIVES)

The Total Remuneration Costs for the period from 1st July 2020 to 30th June 2021 amount to R 78 million. This figure is inclusive of the Pension Fund. The JDA participates in Two Retirement Benefit Schemes: The eJoburg Retirement Fund and the City of Johannesburg Pension Fund (1 permanent employee). The total contribution for Group Life Cover for the JDA employees and directors, from 1st July 2020 to 30th June 2021 amount to R 927 454,17.

SECTION 3: KEY VACANCIES

The following is a list of key vacancies recorded in fourth quarter of the 2020/21 financial year:

TABLE 37: KEY VACANCIES

Open Vacancies	Progress
Executive Manager: Development Planning and Facilitation	Recruitment Stage
Senior Manager: Strategy, Performance, Risk and Administration	Recruitment Stage
Chief Audit Executive	Recruitment Stage

¹⁹ The old structure was utilized to account for all JDA employees, while the OD process is being finalized.

Executive Manager: Development Implementation	Recruitment Stage
Senior Manager: Financial Management	Recruitment Stage
Senior Manager: Supply Chain Management	Recruitment Stage
Senior Manager: Human Capital Operations and Talent Management	Recruitment Stage
Senior Manager: Communication, Marketing and Public Relation	Recruitment Stage
Senior Manager: Internal Audit	Recruitment Stage
Senior Manager: Marketing & Communication	Recruitment Stage
Senior Manager: Information, Communication & Infrastructure Management	Recruitment Stage
Communication and Marketing Manager	Recruitment Stage
Information and Document Management Specialist	Recruitment Stage
Data Capturer	Recruitment Stage

TABLE 26: STAFF ESTABLISHMENT

Description ²⁰	Approved no. of posts per approved organogram	No. of employees	No. of vacancies	% of vacancies
Total	144	97	46	32%

The basis for turnover rates is annual. To give an accurate indicator of the turnover rates, year on year. In the current period under review staff turnover is 11% due to retirement, resignation, death and a dismissal.

TABLE 38: TURNOVER RATE

Details	Total active employees at the beginning of financial year ²¹	Terminations during financial year (YTD)	Turnover rate
	No.	No.	%
2020/21	93	10	11%

A total of 10 termination recorded, with an equity distribution as follows:

TABLE 39: TERMINATIONS

Department	Gender
Human Resources Management	Male
Project Implementation	Male
Office of the CEO	Female
Supply Chain Management	Female
Internal Audit	Female
Development Planning and Facilitations	Male
Development Planning and Facilitations	Female
Development Planning and Facilitations	Female
Marketing and Communication & PR	Female
Facilities	Male

Retention Initiatives

²⁰ The position description will be clearly outline when all employees have been placed into the new structure, and the OD process is being finalized.

²¹ The old structure was utilized to account for all JDA employees, because other employees are still on a pool, while the OD process is being finalized.

The JDA remains committed to developing strategies to mitigate resignations through various initiatives, which seek to make the JDA an employer of choice by way of offering competitive market related remunerations structures to promote staff retention as follows:

- Structured interventions for employee development.
- Periodic Salary Benchmarking to ensure alignment and best practice with industry remuneration packages along with participation with CoJ initiatives on pay parity.
- Accelerated interventions targeted at continuous improvement on employee relations and employee engagement.

SECTION 4: EMPLOYMENT EQUITY

The JDA is committed to the principles of equity, non-discrimination and diversity enshrined in the Constitution and the Employment Equity Act (1998) as amended. It aims to employ a diverse staff complement which is of a geographical representation of our society and create equal employment opportunities to all.

The JDA’s Employment Equity Policy and Plan aims to advance and protect previously disadvantaged individuals by providing opportunities for career advancement, growth, training and development. The Executive Committee and Human Resources and Remuneration Committee provide regular input into the organisation’s employment equity practices, strategies, direction and initiatives.

The JDA Human Resources undertakes an annual review of its employment equity processes and general employment practices to inform the implementation of the Employment Equity Plan.

The JDA Human Resources plans its annual employment equity targets in terms of its Employment Equity Policy and reports to the Department of Labour in accordance with the provisions of the Employment Equity Act and within legislated timeframes.

TABLE 40: EMPLOYMENT EQUITY DEMOGRAPHICS STATUS FOR PERIOD UNDER REVIEW

Occupational Levels									Foreign Nationals		Total ²²
	Male				Female				Male	Female	
	A	C	I	W	A	C	I	W			
Top management	1	0	0	0	0	0	0	0	0	0	1
Executive Management	1	0	0	0	1	0	1	0	0	0	3
Senior Management	7	0	0	0	8	0	0	0	0	0	15
Professionally qualified and experienced specialists and mid-management	19	1	0	0	15	1	1	1	0	0	38

²² The old structure was utilized to account for all JDA employees, because other employees are still on a pool, while the OD process is being finalized.

Occupational Levels									Foreign Nationals		Total 22
	Male				Female				Male	Female	
	A	C	I	W	A	C	I	W			
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	3	0	0	0	22	0	1	0	0	0	26
Semi-skilled and discretionary decision making	1	0	0	0	2	0	0	0	0	0	3
Unskilled and defined decision making	5	0	0	0	4	0	0	0	0	0	9
Total Permanent	37	1	0	0	52	1	3	1	0	0	95

The JDA status for period under review:

- 92% of employees are African
- 60% of employees are Female
- 47% of employees in senior management positions are black females
- 1% of the JDA employees have physical disabilities. This percentage is equal to the City of Johannesburg's strategic target of 2%.

The JDA is committed to improve the percentage representation of people from designated groups across all occupational categories.

City Targets		JDA Achievements
Black African employees	80.9%	92%
Senior Management Female	35.9%	47%
Disability	2%	1%

TABLE 41: STAFF MOVEMENTS

Staff movements	African		Coloured		Indian		White		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Appointments	5	6	0	0	0	0	0	0	11
Deceased	1	0	0	0	0	0	0	0	1
Transfers	0	0	0	0	0	0	0	0	0
Retirements	0	0	0	1	0	0	0	0	1
Absenteeism	0	0	0	0	0	0	0	0	0
Dismissals	1	0	0	0	0	0	0	0	1
Resignations	1	2	0	0	1	0	0	0	4

Staff movements	African		Coloured		Indian		White		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
End of Contract of Employment	0	2	0	0	0	0	1	0	3
Total	8	10	0	1	1	0	1	0	21

SECTION 5: SKILLS DEVELOPMENT AND TRAINING

The JDA is committed to employee training and development, ensuring variety of skills set, thus building a pool of competent employees. It aims to provide an integrated learning experience to its employees that will strengthen their commitment to the organisation's values, enhance leadership capability and improve the JDA's capacity to meet current and future business requirements.

The JDA's Learning Strategy is based on four pillars:

- Understanding the educational requirements of the organisation, based on competency assessments and pivotal training
- Best practice learning design
- Timely and appropriate learning delivery
- Assessment of the impact of learning interventions on overall company performance.

The JDA has created a culture of both on-the-job and off-the-job learning, which is embraced by all employees.

An Individual Learning Plans (ILP) is both a document and a process that employees use – with support from Line management and Human Resources to address areas of development and to define their career goals throughout their employment at the JDA. Training, which is part of Human Resources Development, is an on-going process of improving employees' knowledge, skills and attitude to enhance job performance, create opportunities for growth and advance careers.

The JDA funds appropriate Human Resources Development programmes that are practical and outcomes based. It also supports employees who wish to attain further qualifications to improve their productivity and career enhancement.

A budget of R 600,000 has been allocated for training and development for the 2020/2021 financial year. The actual expenditure stands at R 301 803.23. The JDA supports the attainment of further educational qualifications by employees in order to improve their productivity. All training interventions were provided as part and parcel of the approved individual learning plans.

SECTION 6: PERFORMANCE MANAGEMENT

The JDA views performance management as an integral part of the JDA's business strategy which ensure that employees deliver on the agreed scorecard and excellent performers are rewarded accordingly.

The JDA uses a scorecard to evaluate employee performance. Individual performance indicators are linked to the JDA's objectives and the City of Johannesburg's integrated development plan scorecard. Objectives that reinforce the culture of governance and risk management among managers are also included.

As part of continuous employee development, coaching, mentorship and training interventions are implemented to assist employees to perform to the required performance standards.

SECTION 7: DISCIPLINARY MATTERS AND OUTCOMES

The following table summarised the outcome of disciplinary hearings conducted within the entity for the period under review:

TABLE 42: DISCIPLINARY HEARINGS FINALISED AS AT 30 JUNE 2021

Type of misconduct	Number	% of Total
Dishonesty	0	0
Absenteeism	0	0
Insubordination	0	0
Negligence	0	0
Dismissal	1	100%
Poor performance other than incapacity	0	0
Improper behavior	0	0
Theft	0	0
Misuse of state vehicle	0	0
Suspension	0	0
Total	1	100%

SECTION 8: LEAVE AND PRODUCTIVITY MANAGEMENT

The JDA is committed to the effective management of leave for its employees, and all Line Managers have an obligation to ensure effective planned leave management within their respective Departments.

The following table gives an analysis of the various leave types and how they were utilised by JDA employees in the period under review.

The most highly utilised leave type is Annual leave with a total of 103 days, with Sick leave being the second most utilised leave type, with a total of 18 days, Study Leave 10 days the third most utilised leave type and Family responsibility leave being 0 days.

TABLE 43: LEAVE ANALYSIS PERFORMANCE AS AT 30 JUNE 2021

Type of Leave	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	Total
Annual Leave	0	6	14	16	20	8	5	6	14	3	2	9	103
Sick Leave	0	1	8	3	0	0	0	0	6	0	0	0	18
Family Responsibility	0	0	0	0	0	0	0	0	0	0	0	0	0
Study Leave	0	2	0	0	2	0	0	0	0	0	0	6	10
TOTAL	0	9	22	19	22	8	5	6	20	3	2	15	131

SECTION 9: EMPLOYEE WELLNESS

The JDA is committed to maintaining a healthy workforce and providing a safe and hygienic working environment. The JDA's has Life EHS as service provider outsourced to offer free trauma counselling and free legal and financial advice for all employees. The service provider is appointed to offer a confidential, 24-hour

personal support and information service, which employees, as well as their partners and immediate family, may access through a toll-free number for assistance with health, financial, legal and other issues.

The JDA receives statistical information on the issues discussed to enable it to identify and implement solutions to the particular issues raised. The identities of the employees who use this service remain strictly confidential. The JDA will post Covid 19 restrictions, hold Wellness Day. Employees can have their basic health assessed and receive feedback and guidance on corrective measures and counselling. The overall objective therefore of the employee wellness programme is to improve the quality of life of all its employees through the provision of quality, sustainable and lifelong Wellness Programmes that work towards the holistic development and support of all employees in a professional and confidential manner, while providing support and assistance to alleviate the impact of everyday work, personal and family challenges.

HIV/AIDS in the Workplace

The JDA's HIV/AIDS Policy is aligned with the City of Johannesburg's policy and its HIV/AIDS coordinator attends the CoJ HIV and AIDS Committee meetings. The policy ensures that no employee is discriminated against based on their HIV status. All employees must respect the confidentiality of information regarding existing or potential employees with life-threatening illnesses. Any employee who divulges information without the employee's knowledge or consent will be disciplined in accordance with the disciplinary code and procedure of the JDA. The JDA reserves the right to request medical advice or intervention in instances where an employee's illness adversely affects performance, or where an employee claims that he/she cannot work in certain situations due to illness. All employees are encouraged to know their HIV status and to remain healthy if they are living with HIV.

The HIV/AIDS Programme runs awareness and educational campaigns, provides free condoms, shares videos and offers free helplines. The programme ensures that employees with HIV/AIDS are treated in a fair, consistent manner and are informed about their rights and employee benefits.

SECTION 10: EMPLOYEE BENEFITS

The Total Remuneration Costs for the period from 1st July 2020 to 30th June 2021 amount to R 78 million. This figure is inclusive of the Pension Fund. The JDA participates in Two Retirement Benefit Schemes: The eJoburg Retirement Fund and the City of Johannesburg Pension Fund (1 permanent employee). The total contribution for Group Life Cover for the JDA employees and directors, from 1st July 2020 to 30th June 2021 amount to R 927 454,17.

