



Mid-Year Performance Report 2024/25

October to December 2024

JOHANNESBURG DEVELOPMENT AGENCY

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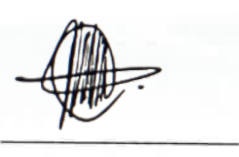
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Website : www.jda.org.za

Bankers : Standard Bank of SA Limited

Auditors : Auditor-General

APPROVAL

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CHAPTER 1: JDA LEADERSHIP AND CORPORATE PROFILE

SECTION 1: CHAIRPERSON'S FOREWORD

It is with a sense of pride and purpose that I present the Johannesburg Development Agency's (JDA) governance and operational highlights for the second quarter of the 2024/25 financial year.

This quarter has been marked by substantial strides in project implementation and governance. Notable progress has been made in city beautification, transport infrastructure improvements, and housing developments, despite challenges such as delays in town planning approvals, contractor performance issues, and funding shortfalls. Improved oversight, strengthened risk management, and enhanced communication remain key priorities as we work toward the timely and efficient delivery of these critical initiatives.

Financial governance continues to be a focal point, with an unqualified audit opinion from the Auditor-General for the 2023/24 financial year standing as a highlight of our efforts. However, areas for improvement remain, including addressing non-compliance findings and irregular expenditure. The adoption of a comprehensive Audit Action Plan and progress in resolving material irregularities reaffirm our commitment to financial accountability and sustainability.

Our workforce remains central to our success, and this quarter has seen progress in fostering a sustainable and inclusive working environment. Key achievements include exceeding B-BBEE and SMME spending targets, advancements in employee wellness and training programs, and the successful implementation of improved performance management systems. These initiatives are vital in building the capacity needed to fulfill our mandate.

Furthermore, our communication and marketing efforts have surpassed expectations, amplifying the visibility of our work and highlighting our role as a catalyst for urban transformation.

We have also placed significant emphasis on enhancing stakeholder engagement and addressing critical challenges such as youth unemployment. Through proactive communication and collaboration with our community partners, we are working to ensure that our projects deliver meaningful and lasting impact. Additionally, the implementation of revenue enhancement strategies and improvements to debt collection processes demonstrate our commitment to financial sustainability and operational efficiency.

The achievements of this quarter are a testament to the dedication of the JDA team, our Board, and our stakeholders. While challenges remain, we are confident that the measures we have put in place (including improved governance, strengthened compliance, and proactive stakeholder engagement) will enable us to continue delivering on our vision for a better Johannesburg.

I extend my heartfelt gratitude to all who contribute to our success and look forward to building on this momentum in the quarters ahead.

Mr Julia Maputla

Board Chairperson



ORCHARD'S CLINIC

SECTION 2: CHIEF EXECUTIVE OFFICER'S REPORT

I am pleased to present the 2nd quarter performance report for 2024/25 financial year, covering the period from 1 October 2024 until 31 December 2024. This quarter presented the JDA with challenging circumstances such as, the City's Cash Flow mismatch or challenges and its impact thereof on the JDA's performance. Due to this challenge the Entity was unable to fulfil the payment obligations to its Service Providers as some of the invoices that were submitted by the JDA's service providers could not be settled within 30 days. JDA is closely monitoring and managing projects against the respective conditions of the contracts and equally monitoring funds and invoices on a continuous basis.

During the month of December 2024, the Entity compiled the 2024/25 mid-year budget adjustments that were presented to the City's Technical Budget Steering Committee. As part of these adjustments JDA had to reduce its budget for the current financial year 2024/25. The JDA's funding model for the longest time has been dependent on the capital projects that are implemented on behalf of the City's client departments. In the recent times there have been fluctuations in the capital project budgets implemented by the JDA. Accordingly, the Entity embarked on the review of its Business Model the focus among others, has been on expanding the Entity's revenue streams and diversifying the client base.

On the 9th of December 2024, Management held a fruitful JDA's Business Planning Session to review and refine the JDA's priorities and direction for the future, within the context of the City's strategic priorities, plans and programmes. Furthermore, to translate the JDA's updated priorities into a clear programme for the 2025/26 financial year, with indicators and targets – reprioritising service delivery programmes and projects within the context of available resources, based on an indicative budget. Lastly to make amendments on the 2024/25 Business Plan (compilation of the 2024/25 Deviation Report).

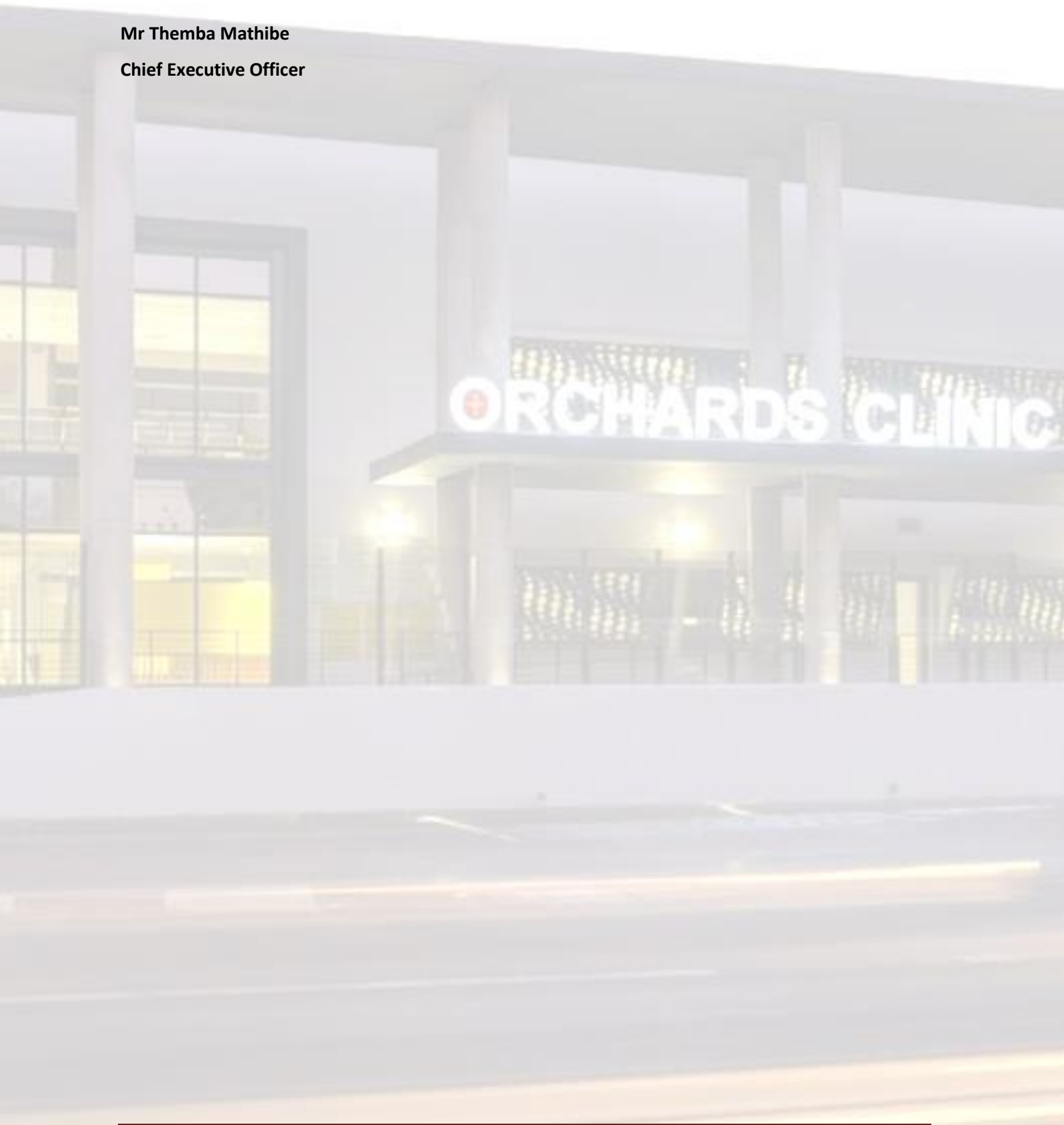
The JDA's 2024/25 Business Plan has a scorecard with twenty-one (21) Key Performance Indicators (including gatekeeping KPIs) and targets for the entire financial year, broken down into quarters. For the 2nd quarter there are seven (7) KPI's that are not due for reporting, hence, in total, the entity measures fourteen (14) of the twenty-one (21) KPIs that are in the scorecard. Regarding performance against the JDA's 14 KPI's, the JDA achieved 93% and 7% KPI targets were not achieved.