SECTION 11: OCCUPATIONAL HEALTH & SAFETY PROGRAMMES

The safety audit service provider's contract ended on the 30th of September 2020. The appointment of another service provider is anticipated to be concluded by first quarter of 2021/22 financial year.

The safety audit was last conducted at the end of September 2020 to identify the level of compliance with the Occupational Health and Safety Act for the JDA for 2020/21 financial year. These audits identify risks and cases of noncompliance with the Occupational Health and Safety Act (1993), enabling the JDA to implement risk

mitigation plans to reduce the risks and address cases of non-compliance. A last report prepared estimated that the JDA’s compliance rate for period under review was 94.77%. The areas of non-compliance include:

- Inadequate working space for employees - Service provider (Architects) has finalized the space designs. Finalising budget for the implementation of the space planning designs

Unsafe Stacking Storage Boxes in Offices - Boxes to be removed to offsite storage have been identified and quotes from Service Providers have been sourced for the removal and storage of JDA files in boxes.

TABLE 44: STAFF MOVEMENTS

Staff movements	African		Coloured		Indian		White		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Appointments	3	7	0	0	0	0	0	0	10
Deceased	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	1	1
Retirements	0	1	0	0	0	0	0	0	1
Absenteeism	0	0	0	0	0	0	0	0	0
Resignations	3	10	0	0	0	1	0	1	15
Total	6	18	0	0	0	1	0	2	27

SECTION 12: BATHO PELE PRINCIPLES

Eight Batho Pele principles were developed to serve as an acceptable policy and legislative framework regarding service delivery in the public service. These principles are aligned with the Constitutional ideals of:

- Promoting and maintaining high standards of professional ethics;
- Providing service impartially, fairly, equitably and without bias;
- Utilising resources efficiently and effectively;
- Responding to people's needs; the citizens are encouraged to participate in policy-making; and
- Rendering an accountable, transparent, and development-oriented public administration

The JDA employees, as per the circular from the City of Joburg²³, embrace and implement the principles and values that underpin Batho Pele which require public servants to be polite, open and transparent and to deliver good service to the public.

1. Consultation: Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered.
2. Service standards: Citizens should be told what level and quality of public service they will receive so that they are aware of what to expect.

3. Access: All citizens should have equal access to the services to which they are entitled.
4. Courtesy: Citizens should be treated with courtesy and consideration.
5. Information: Citizens should be given full accurate information about the public services they are entitled to receive.
6. Openness and transparency: Citizens should be told how national and provincial departments are run, how much they cost and who is in charge.
7. Redress: If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response.
8. Value for money: Public services should be provided economically and efficiently to give citizens the best possible value for money.

CHAPTER 5: FINANCIAL PERFORMANCE

SECTION 1: STATEMENT OF FINANCIAL POSITION AND HIGH-LEVEL NOTES

	Year ended 30 June 2021			
	Actual	Budget	Variance	
	R'000	R'000	R'000	
Non-current assets	29 172	27 800	21 370	1
Property plant and equipment	6 168	7 000	(832)	
Deferred tax	3 634	2 800	834	
Intangible assets	19 370	18 000	19 682	
			1 370	
Current assets	831 716	820 002	8 762	2
Trade and other receivables	585 590	600 000	(14 410)	
Vat Receivable	246 124	220 000	24 124	
Cash and cash equivalents	1	2	(1)	
Total assets	<u>860 889</u>	<u>847 802</u>	<u>30 132</u>	
EQUITY AND LIABILITIES				
Capital and reserves	66 836	101 278	(17 653)	3
Contribution from owner	16 278	16 278	(82)	
Accumulated surplus/(deficit)	50 556	85 000	(17 653)	
Non-current liabilities	22 658	52 372	(28 454)	4
Finance lease obligation	42	122	(82)	
Deferred taxation	22 617	18 250	4 367	
Project funds payable	-	34 000	(34 000)	
Current liabilities	771 395	806 000	(71 140)	5
Loans from shareholders	271 558	300 000	(28442)	6
Trade and other payables	450 917	500 000	(49 083)	
VAT payable	-	-	0	
Finance lease obligation	472	-	472	
Project fund payable	42 183		42 183	
Provisions – bonus	6 265	6 000	265	
Total equity and liabilities	<u>884 934</u>	<u>959 650</u>	<u>-117 236</u>	

Notes	
1	The increases on the property plant and equipment it is due to laptops that were purchased in the current financial year.
2	The increases on the current asset it due to the following (1) Trade receivable invoices issued to COJ was more than our budget expectations due to increase on the project in the mid-year. (2) The movement on the Vat is due to Vat receivable since we waiting for settlement from SARS
3	Changes on the Reserve/Net Assets it is due to increases of the profit of R21 million
4	The movement of the non-current liability is immaterial.
5	The variance is below than target overdraft of R300 million. This is mainly due to increases on cash receipt and increases on the operational grant. However, the JDA contracts with suppliers with regards to the development projects implemented by the JDA on behalf of the City of Johannesburg and pays these suppliers within the legislated period of 30 days. These expenditure items are then claimed from the City with the inclusion of the JDA management fee. Majority of the long outstanding claims related to the City of Johannesburg. Although the recovery time for claims has reduced, the JDA still incurs capital expenditure during the claims recovery period which results in final overdraft balance on the treasury sweeping account.
6	The increases on the payable it due to invoices that were received in June which will be paid within 30 days.

SECTION 2: STATEMENT OF FINANCIAL PERFORMANCE AND HIGH-LEVEL NOTES

	Original approved	Adjusted approved	Year to date			Notes
	budget	budget	Actual	Budget	Variance	
	R'000	R'000	R'000	R'000	R'000	
Gross revenue	120 980	120 980	115 880	114 931	949	7
Operating costs	(114 455)	(114 455)	(135 651)	(108 406)	5 366	8
Gross surplus/(deficit)	6 525	6 525	(19 770)	6 525	6 315	
Other operating income and expenditure	(6 525)	(6 525)		(6 525)	(8 037)	
Interest expense	(6 525)	(6 525)		(6 525)	(8 037)	9
Interest income	0		0	0	0	
Profit before tax	0	0	(19 770)	0	(1 722)	
Taxation	0	0	(2 688)	0	(1 428)	10
Surplus/(Deficit) after tax	0	0	(17 082)	0	(294)	

Notes	
7	The unfavourable variance it mainly due to management fees where majority of the claims were sent in May
8	The unfavourable variance it due to delay in the procurement of goods and due to Covid 19 since majority employees work remotely which result in decrease on the operation cost
9	The JDA is not a revenue generating entity and its funding model depends largely on the organization being reimbursed timeously for all capital expenditure incurred. While on the one hand the organization has an obligation towards service providers and suppliers to pay invoices for work done within the mandatory 30 days, on the other hand it is expected to maintain a favourable sweeping account balance. The long lead time from payment of supplier invoices to reimbursement by the City of capital expenditure results in interest being charged on the sweeping account
10	There is no movement at this period the corrected will be provided after Finalisation of the AFS.

SECTION 3: CASH FLOW STATEMENT AND HIGH-LEVEL NOTES

	Year to date			
	Actual	Budget	Variance	
	R'000	R'000	R'000	
Cash flows from operating activities				
	44 570	(134 057)	178 627	
<i>Receipts</i>				
Grants	40 627	40 627	0	11
Interest received	0	0	0	
Cash receipts from CAPEX funding	1 337 198	1 335 200	1 998	12
Other receipts	1 291	1 200	91	
		0	0	
<i>Payments</i>		0	0	
Employee cost	(79 129)	(79 739)	610	13
Suppliers	(1 255 417)	(1 256 000)	583	14
Interest paid	0	0	0	
Cash flows from investing activities	(720)	(4 500)	3 780	
<i>Expenditure to maintain operating capacity</i>				
Property, plant and equipment acquired	(720)	(1 000)	280	15
Proceeds from sale of property, plant and equipment			0	
Purchase of intangible assets	0		0	
Cash flows from financing activities	(43 853)	137 918	94 065	16
Movement in project funds payable	(2 693)	(2 700)	7	
Proceeds from Shareholders' loan	(40 654)	(40 000)	(654)	
Repayments of Shareholders' loan		0	0	
Finance lease repayments	(506)	(510)	4	
Net increase/(decrease) in cash and cash equivalents	(3)	(639)	636	

Cash and cash equivalents at beginning of the year	4	639	(635)
Cash and cash equivalents at the end of the year	<u>1</u>	<u>0</u>	<u>1</u>

Notes	
11	There was no movement since Planned grant was all received
12	The increase on the capital receipts is due to previous year claims that were paid due the year and improvement on the collections from invoices issued in the current financial period.
13	The variance is due savings due to delayed appointments of some key positions within the organisations. The JDA is currently finalising the Organisational Design and most positions were put on hold until this was finalised.
14	The increase on the capital payments is due to prevention of the invoices being over 30 days
15	The increased on Proceed on the investing it due to computers and servers that were purchased in the current financial year.
16	Unfavourable variance it due to settlement of the accrued invoice that were settled in the current year and repayment of the Finance lease.

SECTION 4: NET ASSETS

	Share capital	Share premium	Total share capital	Accumulated surplus	Total net assets
		R'000	R'000	R'000	R'000
Opening balance as previously reported	60	16 278	16 278	52 759	69 037
Adjustments	0	0	0	0	0
Prior year adjustments				0	0
Balance at 01 July 2019	60	16 278	16 278	52 759	69 037
Changes in net assets					
Surplus for the year	0	0	0	14 881	14 881
Total changes	0	0	0	14 881	14 881
Balance at 01 July 2020	60	16 278	16 278	67 640	83 918
Changes in net assets					
Profit for the year	0	0	0	(17 082)	(17 082)
Total changes	60	16 278	16 278	(17 082)	(17 082)
Balance at 30 June 2021	60	16 278	16 278	50 558	66 836

SECTION 5: CAPITAL PROJECTS AND EXPENDITURE

Capital expenditure is the primary measure of the JDA’s performance, and the budget for the capital projects to be implemented forms part of the agency’s annual business plan and scorecard. The actual capital expenditure for the period ended on the 30th of June 2020 was R1.2 billion (2019/20: R888 million) against an adjusted budget of R1.4 billion (2019/2020: R1.3 billion). This represents 83% (2019/20: 68%) of actual expenditure against budget. The variance of R245 million (17%) was due to:

- Community unrests and protests resulting in contractor appointments being delayed or stopped.
- Delays experienced due to the closure of sites during the nationwide lockdown; and
- Minimum capacitation of sites due to COVID-19 work regulations.

Capital Budget Management²⁴

TABLE 45: OVERALL PROGRAMME PERFORMANCE

Overall Programme Performance	2020/21 Annual Budget	Target YTD	Actual YTD	Target %	% Actual / Annual budget Expenditure
	R' 000	R' 000	R'000	%	%
Overall Programme Performance	1 477 568	1 403 690	1 236 053	88%	83,65%

²⁴ This measures effective capital budget management, in particular expenditure against set targets for project delivery. Targets of 100% expenditure have been set in respect of all funding sources for the financial year.