In view of the current business climate and the ever-increasing need to strengthen the Entity's human capital, it is worth noting that the various key positions, in Development Implementation, Development Planning and Facilitation, Monitoring and Evaluation, Internal Audit have been filled.

Despite these challenges encountered, I remain confident that together we will take JDA to greater heights. Let us remain committed and continue to do our best towards inculcating the culture of high performance.

Mr Themba Mathibe

Chief Executive Officer



SECTION 3: 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 in order for us to remain financially sustainable.

For the six months ended 31 December 2024 the JDA had earned total revenue of R74.7 million (2023/24: R51.7 million) and incurred total expenditure of R107.6 million (2023/24: R78.3 million) which resulted in an overall deficit of R32.9 million (2023/24: Deficit of 26.6 million).

The organisation achieved 110% (2023/24: 87%) of the budgeted target for revenue. Included in the revenue target is development management fees, operational grant. The development management fees are based as a percentage of the overall capital expenditure.

The JDA incurred expenditure against the budgeted target for operational expenditure of 158% (2023/24: 132% overall against target). The operational expenditure includes interest of R39.7 million that is charged on the JDA overdrawn sweeping account. The overdrawn account is as a result of the late settlement of claims from the various client departments.

The breakdown of the actual operational expenditure against budget is as follows:

TABLE 1: ACTUAL OPERATIONAL BUDGET

	Actual Prior year 31 December 2023	YTD Actual R'000	YTD Budget R'000	Variance R'000	% of actual against budget
Revenue	R51,739	R74,758	R68,032	R6,722	110%
Operating costs (before interest)	(R47,208)	(R67,921)	(R64,098)	(R3,823)	106%
Interest expense	(31,137)	(39,764)	(R3,935)	(R35,829)	1006%
Total operating costs	(R78,345)	(R107,685)	(R68,033)	(R39,652)	158%
Surplus/(Deficit)	(R26, 606)	(R32, 927)	(Rnil)	(R32 930)	

Actual capital expenditure for the six months ended 31 December 2024 was R418 million (202/23: R319. million) against an annual budget of R934 million (2023/24: R1.4 billion). This represents 45% (2023/24: 23 %) of the overall annual budget. There are still various factors that continue to affect projects including poor contractor performance and stoppages due to non-payment since COJ has cash flow problem.

The organization's total assets exceeded the total liabilities. The total net deficit of assets on 31 December 2024 was (R83 million (2023/24: R25.9 million).

The table below reflects the financial performance ratio of the organization for the period ended December 2023.

TABLE 2: FINANCIAL RATIOS

Key Performance Area	-	Actual 31 December 2023	Actual 31 December 2024
Current ratio	Above 1.5: 1	1.16:1	0.94:1
Solvency ratio	Above 2: 1	0.97: 1	0.97:1
Salaries to expenditure ratio	Below 60%	51%	46%
Revenue	R68 million	R51.7 million	74.7 million
Expenditure (including taxation)	R68 million	R78.3 million	R107.6 million
Surplus / (Deficit)	R nil	(R26.6 million)	(R25 million)
Total net assets	R15.4 million	(25.9 million)	(32.9 million)
Capital expenditure	50%	23.3%	45%

The liquidity ratio is higher when compared with last year quarter and solvency ratio is below than last year quarter and below to the current industry norms. The main contributing factor to the overall variance in comparison to the prior year is the higher receivables and lower loan to shareholder balance. Our major concern currently is the long outstanding balances owed by the city departments to the JDA and the overall impact this has on the liquidity and solvency of the JDA.

The remuneration ratio is lower than the target of 60% this is due to some vacant position that are not filled and high interest expense. The ratio is based on employee costs of R50 million over total expenditure of R107.6 million, which results in 46% of the expenditure.

Sinovuyo Mpakama
Chief Financial Officer

SECTION 4: CORPORATE PROFILE AND OVERVIEW

The Johannesburg Development Agency is one of the City of Johannesburg Municipality's entity which was established in 2002. Based on its memorandum of incorporation the entity's main purpose and object of the JDA is to, inter alia, promote socio-economic growth through the development and promotion of efficient spatial environments in defined geographic areas and regenerate decaying areas of the City to enhance their ability to contribute to economic development and improve quality of life for residents on behalf of the City by conceptualising, designing, facilitating and implementing specific capital and non-capital projects and programmes.