For the period ended 30 June 2021

TABLE 46: EXPENDITURE PER FUNDING SOURCE

	CAPEX FOR June 2021				CAPEX FOR THE YEAR				Annual	Budget
	Actual	Budget	Variance	Var	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	%	R	R	R	%	R	%
PROJECTS PER FUNDING SOURCE										
PUBLIC TRANSPORT CORRIDOR DEVELOPMENT										
Patterson Park: Work Package 3 - Multipurpose Centre and Sports Facilities	R 4 171 119	R 4 500 000	(R 328 881)	92,69%	R 16 567 080	R 16 500 000	R 67 080	0,41%	R 16 500 000	100,41%
Brixton Social Cluster: Work Package 1 New multipurpose sports and recreation	8 081 596	(30 000 000)	38 081 596	(26,94%)	15 748 372	22 000 000	(6 251 628)	(28,42%)	22 000 000	71,58%
Test Eco District Prototypes TOD corridors	95 707	500 000	(404 293)	19,14%	1 435 142	2 000 000	(564 858)	(28,24%)	2 000 000	71,76%
New Turfontein Clinic and Multipurpose	0	(6 500 000)	6 500 000	0,00%	2 996 531	8 000 000	(5 003 469)	(62,54%)	8 000 000	37,46%
Sub-total	12 348 422	(31 500 000)	43 848 422	(39,20%)	36 747 125	48 500 000	(11 752 875)	(24,23%)	48 500 000	75,77%
JDA ON BUDGET										
Inner City Eastern Gateway_TOD and Movement Corridors	8 966 051	0	8 966 051	0,00%	14 038 798	18 000 000	(3 961 202)	(22,01%)	18 000 000	77,99%
Regeneration of Lenasia CBD and Anchorville Industrial Hub – Region G	9 354 550	0	9 354 550	0,00%	20 442 434	18 000 000	2 830 164	15,72%	18 000 000	113,57%
Orlando East Station Precinct	200 592	(1 000 000)	5 139 465	(413,95%)	690 324	1 000 000	3 629 197	362,92%	1 000 000	69,03%
Pennyville Precinct Renewal	337 184	(500 000)	837 184	(67,44%)	695 869	1 000 000	(304 131)	(30,41%)	1 000 000	69,59%
Randburg CBD Regeneration Renewal	0	(500 000)	500 000	0,00%	418 732	1 500 000	(1 081 268)	(72,08%)	1 500 000	27,92%
Balfour Park Transit Precinct Development	0	(4 000 000)	4 000 000	0,00%	0	4 800 000	(4 800 000)	(100,00%)	4 800 000	0,00%
Melville Activity Street	256 376	0	256 376	0,00%	743 888	1 500 000	(756 112)	(50,41%)	1 500 000	49,59%
Revitalisation of Pageview and Vrededorp	99 022	2 000 000	(1 900 978)	4,95%	338 398	2 000 000	(1 661 602)	(83,08%)	2 000 000	16,92%
CORR - Perth Empire Corridor of Freedom Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction: Phase 2	6 990 035	15 000 000	(8 009 965)	46,60%	39 908 557	35 000 000	4 908 557	14,02%	35 000 000	114,02%

Johannesburg Development Agency: Building a Better City: Unaudited Integrated Annual Report 2020/21

CORR - Louis Botha Corridor of Freedom Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention ORANGE GROVE E Regional	192 619	(3 000 000)	3 192 619	(6,42%)	1 254 506	1 988 000	(733 494)	(36,90%)	1 988 000	63,10%
Ivory Park UDF_ Development_ Catalytic Node infrastructure projects	1 249 348	0	1 249 348	0,00%	2 030 068	10 000 000	(7 969 932)	(79,70%)	10 000 000	20,30%
Alexandra Sports and Youth Development: SAFA Safe Hub Facility	1 633 991	(12 000 000)	13 633 991	(13,62%)	15 434 441	12 000 000	3 434 441	28,62%	12 000 000	128,62%
Diepsloot Development Renewal Precinct Redevelopment DIEPSLOOT WES A Regional	4 320 719	0	4 320 719	0,00%	11 095 364	15 000 000	(3 904 636)	(26,03%)	15 000 000	73,97%
Banakekelen Hospice New Clinic ALEXANDRA EXT.38 E Ward	23 019 146	7 058 000	15 961 146	326,14%	60 986 573	37 058 000	23 928 573	64,57%	37 058 000	164,57%
Operational Capex New Operational Capex NEWTOWN F City Wide	719 524	0	0	0,00%	719 524	1 000 000	(1 000 000)	(100,00%)	1 000 000	71,95%
Orchards Clinic	7 193 646	30 000 000	(23 194 084)	22,69%	50 183 836	50 000 000	(203 894)	(0,41%)	50 000 000	100,37%
Alexandra Automotive Hub	3 521 304	4 000 000	2 856 021	171,40%	3 521 304	4 000 000	7 075 400	176,89%	4 000 000	88,03%
Klipfontein Wellness Centre	3 693 754	3 400 000	293 754	108,64%	6 843 385	7 500 000	(656 615)	(8,75%)	7 500 000	91,25%
Roodeport CBD regeneration Renewal Precinct Redevelopment REGION C	7 800 100	0	7 800 100	0,00%	7 999 999	16 000 000	(8 000 001)	(50,00%)	16 000 000	50,00%
Sub-total	79 547 961	40 458 000	45 256 297	211,86%	237 346 000	237 346 000	0	4,54%	237 346 000	100,00%
COMMUNITY DEVELOPMENT (Comm Dev)										
Lehae MPC New Construction LEHAE G	15 484	(8 000 000)	8 015 484	(0,19%)	2 211 412	2 000 000	211 412	10,57%	2 000 000	110,57%
Johannesburg Library F	5 821 938	5 628 750	193 188	103,43%	6 013 593	15 800 000	(9 786 407)	(61,94%)	15 800 000	38,06%
Kaalfontein MPC New Construction	2 267 384	0	2 267 384	0,00%	10 326 585	10 000 000	326 585	3,27%	10 000 000	103,27%
Public Art Fountains	3 391 173	309 783	3 081 390	1 094,69%	3 391 173	869 565	2 521 608	289,98%	869 565	389,98%
Ivory Park Swimming Pool	2 121 735	2 000 000	121 735	106,09%	22 080 499	19 000 000	3 080 499	16,21%	19 000 000	116,21%
MPC Matholesville	1 293 073	0	1 293 073	0,00%	3 707 596	8 000 000	(4 292 404)	(53,66%)	8 000 000	46,34%
Johannesburg Art Gallery	0	0	0	0,00%	0	3 500 000	(3 500 000)	(100,00%)	3 500 000	0,00%
Drieziek MPC	2 315 805	4 500 000	(2 184 195)	51,46%	22 225 695	18 047 000	4 178 695	23,15%	18 047 000	123,15%
Repairs to Comm Dev Facilities	1 740 997	16 031 250	(14 290 253)	10,86%	2 518 478	45 000 000	(42 481 522)	(94,40%)	45 000 000	5,60%

Minor works at various facilities	2 668 933	0	2 668 933	0,00%	3 432 596	10 000 000	(6 567 404)	(65,67%)	10 000 000	34,33%
Sub-total	21 636 522	20 469 783	1 166 739	104,17%	75 907 627	132 216 565	(56 308 938)	(42,59%)	132 216 565	57,41%
INNER CITY DEVELOPMENT GRANT										
Conceptualisation and Development Inner City Spatial Scenario Planning	700 900	1 000 000	(299 100)	70,09%	798 900	3 000 000	(2 201 100)	(73,37%)	3 000 000	26,63%
Ghandhi Square East	11 347 212	0	11 347 212	0,00%	21 568 396	30 000 000	(8 431 604)	(28,11%)	30 000 000	71,89%
Sub-total	12 048 112	1 000 000	11 048 112	1 204,81%	22 367 296	33 000 000	(10 632 704)	(32,22%)	33 000 000	67,78%
EMERGENCY MANAGEMENT SERVICES (EMS)										
Central Fire Station	22 145 045	0	22 145 045	0,00%	25 945 605	30 000 000	(4 054 395)	(13,51%)	30 000 000	86,49%
Sub-total	22 145 045	0	22 145 045	0,00%	25 945 605	30 000 000	(4 054 395)	(13,51%)	30 000 000	86,49%
HEALTH DEPARTMENT										
Florida clinic New Clinic FLORIDA EXT C Ward	1 716 523	(7 000 000)	8 716 523	(24,52%)	13 388 835	12 701 000	687 835	5,42%	12 701 000	105,42%
Bophelong Clinic	8 559 775	(1 200 000)	9 759 775	(713,31%)	24 480 921	25 300 000	(819 079)	(3,24%)	25 300 000	96,76%
Naledi Clinic	11 977 173	4 000 000	7 977 173	299,43%	16 062 334	21 000 000	(4 937 666)	(23,51%)	21 000 000	76,49%
Zandspruit Clinic	0	(2 000 000)	2 000 000	0,00%	0	0	0	0,00%	0	
Sub-total	22 253 471	(6 200 000)	28 453 471	(365,18%)	53 932 090	59 001 000	(5 068 910)	(7,93%)	59 001 000	91,41%
DEP OF HOUSING::										
Braamfischerville Ext 12&13:Roads and Stormwater Management Systems including a Pedestrian Bridge New Bulk Infrastructure BRAM FISCHERVILLE EXT.13 C Ward	73 844	0	73 844	0,00%	5 500 000	5 500 000	1 086 928	19,76%	5 500 000	100,00%

Sub-total	73 844	0	73 844	0,00%	5 500 000	5 500 000	1 086 928	19,76%	5 500 000	100,00%
INNER CITY FUND (ICF)										
Inner City Partnership Fund	2 150 505	6 600 000	(4 449 495)	32,58%	8 589 437	22 600 000	(14 010 563)	(61,99%)	22 600 000	38,01%
InnerCity Core	33 648	550 000	(516 352)	6,12%	139 339	1 500 000	(1 360 661)	(90,71%)	1 500 000	9,29%
Sub-total	2 184 153	7 150 000	(4 965 847)	30,55%	8 728 776	24 100 000	(15 371 224)	(63,78%)	24 100 000	36,22%
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)										
Jabulani TOD: Phase 6a - Safe Hub	13 778 802	11 100 000	2 678 802	124,13%	77 994 000	77 994 000	2 844 222	3,65%	77 994 000	100,00%
Sub-total	13 778 802	11 100 000	2 678 802	124,13%	77 994 000	77 994 000	2 844 222	3,65%	77 994 000	100,00%
DEPARTMENT OF ECONOMIC DEVELOPMENT										
Alexandra Automotive	7 309 707	7 309 707	0	,00%	7 309 707	7 309 707	0	,00%	7 309 707	100,00%
Sub-total	7 309 707	7 309 707	0	0,00%	7 309 707	7 309 707	0	0,00%	7 309 707	100,00%
TRANSPORTATION PTIS FUNDING:										
Phase 1C Stations	29 533 441	74 294 750	(44 761 309)	39,75%	94 551 047	87 410 758	7 140 289	8,17%	87 410 758	108,17%
Selby Depot	1 476 107	0	1 476 107	0,00%	1 476 107	0	1 476 107	0,00%	0	0,00%
ITS (Fibre Loop and CCTV)	4 608 942	4 646 739	(37 797)	99,19%	30 029 810	39 824 162	(9 794 352)	(24,59%)	39 824 162	75,41%
Alexandra Depot	10 666 607	4 646 739	6 019 868	229,55%	36 669 675	37 256 623	(586 948)	(1,58%)	37 256 623	98,42%

Section 15K (Watt Interchange Station Road Works and Bridges)	27 938 184	9 293 478	18 644 706	300,62%	161 010 946	131 334 917	29 676 029	22,60%	131 334 917	122,60%
OTHER: Heritage Bus Rehab	0	0	0	0,00%	247 544	0	247 544	0,00%	0	0,00%
OTHER: ICT	284 858	619 565	(334 707)	45,98%	4 665 341	3 769 365	895 976	23,77%	3 769 365	123,77%
Greenstone Terminal	6 389 053	7 744 565	(1 355 512)	82,50%	27 254 413	27 314 240	(59 827)	(0,22%)	27 314 240	99,78%
Guard Houses and Customer centres	12 735 510	20 198 994	(7 463 484)	63,05%	21 573 005	25 455 773	(3 882 768)	(15,25%)	25 455 773	84,75%
Selby Depot 2C	11 571 401	12 391 304	(819 903)	93,38%	100 866 602	114 750 823	(13 884 221)	(12,10%)	114 750 823	87,90%
Heritage Bridge Landscaping	506 595	4 038 535	(3 531 940)	12,54%	10 469 157	10 925 696	(456 539)	(4,18%)	10 925 696	95,82%
OTHER: Passenger Information Signage(Finger boards - "on Street)	0	200 000	(200 000)	0,00%	185 055	218 514	(33 459)	(15,31%)	218 514	84,69%
Sub-total	105 710 698	138 074 669	(32 363 971)	76,56%	488 998 702	478 260 871	10 737 831	2,25%	478 260 871	102,25%
DEPARTMENT OF SOCIAL DEVELOPMENT (SoC DEV)										
Shelter for Displaced People Region F	74 578	1 781 250	(1 706 672)	4,19%	393 179	5 000 000	(4 606 821)	(92,14%)	5 000 000	7,86%
Fleurhof Farm	0	534 375	(534 375)	0,00%	0	2 250 000	(2 250 000)	(100,00%)	2 250 000	0,00%
Betrans Multipurpose Centre	537 254	534 375	2 879	100,54%	2 239 853	1 500 000	739 853	49,32%	1 500 000	149,32%
Yetta Nathan Social deveopment Centre	353 915	178 125	175 790	198,69%	353 915	500 000	(146 085)	(29,22%)	500 000	70,78%
Northerm ,Fleurhof Farm and Eikenhof Farm	4 065 774	534 375	3 531 399	760,85%	4 117 634	2 250 000	1 867 634	83,01%	2 250 000	183,01%
Repairs and Maintanance of Facilities	0	0	0	0,00%	0	10 000 000	(10 000 000)	(100,00%)	10 000 000	0,00%
Sub-total	5 031 521	3 562 500	1 469 021	141,24%	7 104 581	21 500 000	(14 395 419)	(66,96%)	21 500 000	33,04%
TRANSPORTATION COJ FUNDING:										
Karsene Public Transport Facility	0	0	0	0,00%	68 701 822	70 000 000	(1 298 178)	(1,85%)	70 000 000	98,15%
Complete Streets: (KFW - German Development Bank): Orlando East to UJ Soweto Route	4 346 951	0	408 078	0,00%	4 346 951	10 000 000	(9 591 922)	(95,92%)	10 000 000	43,47%
Park and Ride Facility: Design and Construction of a Park n Ride in Greenside Region E	1 346 451	0	1 346 451	0,00%	4 106 460	10 000 000	(5 893 540)	(58,94%)	10 000 000	41,06%