Since its inception, the JDA's role has evolved significantly and it is guided by the overarching frameworks of the National Development Plan, the Gauteng 2055 vision, the Growth Development Strategy (GDS) 2040, integrated Development Plan (IDP) and the CoJ's Spatial Development Framework (SDF). The agency is particularly, led by the 2040 strategy's ideals of resilience, liveability and sustainability – driven by the conviction that a resilient city is flexible and strong enough to solve complex and unanticipated problems.

In order to respond to the challenges, opportunities and local needs of the City of Johannesburg, the agency has evolved with the changing requirements of Johannesburg and its people. JDA has shifted its focus from triple bottom line outcomes (economic, social and environmental) in the inner city and marginalised areas to an emphasis on resilient, sustainable and liveable urban areas in identified transit nodes and corridors. Every area-based development undertaken by the JDA is supported by development facilitation functions 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. The entity gives much emphasis to precinct-based development, working with stakeholders to enhance areas and address local challenges and needs in a sustainable way through capital investments.

The JDA has implemented over 600 projects across all the seven regions of the City in 21 years of operation. Over the last five years, the JDA has grown by almost 100% from 50 employees to 96 employees and resulted in an increased capital budget and increased number of projects to implement on behalf of the City. The total Capex allocation increased to just over R5 Billion over the last 5 years.

Vision

To be the leading development agency of choice within South Africa

Mission

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

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.
- Transparency and openness

JDA Governance Arrangement

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

The Council's Section 79 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 departments and entities mandated with

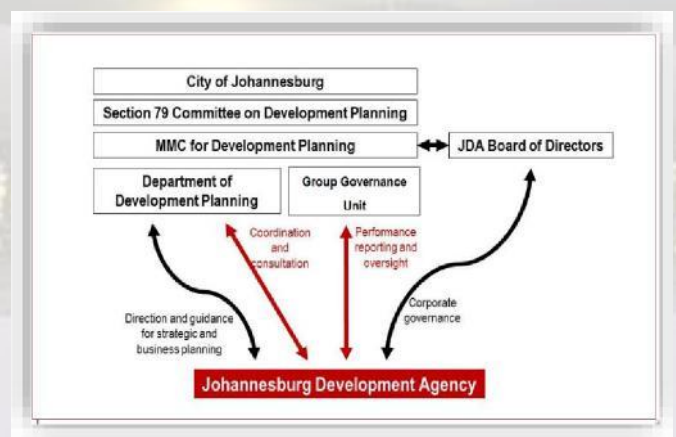


FIGURE 1: JDA GOVERNANCE SYSTEM

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 5: STRATEGIC GOALS AND OBJECTIVES

The JDA has set the following strategic objectives that are aligned with the COJ and the economic cluster's plans for sustainable services and economic growth for the medium term:

- To support the growth and development of strategic nodes into high quality, investor friendly and sustainable urban environment
- To efficiently, effectively and economically deliver sustainable social and economic infrastructure projects
- To promote economic empowerment and transformation through the structuring and procurement of JDA developments
- To strengthen and improve the JDA's corporate governance and operations to ensure that it remains an effective, efficient, self-sustained and well-governed organization

JDA's Role in Transforming the Spatial Economy

The JDA's primary medium-term purpose is to promote resilient city strategies by restructuring the urban spatial logic of the city. The Agency coordinates its area-based development activities and other catalytic interventions with the Department of Development Planning and with other client departments. To ensure that the JDA is best positioned to respond to the spatial development priorities, the agency co-ordinates and manages its activities through the following three substantive programmes:

- Programme 1. Strategic Economic Node Delivery Programme.
- Programme 2. Accelerated Infrastructure Delivery Programme.
- Programme 3. Economic Empowerment Programme.

In addition, the Agency ensures good governance of the organisation through an operational programme, resourced to support the optimal performance of the above three substantive areas:

- Programme 4. Good Governance, Management and Administration Programme.