PTF: Small Public Transport Facilities: Tshepisoong:	9 450 789	0	9 450 789	0,00%	13 250 022	20 000 000	(6 749 978)	(33,75%)	20 000 000	66,25%
Complete Streets: NMT Facilities Linking Railway stations New Dube CHIAWELO D City Wide:	2 973 539	500 000	2 473 539	594,71%	2 973 539	2 000 000	973 539	48,68%	2 000 000	148,68%
PTF: Small Public Transport Facility Design Kya Sand New Nodal Transport Facilites KYA SAND:	3 557 890	0	3 557 890	0,00%	4 707 053	5 000 000	(292 947)	(5,86%)	5 000 000	94,14%
PTF: Small Public Transport Facilities: DRIEZIEK EXT.3	5 170 855	2 400 000	2 770 855	215,45%	12 351 297	12 400 000	(48 703)	(0,39%)	12 400 000	99,61%
Complete Streets: NMT Facilities Linking Railway stations Dube D Region	0	0	0	0,00%	1 530 167	0	1 530 167	0,00%	0	0,00%
PTF Small Public Transport Facility Design and Construction of Zola Public Transport Facility New Nodal Transport Facilities ZOLA D Regional	573 979	(2 000 000)	2 573 979	(28,70%)	908 378	2 000 000	(1 091 622)	(54,58%)	2 000 000	45,42%
PTF Public Transport Facility Lehae:	0	0	0	0,00%	0	1 000 000	(1 000 000)	(100,00%)	1 000 000	0,00%
PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G)	11 527 557	0	11 527 557	0,00%	26 005 091	15 000 000	11 005 091	73,37%	15 000 000	173,37%
Small: Public Transport Facility in Zakariya Park Region G	5 079 395	0	5 079 395	0,00%	5 279 663	15 000 000	(9 720 337)	(64,80%)	15 000 000	35,20%
PTF Public Transport Facility Sandton	272 188	0	272 188	0,00%	767 162	2 000 000	(1 232 838)	(61,64%)	2 000 000	38,36%
Complete Streets Deep South	861 061	0	861 061	0,00%	1 076 701	1 000 000	76 701	7,67%	1 000 000	107,67%
PTF Rosebank	531 910	2 000 000	(1 468 090)	26,60%	531 910	2 000 000	(1 468 090)	(73,40%)	2 000 000	26,60%
Complete Streets Turfontein	722 645	0	722 645	0,00%	811 305	1 000 000	(188 695)	(18,87%)	1 000 000	81,13%
NR Nodal Regeneration Braamfontein	1 299 962	1 500 000	(200 038)	86,66%	1 780 338	2 500 000	(719 662)	(28,79%)	2 500 000	71,21%
Integrated Corridor Management :Project Manager	0	700 000	(700 000)	0,00%	0	700 000	(700 000)	(100,00%)	700 000	0,00%
PTF: Redevelopment of Inner City Ranks	6 792 695	(7 000 000)	13 792 695	(97,04%)	7 821 747	8 000 000	(178 253)	(2,23%)	8 000 000	97,77%
PTF Sunninghill	199 303	2 000 000	(1 800 697)	9,97%	983 908	2 000 000	(1 016 092)	(50,80%)	2 000 000	49,20%
Randburg CBD Masterplan	14 668	526 478	(511 810)	2,79%	14 668	1 500 000	(1 485 332)	(99,02%)	1 500 000	0,98%
Zandspruit Masterplan	8 539	350 985	(342 446)	2,43%	8 539	1 000 000	(991 461)	(99,15%)	1 000 000	0,85%
Public Transport Data	0	300 000	(300 000)	0,00%	0	1 000 000	(1 000 000)	(100,00%)	1 000 000	0,00%
Inner City Transport Masterplan	102 279	1 193 350	(1 091 071)	8,57%	4 150 599	3 400 000	750 599	22,08%	3 400 000	122,08%
Travel demand management	0	877 465	(877 465)	0,00%	0	2 500 000	(2 500 000)	(100,00%)	2 500 000	0,00%
Parking Management Policy	0	175 493	(175 493)	0,00%	0	500 000	(500 000)	(100,00%)	500 000	0,00%

Parking Management	0	263 239	(263 239)	0,00%	376 520	1 150 000	(773 480)	(67,26%)	1 150 000	32,74%
Feasibility Study for Braamfontein	0	350 985	(350 985)	0,00%	0	1 000 000	(1 000 000)	(100,00%)	1 000 000	0,00%
Feasibility Study Integrated Corridor Management	195 568	982 759	(787 191)	19,90%	1 236 306	2 800 000	(1 563 694)	(55,85%)	2 800 000	44,15%
Lenasia Scholar Transport Masterplan	590 997	0	590 997	0,00%	1 088 046	2 000 000	(1 299 684)	(64,98%)	2 000 000	54,40%
Roodepoort CBD Transport Masterplan	239 834	231 650	8 184	103,53%	429 852	660 000	(230 148)	(34,87%)	660 000	65,13%
Sub-total	55 859 055	5 352 404	46 567 778	967,06%	165 238 044	199 110 000	(38 198 559)	(19,18%)	199 110 000	82,99%
Other										
UN Habitat	0	800 000	(800 000)	0,00%	0	1 040 000	(1 040 000)	(100,00%)	1 040 000	0,00%
Orange farm Turnkey project	19 478 382	90 000 000	(70 521 618)	21,64%	19 478 382	90 000 000	(70 521 618)	(78,36%)	90 000 000	21,64%
Modderfontein Bridge	0	40 000 000	(40 000 000)	0,00%	0	40 000 000	(40 000 000)	(100,00%)	40 000 000	0,00%
Sub-total	19 478 382	130 800 000	(111 321 618)	14,89%	19 478 382	131 040 000	(111 561 618)	(85,14%)	131 040 000	14,86%
	=	=	=	=	=	=	=	=	=	=
TOTAL	379 405 695	327 577 063	54 056 095	116,84%	1232 597 935	1484 878 143	(252 675 660)	(16,35%)	1484 878 143	83,01%

SECTION 6: RATIO ANALYSIS (LIQUIDITY, SOLVENCY AND COST COVERAGE)

TABLE 47: FINANCIAL RATIOS

Key Performance Area	Target	Actual 30 June 2019	Actual 30 June 2021
Current ratio	Above 1 : 1	1.12 : 1	1,075:1
Solvency ratio	Above 1 : 1	1.12 : 1	1,10:1
Salaries to expenditure ratio	Below 60%	76%	67%
Revenue	R 115 million	R117.5 million	116 million
Expenditure	R115 million	R96.9 million	R117 million
Surplus / (Deficit)	Rnil	R20.6 million	(R1.7 million)
Total net assets	R47.4 million	R83.9 million	R82 million
Capital expenditure	95%	68,27%	84%

- Current ratio exceeds target and is below than the fourth quarter of the previous year due to higher in the trade receivables and decreases on the shareholders loan in the current financial year.
- Solvency ratio is higher than target and below to last quarter mainly due to the higher on the receivables balance and decreases of the shareholder's loan.
- Remuneration to expenditure ratio is below than the fourth quarter of the previous financial year and higher than the target. The remuneration ratio is calculated using the total employee costs value divided by the total expenditure. Should the overall total expenditure differ from the budgeted amounts, this will impact the ratio. At the end of June, there was an under expenditure against the employee costs budget.

SECTION 6: SUPPLY CHAIN MANAGEMENT, BBBEE AND SMME

Supply Chain Management

The JDA's supply chain management policy uses committee systems for the procurement of services and goods above specified limits. Existing committees include the:

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee.

There are two bid adjudication committees, capital expenditure and the other for operating expenditure:

- The Capital Expenditure Bid Adjudication Committee members include the Chief Financial Officer (chairperson), two Senior Development Managers (whose bid is not being adjudicated on), the Risk and Compliance Manager, the Executive Manager: Development Facilitation and the Supply Chain Manager.
- The Operating Expenditure Bid Adjudication Committee includes the Chief Financial Officer (chairperson), the Supply Chain Manager, and the Executive Manager: Marketing, the IT Manager, and the Risk and Compliance Manager. Neither committee is authorized to make procurement decisions above R10 million.

Supply chain deviations and approval

According to regulation 36(1) of the Municipal Supply Chain Management Regulations, the accounting officer -

- (a) may dispense with the official procurement processes established by the SCM policy and procure any required goods or services through any convenient process, which may include direct negotiations, but only:
- i. In an emergency ;
 - ii. If such goods or services are produced or available from a single supplier only;
 - iii. If acquiring special works of art or historical objects where specifications are difficult to compile;
 - iv. If acquiring animals for zoos; or
 - v. In any other exceptional case where it is impossible or impractical to follow official procurement processes; and
- (b) Ratify any minor breaches of the procurement processes by an official or a committee acting in terms of delegated powers that are purely technical.

Reg. 36(2) requires the accounting officer to record the reasons for any deviation in terms of sub-regulation (1) (a) and (b) above and report them to the Board of Directors in the case of a municipal entity.

To give effect to regulation 36, the CoJ's supply chain management policy allows the accounting officer to deviate from normal procurement processes under the circumstances outlined above. In terms of regulation 36(1) (b), the accounting officer may ratify any minor breaches of the procurement processes by an official or a committee acting in terms of delegated powers that are purely technical.

The accounting officer ratified the following deviations for the year to date:

- The deviation from obtaining at least a minimum of three written quotations in terms of Regulation 16, 17 and 18 of the MFMA Act 56 of 2003. The accounting officer ratified a minor breach in the supply chain process for the appointment of service providers through the request for quotation process where less than the minimum three quotations were received. For the period 1st July 2020 to 30th June 2021 there were 20 service providers appointed where less than three quotations were returned or obtained to a combined value of R 1 635 663.45 (Excluding VAT).

According to Regulation 44 of the Municipal Supply Chain Management Regulations the regulation prohibits municipal entities from awarding contracts to a person who is in the service of the state. For the period 1st July 2020 to 30th June 2021 the JDA has not awarded any contract to a person who is in the employment of the state.

Black Economic Empowerment

The JDA reports on the BBBEE share of both actual expenditure and contractual commitments for all active contracts. The table below shows the BBBEE share of capital and operating expenditure. For the period 1st July 2020 to 30th June 2021, the overall BBBEE share of expenditure was R1 020 203 214.76. This translates into an achievement of 102% BBBEE claimed against quarterly expenditure.