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

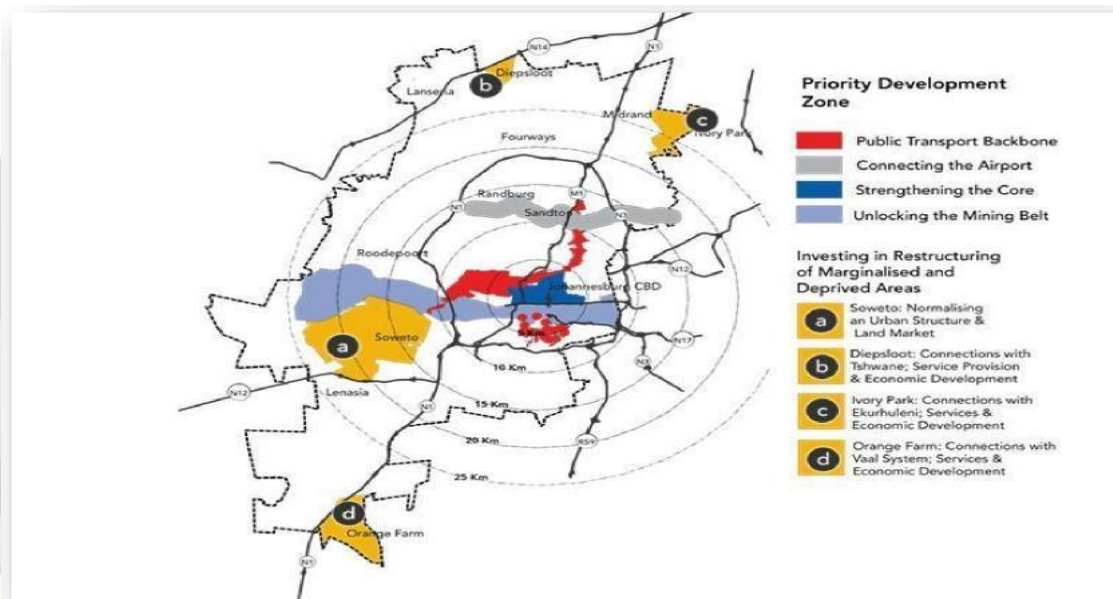


FIGURE 2: SDF 2040 PRIORITY ZONES

TABLE 3: SDF PRIORITY TRANSFORMATION AREAS AND CORRESPONDING JDA DEVELOPMENT REGIONS AND PROGRAMMES

SDF Priority Transformation Areas	Corresponding JDA Programmes	Regional JDA Development Programmes
Strengthening the metro core (inner city)	Inner City and the Old South (including Turffontein and Mining Belt).	<ul style="list-style-type: none"> Programme 1: Strategic Economic Node Delivery Programme. Programme 2: Accelerated Infrastructure Delivery Programme. Programme 3: Economic Empowerment Programme.
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/ Airport Corridor	Alex and the OR Tambo Corridor (Includes Randburg, Sandton, Cosmo City, Modderfontein, Frankenwald)	
Addressing marginalization	Marginalized Areas – Diepsloot, Ivory Park, Orange Farm	

The JDA's approach towards area-based development covers the following five practices and services:

- 1. Development identification and project packaging** - Identifying strategic opportunities to respond to the City of Johannesburg's focus area by bringing together all relevant stakeholders and parties to the initiative and developing an implementation plan.
- 2. Development and project facilitation and coordination** - Working with various stakeholders and parties to ensure that they are undertaking their roles as expected and required.
- 3. 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 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.
- 4. Post implementation support and sustainability** - Complement any capital development or investment with urban management initiatives and models.
- 5. 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, an analysis of the 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 the Agency's work and highlights the flow between them:



FIGURE 3: DEVELOPMENT PROCESS / LIFECYCLE

SECTION 6: SALIENT FEATURES**Performance Summary**

- JDA has managed to spend only 45% of its allocated Capital budget in the first half of the financial year against the target of 20%.
- A total of 356 EPWP work opportunities were reported as at end of the 2nd Quarter. The entity had not set EPWP target because of the cashflow challenges experienced in the last FY that were anticipated to continue in this financial year.
- The Entity has recorded a deficit of R33 million by end of the quarter due to interest on overdraft caused by the CoJ merchant payment delays. All invoices are submitted and awaiting intercompany transfers.