TABLE 48: SUMMARY OF BBBEE EXPENDITURE²⁵

Description	Year To Date 2020/21		
	Total Expenditure	BBBEE Claimed	BBBEE %
Capex	R 984,739,705.30	R 1 012 141 663.68	103%
Opex	R 35,463,509.46	R 31 416 235.33	89%
Consolidated Opex and Capex	R 1,020,203,214.76	R1 043 557 899.01	102%

The JDA uses various criteria for calculating the BBBEE claimed. Each service provider's individual BBBEE rating affects the amount of expenditure the JDA can claim as being from a BBBEE-compliant service provider when calculating its preferential procurement points. The higher the service provider's rating, the more expenditure can be claimed. If the agency buys from a level 1 service provider, it can claim 135% of the actual expenditure. For example, if the JDA spends R10 000 with a level 1 service provider, it can claim R13 500 as BBBEE spend. If it spends R10 000 with a level 6 service provider, it can only claim R6 000. The JDA claims a 135% for service providers with B-BBEE level 1, 125% for level 2, 110% for level 3, 100% for level to 4, 80% for level 5, and 60% for level 6, 50% for level 7 and 10% for level 8.

The JDA confirms the validity of BBBEE certificates by verification agencies by tracing the name of the agency to the South African National Accreditation System's list of accredited agencies. Each BBBEE level is translated into a BBBEE score reflected as a percentage. For example, BBBEE level 6 equals 60%, while BBBEE level 1 equals 135%.

²⁵ The reason why there is a difference in total expenditure and expenditure claimed for BBBEE is that the JDA's 5% Development Fee and retentions have been excluded

B-BBEE Status Level Of Contributor	B-BBEE Recognition	Number of Points	
		Tenders up to R30,000 R50 million	Tenders above R50+ million
1	135%	20	10
2	125%	18	9
3	110%	14	6
4	100%	12	5
5	80%	8	4
6	60%	6	3
7	50%	4	2
8	10%	2	1
Non-Compliant contributor	0%	0	0

FIGURE 10: BBEE CONTRIBUTION TABLE

Enterprise / SMME Development

In line with national development and shared growth imperatives, the CoJ recognises that creating jobs and ensuring that SMMEs have access to procurement opportunities are essential elements of an economically viable city.

Over the years, the JDA has established processes and practices to support job creation and enterprise and skills development for previously disadvantaged groups, including black people, women, youth and people with disabilities. But the impact of these processes and practices have not been adequately measured and reported on in the past. The agency has also recognised the need to consolidate and extend these practices by designing and implementing a programme that will drive the achievement of empowerment objectives and align projects and approaches to address the challenges facing previously disadvantaged enterprises.

The enterprise development programme is made up of the following components:

- **Emerging contractor development** for SMMEs working on JDA projects (both subcontractors and those contracted directly by the JDA). This includes general training.
- Training on **winning business** for SMMEs (with a focus on unsuccessful bidders identified through the JDA tender process).

The JDA reports on the SMME share of both actual expenditure and contractual commitments for all active contracts. The table below shows the SMME share of capital and operating expenditure. The SMME share of JDA's operating and capital expenditure was R 340 780 737.33 for the period 1st July 2020 to 30th June 2021. This constitutes an achievement of 33% for the period under review.

TABLE 49: SUMMARY OF SMME EXPENDITURE²⁶

Description	Year To Date 2020/21	
	SMME Expenditure	SMME %
Capex	R 336,771,533.26	34%

²⁶ Note: Any discrepancies between this table and the financial statements are due to timing differences between when the expenditure is captured in the Development Information Management System and the report on actual invoices paid. These variances are not significant, and the ratios remain valid.

Description	Year To Date 2020/21	
	SMME Expenditure	SMME %
Opex	R 4 009 204.07	11%
Consolidated Opex and Capex	R 340,780,737.33	33%

Report in Irregular, Fruitless and Wasteful Expenditure and Due Process

JDA has not incurred any irregular, fruitless, wasteful and unauthorized transactions for the period of the 1st of July 2020 to 31st June 2021.

SECTION 7: PENDING LITIGATIONS AND POSSIBLE LIABILITIES

TABLE 50: PENDING LITIGATIONS AND POSSIBLE LIABILITIES

CASE / MATTER	AMOUNT CLAIMED	DATE INSTITUTED	DISCRIPTION	CURRENT STATUS	ANTICIPATED COMPLETION DATE	CHANCES OF SUCCESS
Ubuntu Kraal (Pty) Ltd vs JDA	± 23 555 160, 06 million	13/12/2013	Damages suffered by Ubuntu Kraal as a result of “alleged” negligence by the JDA and other parties.	<p>On Friday, 13 December 2013 the JDA was served with summons. The summons relates to the “alleged” negligence on the part of the JDA during the widening of the Klipspruit valley road during the construction of the BRT routes around 2010. It is alleged that as a consequence of such construction, which resulted in flooding in 2010 and 2011, damages to buildings and properties to the tune of approximately R23 555 160, 06 was incurred by the plaintiff. The JDA has been cited as the first defendant and the City of Johannesburg as the second defended in the matter, together with other 5 defendants.</p> <p>The JDA has appointed Routledge Modise Attorneys (T/A Hogan Lovells) to assist in defending the matter. Routledge Modise have handed over the matter to the insurer’s attorneys at the request of the JDA’s insurers (Webber Wentzel Bowens). The matter is being defended by the JDA and COJ’s insurer’s lawyers.</p> <p>The Matter was set for trial in June 2018 but was withdrawn from the trial roll. There have been no developments since the matter was removed from the trial roll in June 2018. The plaintiff’s attorneys have withdrawn as attorneys of record on this matter and the attorneys that are meant to take over this matter have not yet filed their notice of substitution.</p>	Not yet determined at this stage.	Not yet determined at this stage.

CASE / MATTER	AMOUNT CLAIMED	DATE INSTITUTED	DISCRIPTION	CURRENT STATUS	ANTICIPATED COMPLETION DATE	CHANCES OF SUCCESS
				We have written to the attorney and are yet to receive a response as to whether they still intend pursuing this matter.		
Bertrams Priority Block vs JDA	Not applicable	February 2008	Relocation of illegal occupants in various buildings around Bertrams Priority Block.	The JDA has through its Attorneys (Edward Nathan Sonneburg ENS) entered into legal proceedings regarding the relocation of illegal occupants in various buildings around Bertrams Priority Block. Eviction proceedings have been instituted in the South Gauteng High Court. Negotiations are underway with the occupants to settle the matter out of court. Progress made since 2012, some occupants have agreed to be reallocated to properties operated by the Johannesburg Social Housing Company. The few that would be left would, due to inability to meet monthly rentals will be accommodated by the Department of Housing. The parties are working together to reach agreement without a protracted litigation processes.	On-going	Good
Grayston Bridge Collapse (scaffolding)		2015	<p>The scaffolding supporting the bridge collapsed in 2015 resulting in 2 fatalities and additional 9 people injured as a result of the collapse.</p> <p>The matter was investigated by the department of labour and a hearing commenced in 2016 and concluded in July 2018.</p>	The outcome from the Department of Labour has been received 19 November 2019. The Presiding Officer has issued findings against various parties in this matter including the JDA. The findings against the JDA relate to contravention of the construction regulations. The JDA has since sought legal advice on the outcome of the Department of Labour's findings. The JDA has been advised that there has been omission on the part of the Presiding Officer to take into account the provisions of section 37(2) of the Occupational Health and Safety Act. Accordingly, the JDA has addressed a letter to the Chief Presiding inspector indicating its intention to appeal the matter, first with the Department of Labour as dictated by the rules. Since having lodged an appeal to the Labour Court against the decision of the Chief Inspector, we received a	Grayston Bridge Collapse (scaffolding)	

CASE / MATTER	AMOUNT CLAIMED	DATE INSTITUTED	DISCRIPTION	CURRENT STATUS	ANTICIPATED COMPLETION DATE	CHANCES OF SUCCESS
				<p>Notice to Oppose from the State Attorney, who is representing the Chief Inspector in the above matter.</p> <p>In addition, we received the written record of proceedings forming the subject of the appeal from the State Attorney on 30 June 2020. In accordance with the Labour Court Rules, we extracted certain portions of the record for purposes of the appeal proceedings and served a certified copy thereof on the State Attorney and filed another copy at the Labour Court on 16 July 2020. In the circumstances, the Appellants' concise written representations were received on Thursday, 30 July 2020.</p> <p>Now that both parties have submitted their written representations, the Registrar of the Labour Court, will set the matter down. To date, we have not been provided a date by the Registrar. The matter will be heard in the labour court on a date yet to be set by the court.</p>		
Bona Electronic Solutions (Pty) Ltd/Naledi Consortium	Not yet determined	December 2018	<p>The applicant sought an order interdicting and restraining the City of Johannesburg and the JDA from proceeding with the tender process and implementing the contract in respect of the tender in relation to the BRT Bus Monitoring system.</p> <p>The applicant seeks an order, amongst others, reviewing and setting aside the JDA's decision to award the tender to the Naledi consortium. Naledi also opposes this relief.</p>	<p>The matter is currently at pleadings stage with the JDA having filed its answering affidavit in July 2020.</p> <p>The Applicant (Bona) has not taken steps since September 2020 to ensure that the matter is ready for hearing. They are required to file heads of argument, after which the rest of the respondents (JDA and Naledi) would file theirs and the matter be allocated a date for hearing.</p> <p>The JDA and City have since decided to file our own heads of arguments despite the failure by the applicant to do so.</p>	Bona Electronic Solutions (Pty) Ltd/Naledi Consortium	

CASE / MATTER	AMOUNT CLAIMED	DATE INSTITUTED	DISCRIPTION	CURRENT STATUS	ANTICIPATED COMPLETION DATE	CHANCES OF SUCCESS
			Mkhabela Huntley Attorneys are representing the City of Johannesburg and the JDA in this matter	The matter will be held in court at the date yet to be determined.		

SECTION 8: INSURANCE CLAIMS AGAINST/TO MOE

TABLE 51: INSURANCE CLAIMS AGAINST THE ENTITY

Insured Year	Claim Number	Date of Loss	Date Notified	Risk Description	Gross Claim Amount	Risk Category	Claim's status
2018/19	51574248	30/01/2018	28/03 /2019	Storm / flood / inland	Not determined yet	Assets	Claim rejected by insurance. Closed
2018/19	51574102	10/10/ 2018	03/04/2019	Accidental damage	Not determined yet	Contractors all risks	Awaiting Insurer's advice.
2018/19	51581697	2017	03/04/2019	Accidental damage	Not determined yet	Contractors all risks	Awaiting Insurer's advice.
2018/19	51581695	2017	03/04/2019	Accidental damage	Not determined yet	Contractors all risks	Awaiting Insurer's advice.
2018/19	51566405	04/10/2018	04/10/2018	Negligence	R 583 448	Public Liability	Awaiting attorney's progress report.

SECTION 9: STATEMENT ON AMOUNTS OWED BY AND TO GOVERNMENT DEPARTMENTS AND PUBLIC ENTITIES

TABLE 52: AMOUNTS OWED BY CITY OF JOHANNESBURG DEPARTMENTS

Client Department	Current claims	Balance at 30 June 2021	Comments
	R' 000	R' 000	
City of Johannesburg - CAM & USDG	45 876	65 497	Balance relates mainly to current claims which are not more than 60 days.
City of Johannesburg - Department of transportation	295 633	322 665	Huge payment was settled in current financial year post budget adjustment confirmation that was received. Balance relates mainly to current claims.
City of Johannesburg - Department of planning	34 745	43 587	Balance relates mainly to current claims and some claims for 2019/20 financial year that are awaiting budget lift approval.
City of Johannesburg – EMS	22573	51 388	Balance mainly relates to amounts outstanding since 2016/17 financial year. Although discussions have been held with the department, no payments have yet been received.
City of Johannesburg - Department of Health	18 878	16 999	Balance relates mainly to claims which are within 60 days.
City of Johannesburg - Economic Development	-	20 190	Balance mainly relates to amounts outstanding since 2016/17 financial year and remaining it for the current claims. Although discussions have been held with the department, no payments have yet been received. Matter has been escalated to the ED: Economic Development
City of Johannesburg - Housing	-	14 992	Balance includes amounts outstanding since 2019/20 financial year and the current claims. We had discussions with the department, and majority of the opening balance was settled.
City of Johannesburg – GSPCR		3 850	Balance mainly relates to amounts outstanding since 2016/17 financial year. Although discussions have been held with the department, no payments have yet been received.
City of Johannesburg - Other departments	8366	80 848	Balance includes amounts outstanding since 2019/20 financial year and the current claims. We had discussions with the department, and majority of the opening balance was settled.
Total	426 071	584 572	

CHAPTER 6: AUDITOR-GENERAL AND INTERNAL AUDIT FINDINGS

SECTION 1: PROGRESS ON INTERNAL AUDIT PLAN

The chart below serves to indicate an overview of the audit conclusion made regarding the control environment based on the audits completed by internal audit in the fourth quarter of 2020/21 financial year. On overall, there were fourteen (14) audit projects completed by internal audit.