TABLE 4: OPERATING BUDGET MANAGEMENT

	Actual Prior year 31 December 2023	YTD Actual	YTD Budget	Variance	% of actual against budget
		R'000	R'000	R'000	
Revenue	R51,739	R74,758	R68,032	R6,722	110%
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TABLE 5: CAPEX SPENT

Programme	2024/25 Annual Budget	Actual YTD	Target YTD	Q2 Target %	% Actual /annual budget
	R' 000	R' 000	R'000	%	%
Capex for 2024/25 FY	934 464 775	418 852 296	233 616 194	20%	44.82%
Total	934 464 775	418 852 296	233 616 194	20%	44.82%

CHAPTER 2: CORPORATE GOVERNANCE

SECTION 1: CORPORATE GOVERNANCE STATEMENT

Governance Framework

The JDA's Board of Directors and executive management team adhere to governance principles outlined in the Code of Conduct for Directors, as per section 93L of the Municipal Systems Act, Circular 63 of the MFMA, and the King IV Code. Additionally, the organization follows governance principles from the Companies Act and the City's Governance framework. Adherence to these governance standards is monitored through Board subcommittees, such as the Audit and Risk Committee (ARC).

The Board regularly reviews and strengthens internal controls and governance processes to ensure the JDA operates ethically and within acceptable risk limits. During the reporting period, the Board oversaw compliance with the Companies Act, the Municipal Systems Act, the MFMA, and the applicable King Code.

JDA's Governance Arrangements

The JDA is accountable to the Department of Development Planning, which guides its contractual obligations, and to the Member of the Mayoral Committee for Development Planning, which provides political oversight. It also falls under the Economic Development Mayoral Cluster Committee, which ensures coordination and integration of work between departments and entities focused on the city's spatial transformation and economic growth. The Council's Section 79 Committee on Development Planning provides political oversight for the JDA's functions and activities.

The JDA's management is responsible for strategic and operational matters to the Board of Directors, which provides strategic guidance and oversees its execution. The JDA works closely with the Department of Development Planning to coordinate area-based development and other key interventions, collaborating with client departments during the design and construction phases of projects.

Implementation of King Code of Corporate Governance

The JDA Board follows Principle 13 of the King IV Code, which provides guidance on how the Board should manage its responsibilities concerning compliance with applicable laws, as well as non-binding rules, codes, and standards adopted by the organization. This commitment has led both the Board and the management team to embrace the principles of openness, integrity, and accountability as set out in the King Code.

During the reporting period, the JDA made significant progress in embedding and strengthening recommended governance practices within its structures, systems, processes, and procedures. The internal audit team regularly reported to the Audit and Risk Committee (ARC), which oversees the organization's compliance with the King Code.

The JDA applies the governance principles outlined in the King Code to the extent that they are relevant, and it continues to enhance and embed these practices within its governance frameworks. This process provides assurance to shareholders and stakeholders that the JDA is ethically managed within well-defined risk parameters and in line with recognized corporate governance standards. The ARC is responsible for monitoring the organization's adherence to the King Code, and the JDA has complied with the applicable provisions during the review period.

The Board of Directors has also integrated the City of Johannesburg's Corporate Governance Protocol into its Board Charter, which governs its relationship with the City as the JDA's sole shareholder, in alignment with good corporate governance and ethical practices. The protocol is based on the principles of the King IV Report on Corporate Governance for South Africa 2016, and the JDA's governance practices largely align with these principles. Continuous efforts are made to align fully with King IV recommendations, with the Board regularly reviewing progress to improve corporate governance.

Additionally, the JDA incorporates Environmental, Social, and Governance (ESG) factors into its daily operations and future reporting. Key ESG areas for the JDA include:

- Environmental: Issues such as climate change, energy use, water scarcity, pollution, and waste management.
- Social: Areas of focus include employment, labour practices, employee benefits, diversity, health and safety, human rights, community relations, and advancing broad-based black economic empowerment (B-BBEE).
- Governance: This includes corporate structure, management, strategic direction, compliance, anti-corruption efforts, and board and executive composition.

Ethical Leadership

The JDA Board provides leadership grounded in respect for ethical values, human dignity, and the rights of others. Its leadership is built on a strong ethical foundation, with the entity committed to upholding high standards of integrity. Since its inception in 2001, responsible leadership defined by the values of accountability, responsibility, fairness, and transparency has been a core characteristic of the organization.

The primary goal has always been to conduct business ethically while building a sustainable organization that considers the short- and long-term impacts of its actions on the economy, society, and the environment. In its

discussions, decisions, and actions, the Board remains mindful of the legitimate interests and expectations of the JDA's stakeholders.