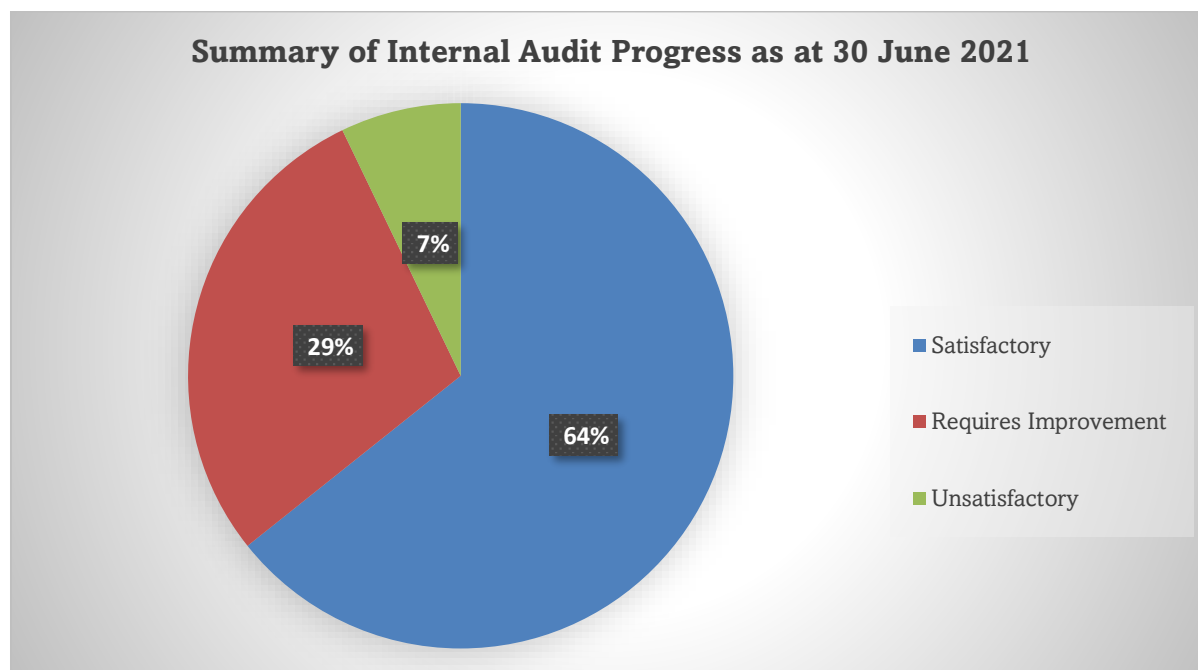


TABLE 53: PROGRESS AGAINST THE APPROVED 2020/21 ANNUAL INTERNAL AUDIT PLAN (1 APRIL 2021 – 30 JUNE 2021)

No.	Audit Description	Status	Overall Conclusion
1	Contract Management Review and variation orders	Completed	Requires improvements
2	Payroll and leave management	Completed	Satisfactory
3	Cyber Security	Completed	Requires Improvement
4	Audit of the Budget and Expenditure Management utilizing data analytics.	Completed	Requires improvements
5	3rd quarterly Audit of performance information (Audit of the Pre-Determined Objectives)	Completed	Satisfactory
6	3rd quarter Implementation of departmental operational plans and project contracting strategies	Completed	Requires improvements
7	4th quarter Follow-up on internal and external audit findings	Completed	Satisfactory
8	4th quarter Implementation of departmental operational plans and project contracting strategies	Completed	Satisfactory
9	Appointment of a panel of main contractors 7GB	Completed	Satisfactory
10	Appointment of a panel of main contractors 7CE	Completed	Satisfactory
11	Appointment of a panel of main contractors 8GB	Completed	Satisfactory
12	Appointment of a panel of main contractors 8CE	Completed	Unsatisfactory
13	Appointment of main contractor Brixton Social Cluster Phase 2	Completed	Satisfactory

No.	Audit Description	Status	Overall Conclusion
14	Appointment of main contractor for the construction of our city our block round two	Completed	Satisfactory

TABLE 54: CONTROL ENVIRONMENT CONCLUSION EXPLANATION

Control Environment	Definition	Indicator
Unsatisfactory	Audit results indicate that insufficient reliance can be placed on the design and operational effectiveness of internal controls to mitigate the risks to which the activity under review is exposed.	<ul style="list-style-type: none"> • A breakdown in the overall management of a part of the business or the process being reviewed. • Primarily “Catastrophic” risk findings. • Actions are likely to bring JDA’s brand and reputation into disrepute. • A breakdown in accounting, reporting and other key financial and operating controls. • Non-existent financial and operating controls. • Non-compliance to laws and regulations.
Requires improvement	Audit results indicate that limited reliance can be placed on the design and operation of internal controls to mitigate the risks to which the activity under review is exposed.	<ul style="list-style-type: none"> • Primarily “Major or moderate” risk findings. • Inadequate compensating controls. • Overall control environment of the audited process/focus area is of a vulnerable standard. • Overall control environment for the audited process/focus area is of an adequate standard.
Satisfactory	Audit results indicate that sufficient reliance can be placed on the design and operation of internal controls to mitigate the risks to which the activity under review is exposed.	<ul style="list-style-type: none"> • Primarily “Minor or insignificant” risk findings. • Overall control environment for the audited process/focus area is of the required standard. • Adequate compensating controls in place.

SECTION 2: PROGRESS ON RESOLUTION OF INTERNAL AUDIT FINDINGS

The table below provides performance on resolving audit findings raised by AGSA in the past 7 years.

TABLE 55: INTERNAL AUDIT FINDINGS

Financial Period	Total Unresolved Findings	Total Resolved Findings %	Total Findings %
2013/14	0	2	2
2014/15	1	16	17
2015/16	0	45	45
2016/17	3	55	58
2017/18	2	38	40
2018/19	3	30	33
2019/20	6	14	20
Total	15	200	215
Percentage	7%	93%	100%

Internal Audit conducts follow-up reviews monthly on the status of unresolved findings and then provides these monthly reports on the status of unresolved findings to the chairperson of the Operation Clean Audit (OPCA) Committee and to the Group Risk Assurance Services for discussion with the City Manager.

On a quarterly basis Internal Audit, also conducts a follow-up on the implementation of Internal and External audit recommendations. These reports are presented to the Audit and Risk Committee, who monitors the progress made by management on the implementation of recommendations and action plans.

SECTION 3: PROGRESS ON RESOLUTION OF EXTERNAL AUDIT FINDINGS

The table below provides performance on resolving audit findings raised by AGSA in the past 6 years:

TABLE 56: AUDITOR GENERAL FINDINGS

Financial Period	Total Unresolved Findings	Total Resolved Findings	Total Findings
2014/15	2	9	11
2015/16	0	34	34
2016/17	0	6	6
2017/18	1	4	5
2018/19	2	3	5
2019/20	21	0	21
Total	26	56	82
Percentage	32%	68%	100%

On a quarterly basis, management reports to the Audit and Risk Committee on the progress made towards resolving audit findings raised by Internal Audit and the Auditor General. Internal Audit also provides an independent assurance to the Audit and Risk Committee on the progress made by management in resolving audit findings.

The Audit and Risk Committee has in recent meetings requested management to provide a report outlining action plans to ensure that all unresolved findings outstanding from the previous financial years are resolved promptly.

SECTION 4: STATE OF INTERNAL CONTROLS

Effective risk management and compliance with government regulations are driving the need for ongoing auditing. JDA is subjected to internal and external audits each year, thus making audit co-ordination and management vitally important by ensuring timeous implementation of corrective action to clear audit findings, strengthen risk management and compliance. Regular audits are essential to reduce the risk of non-compliance.

Internal controls refer to the policies, practices and systems that the entity has put in place, to provide reasonable assurance that the organisation will achieve its objectives, prevent fraud and corruption from occurring, protect resources from waste, loss, theft or misuse and to ensure that resources are used efficiently and effectively.

The JDA has a system of internal control to provide cost-effective assurance that the entities goals will be economically, effectively and efficiently achieved. In line with the MFMA, the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and the King Code Report on Corporate Governance, Internal Audit provided the Audit and Risk Committee and Management with quarterly internal audit reports in terms of its approved annual Internal Audit Plan.

From the Internal Audit reports, it was noted that there were no material deficiencies in the system of internal control for the reporting period.

The entity also has various functional and effective management structures, such as the Executive Management Committee, Programme Project Management Committees, Operation Clean Audit Committee, to review, monitor and evaluate programme performance and make corrective measures where necessary.

Management is committed to addressing control weaknesses identified by internal and external audit through implementation of audit recommendations and monitoring of action plans. However, there is still room for improvement as stricter commitment is required from management to ensure that audit findings are promptly resolved. Based on the internal audits completed in this financial year, internal audit’s overall conclusion on the state of internal controls is that controls currently in place are adequate; however partially effective to provide reasonable assurance that JDA objectives will be achieved. The overall JDA control environment requires improvement.

SECTION 5: AUDITOR-GENERAL’S REPORT FOR THE CURRENT YEAR

Note The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all Municipalities. MSA Section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

TABLE 57: AUDIT OPINIONS

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Audit opinion	Unqualified	Unqualified	Unqualified	Clean	Clean	Clean	Clean	Clean	Unqualified

SECTION 6: HISTORICAL AUDIT FINDINGS AND REMEDIAL ACTION

In 2019/20, the JDA received an unqualified audit opinion. The Auditor-General also identified areas of improvement for management. Recommendations included improved non-financial performance information controls and reporting. Remedial action has since been taken.

APPENDICES

APPENDIX A: BOARD OF DIRECTORS; COMMITTEE ALLOCATION AND ATTENDANCE

The Board meets regularly, retains full and effective control over the company and monitors the implementation of the company's strategic programmes by the executive management through a structured approach of reporting and accountability. It sets the strategic direction of the JDA and monitors overall performance. All of JDA's Board Committees are chaired by non-executive directors. JDA monitors overall performance.

Board Meeting Attendance

The Board meets not less than four times a year to consider matters specifically reserved for its attention. Indicated in the table below are the Board and committee's meetings held during the period under review. Attendance at meetings held during the period under review was as follows:

TABLE 58: BOARD AND BOARD COMMITTEE MEETINGS & ATTENDANCE (11 FEBRUARY 2021 TO 30 JUNE 2021)

Name	Board				Audit & Risk Committee				Social & Ethics/ HR & Remuneration Committee				Development & Investment Committee			
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent
Kevin Mabatalale Phaahla	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0
Mongezi Ntanga	4	3	1	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	1	1	0
Thabo Motloug	4	4	0	0	2	2	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Khanyisa Marawu	4	4	0	0	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A
Tahir Tebogo Maepa	4	4	0	0	N/A	N/A	N/A	N/A	1	1	0	0	2	2	0	0
Mpho Lecoge	4	4	0	0	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A
Tiyani Sambo ²⁷	4	4	0	0	2	2	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Velaphi Ntshangase	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0
Sandile Ndlungwane	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0

²⁷ No fee is payable due to member is under the employment of the state.

2 IAC members attended Special Board meeting (joint sitting) to consider the JDA's Business Plan.

APPENDIX B: COMMITTEE AND COMMITTEE PURPOSE

Board Committees

The following committees have been formed, each of which is chaired by a non-executive director.

- Audit and Risk Committee
- Development and Investment Committee
- Human Resources and Remuneration Committee/Social and Ethics Committee

Each committee composition is as follows:

TABLE 60: AUDIT AND RISK COMMITTEE

Composition	Mandate
Tiyani Sambo (Chairperson) Thabo Motloung Vincent Vhena (Independent Member) Tumisho Makofane (Independent Member) Keabetswe Onuoka (Independent Member) Farida Alidi (Independent Member)	The committee has specific responsibility for ensuring that all activities of the JDA are subject to independent and objective review and financial performance oversight. The Audit and Risk Committee has a Charter with clear terms of reference as guided by the provisions of Section 166 of the MFMA. The Committee has the following responsibilities: <ul style="list-style-type: none"> • Reviewing JDA's internal controls, publishing financial reports for statutory compliance and against standards of best practice, and recommending appropriate disclosures to the Board. • To provide reasonable assurance to the external auditors that control procedures are in place and are being followed. • Reviewing the half-yearly and annual financial statements before submission to the Board, focusing particularly on any changes in accounting policies and practices.

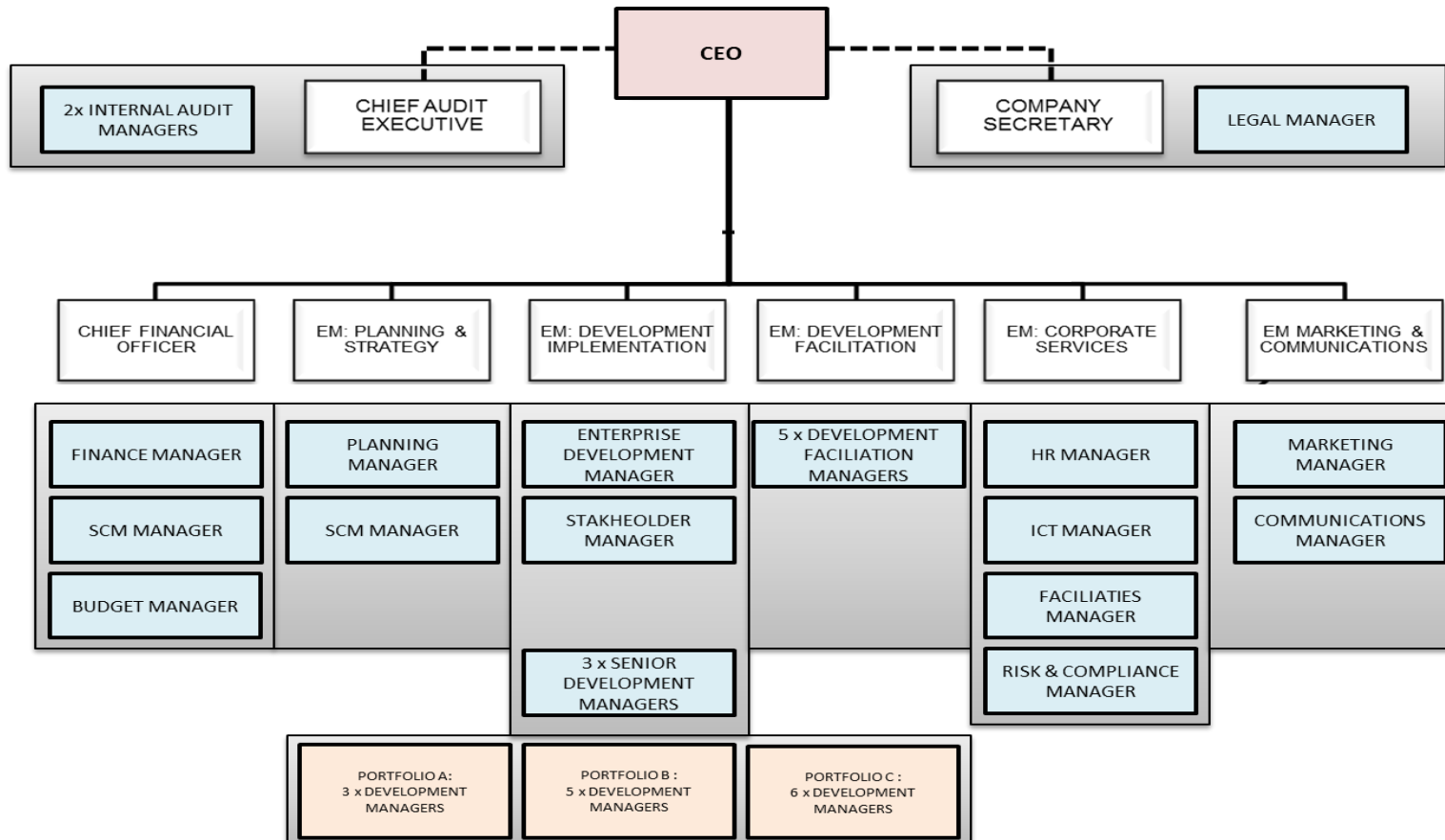
TABLE 61: DEVELOPMENT AND INVESTMENT COMMITTEE

Composition	Mandate
Tahir Maepa (Chairperson) Kevin Phaahla Velaphi Ntshangase Mongezi Ntanga Sandra Sibuyi Sandile Ndlungwane	The Committee is responsible for evaluating development proposals to make recommendations for approval to the Board. This entails examining risks associated with the proposed projects such as the financing, returns and projects risk profiles.

TABLE 62: SOCIAL AND ETHICS, HUMAN RESOURCES AND REMUNERATION COMMITTEE

Composition	Mandate
Khanyisa Marawu (Chairperson) Mpho Lecoge Nomakhosazana Veyi Sue Mokoena Tahir Maepa	The Social and Ethics Committee is responsible for acting as the social conscience of the business and ensuring that the company conducts itself as a responsible corporate citizen. This means ensuring that the JDA sustainably conducts its business, having regard for the environment, fostering healthy relationships with all its stakeholders and considering the impact of its work within the community. This committee also considers the treatment of and investment in employees, health and safety practices, black economic empowerment and the ethical corporate culture. The committee ensures that the remuneration of the Chief Executive Officer and senior management are within the upper limits as determined by the City of Johannesburg following the provisions of Section 89(a) of the MFMA.

APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE



APPENDIX D: FUNCTIONS OF ENTITY

The JDA has a Service Delivery Agreement (SDA) with the CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY which defined the function/services applicable to the JDA.

APPENDIX G: RECOMMENDATIONS OF THE AUDIT AND RISK COMMITTEE

TABLE 63: AUDIT AND RISK COMMITTEE RECOMMENDATIONS

Date of committee	Committee recommendations during 2020/21	If recommendations adopted, enter Yes. If not adopted, provide an explanation
9 July 2020	CFO's Report for the year ended 30 June 2020	The Committee noted the report accordingly
	Operation Clean Audit (OPCA) Steering Committee Progress report	The Committee noted the report accordingly
	Fourth Quarter Performance report	Yes
	Internal Audit Progress report as at 30 June 2020	The Committee noted the report accordingly
	Internal Audit Reviewed Reports on the following reports: a) Consolidated report on Probity Audits for Bids above R5million (11 reports are annexed to this report); b) IT General and Applications Controls Review; c) Supply Chain Management (1 of 2); d) Budget and Expenditure Management; e) Q3 Audit of Organisational Performance Information; f) Risk Management Processes and Fraud Management Strategies Review; and g) Follow-up on audit findings	The Committee noted the report accordingly
30 July 2020	Audit & Risk Committee Charter	Yes
	ICT Governance: IT Steering Committee Progress Report	The Committee noted the report accordingly
	ICT Progress Report	The Committee noted the report accordingly
	ICT Governance Framework	Yes The Framework was recommended to the Board for approval excluding the section on the proposed IT organisational structure; the IT organisational structure will be presented as part of the overall organisational structure for approval and not be considered in isolation.
	Business Continuity Management Policy	The Committee noted the report accordingly
	Business Continuity Management Charter/Framework	No The Committee did not approve the Business Continuity management Charter; The document should be circulated to the Committee members via round robin having incorporated changes made and Exco having reviewed the document.
	Business Continuity Analysis, Risk Assessment & Strategy (BIRA) and Business Continuity Plan	The Business Continuity Analysis, risk assessment & Strategy (BIRA) and Business Continuity Plan should be reviewed by Exco taking into account comments made at the meeting and resubmitted.
	Q4 Risk & Compliance Report	The Committee noted the report accordingly
	Q4 Risk & Compliance Implementation Plan	Approved

Date of committee	Committee recommendations during 2020/21	If recommendations adopted, enter Yes. If not adopted, provide an explanation
	Cover Letter & Internal Audit Charter 2020/21	Approved
	Cover Letter & Internal Audit Operational Plan 2020/21	Approved
	Internal Audit Reports: Q4 Performance Information Contract Management Financial Review Report	The Committee noted the report accordingly
08 October 2020	2020/21 JDA Q1 Performance Report	Yes
21 October 2020	a) CFO's Q1 Report b) Operation Clean Audit (OPCA) progress report c) ITSC Progress Report	Reports were deferred to the next Committee meeting having added required information.
	JDA Overall Assessment on the Internal Control Environment for 2019/20	The Committee noted the report accordingly
	Internal Audit's Review of the Unaudited 2019/20 AFS	The Committee noted the report accordingly
	Cover Report re: 2019/20 AFS	The Committee noted the report accordingly
	Unaudited 2019/20 Annual Financial Statements	Yes
	Internal Audit's Review of the 2019/20 Integrated Annual Report	The Committee noted the report accordingly
	Unaudited 2019/20 Integrated Annual Report	The Committee noted the report accordingly
	AGSA Draft Management Report	Yes
	Draft Audit Report	Yes
	Finance Policies: Financial Policy and Asset Management Policy	Yes
	Supply Chain Management Policy	Yes
Review of amendments to AFS and IA Post audit (Including amended 2017/18 Audited AFS and 2017/18 Audited Integrated Annual Report)	The Committee noted the report accordingly	
15 March 2021	JDA Mid-Year Scorecard Adjustment	Yes
	AGSA Management Letter	The Committee noted the report accordingly
	Draft AGSA Audit Report	The Committee noted the report accordingly
	2019/20 Annual Financial Statements Post Audit	Yes
23 April 2021	Third Quarter Performance Report	Yes
	Internal Audit Progress Report	The Committee referred the report back to management for them to provide reasons for deferring critical audits without the approval of the Audit and Risk Committee meeting. Should the reasons for deferring the audits be sound, then the impact and risks associated with such deferment should be highlighted to the Committee.
	Internal Audit Reports on Review of Tenders Above R5 million	The Committee noted the report accordingly
	Internal Quality Assessment Review	The Committee noted the report accordingly

APPENDIX H: LONG-TERM CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS

TABLE 64: SCHEDULE OF CONTRACTS OVER R10 MILLION AND RUNNING FOR MORE THAN ONE FINANCIAL YEAR:

Long-term contracts for 2020/21					
Name of service provider (entity or municipal department)	Description of services rendered by the service provider	Start date of contract	Expiry date of contract	Project manager	Contract value
Halifax / Road-Tech JV	Empire Perth Phase 3 in Bosmont	20 July 2020	20 February 2021	Portfolio C	R 42,128,651.00
Gau Flora CC	Customer Care Centre, Security Booths, Gundhi Square and Joubert Public Environment Upgrade	06 October 2020	06 August 2021	Portfolio C	R 37,939,658.08
Shomang Construction	Tshepisong Superstop	20 January 2021	30 June 2021	Portfolio C	R 11,454,972.00
Axton Matrix	Orlando NMT	01 February 2021	December 2021	Portfolio C	R 18,909,826.09
KPA Civils (Pty) Ltd	Ghandi Square Precinct East Development: Upgrade of Fox Street, Main Street and Portplein Park	01 March 2021	28 February 2022	Portfolio A	R 45,301,662.50
Nkomaba Trading and Projects	Brixton Social Cluster Phase 2	15 February 2021	31 March 2022	Portfolio A	R 46,521,140.20
KPA Civils (Pty) Ltd	Roodepoort CBD Transit Oriented Development	13 May 2021	13 May 2022	Portfolio B	R 30,110,160.00
Abram Mashego Tim Mas Holding JV	Vlakfontein Public Transport Facility	10 December 2020	10 December 2021	Portfolio C	R 31,640,289.77
Zidlaphi Kgomo Makgofane JV	Orange Farm Public Transport Facility	10 December 2020	10 December 2021	Portfolio C	R 48,675,222.37
Masston JV Bash Carriers	Naledi Clinic, Soweto	22 February 2021	22 February 2022	Portfolio B	R 45,082,877.70
Mayibuye-iAfrika Trading	Diepsloot PEU	15 March 2021	15 May 2022	Portfolio B	R 39 383 982.13
Moago Construction	Joburg Library	20 April 2021	20 April 2022	Portfolio B	R 10,553,180.00
Yahwe1 Construction	Our City Our Block	03 June 2021	03 April 2022	Portfolio A	R 25,968.762.00
DKPB Construction	M2 Finger Joint Replacement Projects	27 May 2021	28 January 2022	Portfolio A	R 23,617,173.91
Pro Power Group	Repair and Surfacing of Roads in Braamfischerville EXT 12	10 June 2021	28 February 2022	Portfolio B	R 23,495,214.15
Dzata Properties JV Kuvu Civils	Repair and Maintenance Program for Commdev Projects	21 June 2021	30 November 2021	Portfolio B	R 50, 635,740.00
Dzata Properties JV Kuvu Civils	Repair and Maintenance Program	21 June 2021	30 November 2021	Portfolio B	R 28,419,497.38

	for Social Development Projects				
Yahwe 1 Construction	Construction of Turffontein Clinic	21 June 2021	30 September 2022	Portfolio B	R44,891,114.81
Mac P Construction	Construction of Roads and Stormwater in Stretford Ext 6 and 9 Ward 1	21 June 2021	31 January 2022	Portfolio B	R31,644,967.46
Dwellers Trading and Projects	Balfour Park Precinct Student Promenade	22 June 2021	22 January 2022	Portfolio A	R15,876,444.73
BopCons Devtech JV	5th Road Bridge Project	22 June 2021	22 March 2022	Portfolio A	R10,682,940.77
A&P Trading and Projects	Modderfontein Bridge	22 June 2021	22 August 2021	Portfolio A	R33,827,394.50
Gochi Trading	Construction of Roads and Stormwater Upgrades in Ward 131 Stretford Extension 2 & 10	24 June 2021	31 January 2022	Portfolio B	R26,457,830.45
Ayezwa Trading and Projects	Construction of roads and stormwater upgrades in Orange Farm Ext 8, Ward 4	24 June 2021	31 January 2022	Portfolio B	R34,632,660.64
Linomtha Boleng JV	Construction of Roads and Stormwater Upgrades in Orange Farm Ext 7, Ward 3	21 June 2021	31 January 2022	Portfolio B	R 56,826,260.55
Izicwe Consulting	Kya Sands Super Stop & Holding Facility	21 June 2021	31 January 2022	Portfolio C	R18 949 283.00
Isizwe Building Construction	Construction of Roads and Stormwater upgrades in Drieziek, Ward 5	21 June 2021	31 January 2022	Portfolio B	R41,805,741.59
KPA Civils	Construction of Roads and Stormwater upgrades in Lakeside Extension 2, Ward 2	21 June 2021	31 January 2022	Portfolio B	R24,182,496.07

No public-private partnership contracts are currently managed by the JDA

APPENDIX I: MUNICIPAL ENTITY PERFORMANCE SCHEDULE

The City has thirteen entities that act as service delivery agents for the City. The entities are governed through a Service Delivery Agreement and remain fully controlled by the Metropolitan Council.

The mandate of the JDA²⁸ is:

- The JDA is responsible for stimulating and supporting area-based economic development initiatives throughout the Johannesburg metropolitan area in support of the long-term Growth and Development strategy.

TABLE 65: ALIGNMENT OF JDA MANDATE TO GDS AND IDP PROGRAMMES

GDS Outcomes	Key CoJ Priority Programmes	Key CoJ IDP Programme/s	Matching JDA Programme/s
Improved quality of life and development-driven resilience for all	IDP Priority 1: Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment by 2021.	<ul style="list-style-type: none"> • Inner-city regeneration, including key economic nodes • Increased infrastructure investment (from both public and private sectors) 	1: Strategic Economic Node Delivery Programme
Pro-poor development that provides meaningful redress	IDP Priority 2. Ensure pro-poor development that addresses inequality and poverty and provides meaningful redress.	<ul style="list-style-type: none"> • Residents live, work and play close to work, leisure and cultural opportunities • Efficient and effective transport (Public and Freight) connecting home, work, culture and leisure 	2. Accelerated infrastructure Delivery Programme
An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens	IDP Priority 1: Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment by 2021.	<ul style="list-style-type: none"> • N/A 	3. Economic Empowerment Programme
An honest, responsive and productive local government	Priority 8: Encourage innovation and efficiency through the Smart City programme	<ul style="list-style-type: none"> • Focused improvement of ICT equipment and software 	4: Good Governance, Management and Administration Programme
Pro-poor development that provides meaningful redress	Daily Operations	<ul style="list-style-type: none"> • Day to Day Programmes 	<ul style="list-style-type: none"> • 3. Economic Empowerment Programme 4. Good Governance, Management and Administration Programme

²⁸ https://www.joburg.org.za/documents_/Documents/Intergrated%20Development%20Plan/IDP_Council.pdf

GDS Outcomes	Key CoJ Priority Programmes	Key CoJ IDP Programme/s	Matching JDA Programme/s
An honest, responsive and productive local government			

APPENDIX J: DISCLOSURE OF FINANCIAL INTEREST

Directors' and employees' declarations of interest

Following its code of conduct, which is consistent with schedule 1 of the Municipal Systems Act and the provisions of the CoJ Corporate Governance Protocol for Municipal Entities, the JDA maintains a register of directors' declarations of interests. The register is updated annually and as and when each director's interests have changed. The JDA ensures that a conflict of interest register is also circulated at every Board and Board committee meeting for the directors to declare any interests to any matter that is to be discussed at a particular meeting.

All JDA employees are required to fill in declarations of interest covering shareholding in private companies, membership of close corporations, directorships held, partnerships and joint ventures, remunerative employment outside of the JDA, gifts and hospitality and the status of their municipal accounts. The employees' declaration of interests was undertaken in 2020/21.

TABLE 66: ASSESSMENT OF MUNICIPAL TAXES AND SERVICE CHARGES OWED TO THE JDA

Detail	0-30 days	31-60 days	61-90 days	91-180 days	>181	Total
Not applicable	-	-	-			

This does not apply to the JDA as it does not levy municipal taxes and service charges.

TABLE 67: AMOUNTS OWED BY THE JDA FOR SERVICE CHARGES

Name of entity	Amount owed	Status	Comments
Johannesburg Water	Nil	Up to date	N/A
City Power	Nil	Up to date	N/A
City of Johannesburg	R4.4 million	Up to date	N/A

TABLE 68: ASSESSMENT OF DIRECTORS' AND SENIOR MANAGERS' MUNICIPAL ACCOUNTS

Name	Designation	Name of municipality	Municipal account name/number	Status as at 30 June 2021	Comments
S Moonsamy	Chief Finance Officer	City of Johannesburg	550017791	Nil	Account paid up
D. Cohen	Executive Manager: Strategy and Planning	City of Johannesburg	550412216	Nil	Account paid up
R Shirinda	Company Secretary	Ekurhuleni Municipality	1706238428	Nil	Account paid up
A Ngcezula	Chief Executive Officer	Nil	Nil	Nil	Nil
Z. Tshabalala	Chief Audit Executive	City of Tshwane	5002180543	Nil	Account paid up
P Mkhize	Senior Development Manager	City of Johannesburg	554943546	Nil	Account paid up
N Mulovhedzi	Senior Development Manager	City of Johannesburg	550117725	Nil	Account paid up

Name	Designation	Name of municipality	Municipal account name/number	Status as at 30 June 2021	Comments
M Soni	Executive Manager: Development Implementation	City of Johannesburg	552178804	Nil	Account paid up
B Seopela	Executive Manager: Corporate Services	City of Johannesburg	553091497	Nil	Account paid up
K Govender	Non-executive Director	City of Johannesburg	551971094	Nil	Account paid up
P Zagaretos	Non-executive Director	City Of Johannesburg	403253685	Nil	Account paid up
A Steyn	Non-executive Director	City of Johannesburg	300154298	Nil	Account paid up
M Ntanga	Non-executive Director	City of Johannesburg	403862542	Nil	Account paid up
E Peters	Non-executive Director	City of Tshwane	5011593639	Nil	Account paid up
T Sambo	Non-executive Director	City of Tshwane	5016239893	Nil	Account paid up
J Karuri-Sebina	Non-executive Director	City of Tshwane	5016239893	Nil	Account paid up
S Jensma	Non-executive Director	City of Tshwane	005280689	Nil	Account paid up
P Kganare	Non-executive Director	City of Johannesburg	402942942	Nil	Account paid up
EV Magerman	Non-executive Director	City of Ekurhuleni	2101596689	Nil	Account paid up
V Magale	Non-executive Director	City of Ekurhuleni	2603095147and 2603435486	Nil	Account paid up
S Moichela	Non-executive Director	City of Johannesburg	550380437	Nil	Account paid up
M Makwarela	Non-executive Director	City of Tshwane	14257104415 and 41181715040	Nil	Account paid up
M Hleko	Non-executive Director	Matjhabeng Municipality	12622364	Nil	Account paid up
N Moiloa	Non-executive Director	City of Johannesburg	401440390	Nil	Account paid up
S Masango	Non-executive Director	City of Johannesburg	5013324731	Nil	Account paid up
T Motlounq	Non-executive Director	City of Johannesburg	2100216375	Nil	Account paid up
T Mvundle	Non-executive Director	Merafong City	010082700000014	Nil	Account paid up

TABLE 69: DISCLOSURES OF FINANCIAL INTERESTS PERIOD 1 JULY 2020 TO 30 JUNE 2021

Position	Name	Description of financial interests (Nil or details)
Board Members	S Jensma	Director at: 1.Thembani International Guarantee Fund 2.Find Your Fire 3. Shared Interest
	M Ntanga	Director at: 1. Ntanga Nkuhlu Incorporated 2. Khumo Star (Pty) Ltd 3. Trustee at KTVR Trust

Position	Name	Description of financial interests (Nil or details)
	J Karuri-Sebina	Director at: 1. SA Council for Planners (SACPLAN) since 2016. (Resigned 2019 as Advisory Council Member) 2. SA Node of the Millennium Project NPO Director since 2004 3. PlanAct. NPO Director since 2018
	A Steyn	Director at: N/A Financial Interest: Shares in: Sasol Inzalo Sasol BEE Multichoice MTN Fedsure Telkom
	T Sambo	None
	K Govender	Director at: Mally Govender and Associates Zukramede (Pty) Ltd Shares in MTN Mally Govender and Associates Zukramede (Pty) Ltd Shares in MTN
	E Peters	Director at: KTA COOP BLUE VALLEY HOLDINGS LEM INNOVATIONS SMART HEALTH COOP SETUP INFRASTRUCTURE DEVELOPERS
	P Zagaretos	Director at: Tenurey Bespoke Advisory (Pty) Ltd Ule Investments (Pty) Ltd
Chief Executive Officer	A Ngcezula	Nil
Chief Financial Officer	S Moonsamy	Nil
Executive Managers	D Cohen	Nil
	R Shirinda	Nil
	Z Tshabalala	Audit and Risk Committee Member for Ekurhuleni Metropolitan Municipality and its entities.
	M Soni	Nil
	B Seopela	Nil

TABLE 70: DISCLOSURES OF FINANCIAL INTERESTS PERIOD 1 APRIL 2020 TO 30 JUNE 2020

Position	Name	Description of financial interests (Nil or details)
Chair	P Kganare	Nil
Board members	M Ntanga	Director at: 1. Ntanga Nkuhlu Incorporated

Position	Name	Description of financial interests (Nil or details)
		2. Khumo Star (Pty) Ltd 3. Trustee at KTVR Trust
	EV Magerman	Nil
	V Magale	Nil
	S Moichela	Director at: Mpande Property Fund Growthpoint & Investec African Property Fund (GIAP) Sole director and shareholder: Boqalo Investment & Consulting P/L
	M Makwarela	Director: Maluti Green Med - (Pharmaceutical) Haddon Resources (Agricultural) Haddon Progenetics (Agricultural)
	M Hleko	Nil
	N Moiloa	Nil
	S Masango	Director: Black Bull Consulting CC (Training) Ri Rothe (Pty) Ltd (Farming activities) Marrowfat (Pty) Ltd EGH (Pty) Ltd (Consulting) Partnership: S&B Partner 50% - Auditing and Accounting
	T Motloug	Director: TNT Financial Services Batloug Trading (Pty) Ltd TBS Investment Holding
	T Mvundle	Member Close Corporation: Timtom Security Trading and Projects – 100%

ANNUAL FINANCIAL STATEMENTS

- Annual Financial Statements
- Directors Report
- Company Secretary's Certificate