Corporate citizenship

As a municipal entity, the JDA has social and moral responsibilities to the citizens. The Board is tasked with ensuring that the JDA safeguards, improves, and invests in the economy, society, and the natural environment. Additionally, the JDA carries out its activities within the framework of social, political, and environmental responsibilities as outlined in international human rights conventions.

Compliance with laws, rules, codes, and standards

The Board ensures 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 filed with the Registrar of Companies in line with section 268(d) of the Companies Act. The Board, through the Audit and Risk Committee (ARC), provides assurance that the entity remains compliant with all relevant laws. The Risk and Compliance department conducts quarterly compliance assessments, and the findings are presented to the ARC.

Citizen Involvement in Plan-Making and Project Implementation

As part of its commitment to public participation, the JDA, through city processes, ensures that communities and individuals are engaged in planning and project implementation. The City has adopted a community-based planning system to ensure that long, medium, and short-term plans reflect the needs of citizens. In preparing the Integrated Development Plan (including the Spatial Development Framework) and during the annual review of the Regional Spatial Development Framework, a structured participation process is followed. This process includes public meetings where any interested party can provide feedback or raise objections to proposed plans.

For area-based planning, the JDA follows a structured participation approach, which includes key public meetings at the start of the process and at the point of draft proposals. Additionally, other participatory methods, such as stakeholder meetings and information leaflets, may be used depending on the project's context. Citizens can also participate in developing detailed precinct plans at the neighbourhood level, and in many cases, these plans are initiated by local residents. The planning department is exploring ways to help communities pool resources to participate in the creation of precinct plans.

Local ward councillors, ward committees, and residents' associations serve as key channels for citizens to engage in public participation processes related to planning and project development.

The JDA Board of Directors adheres to good corporate governance principles outlined in the King Code and the Code of Conduct for Directors, as mentioned in section 93L of the Municipal Systems Act, 2000 (MSA). The Board recognizes the importance of conducting the municipal entity's affairs with integrity to enhance public and municipal confidence. It is the Board's policy to continuously review and improve the entity's control and governance systems, ensuring ethical management within well-defined risk parameters.

1.1 . Board Of Directors

The JDA adheres to the provisions of its Memorandum of Incorporation (MOI) and the Group Governance Policy regarding the nomination, appointment, composition, and remuneration of its Board members. Directors are appointed through a resolution passed at the Annual General Meeting (AGM), with the Board's composition determined by the experience, qualifications, and skills needed to guide the entity's strategic direction. The JDA has a unitary board, consisting of both executive and non-executive directors, who collectively bring a diverse range of expertise in areas such as accounting, finance, legal matters, business management, human resources, marketing, construction, and development management.

The JDA's sole shareholder, the City of Johannesburg (CoJ), reviews the terms of non-executive directors annually at the AGM. The Board is accountable to both the CoJ and the citizens of Johannesburg, and its relationship with the CoJ is governed by a service delivery agreement and a shareholder compact, as outlined in the Municipal Systems Act.

The Board submits quarterly, biannual, and annual performance and service delivery reports to the City of Johannesburg in accordance with the requirements of the service delivery agreement, the shareholder compact, the MFMA, and the Municipal Systems Act. Non-executive directors maintain an independent perspective on matters and contribute their expertise to enhance the Board's effectiveness. The roles of the Chairperson and the Chief Executive Officer are distinct, with responsibilities clearly divided between them.

Board members have unrestricted access to the Company Secretary, who provides guidance on corporate governance, compliance, statutory requirements, and best practices. The Board or its members can also seek independent professional advice at the company's expense when necessary.

An annual Board evaluation is conducted to identify areas for improvement and to consolidate strengths, and the performance of Board committees is assessed against their terms of reference.

As at the Annual General Meeting held on 31 July 2024, the JDA Board of Directors comprises of the following members:

1. Mr Julias Maputla (Chairperson)

2. Ms Mally Hilda Mokoena
3. Mr Mongezi Ntanga
4. Ms Daliwe Oliphant
5. Ms Morwesi Ramonyai
6. Ms Nomakhosazana Ella Veyi
7. Mr Thabo Sibeko
8. Mr Vukile Hlongwa
9. Mr Boitumelo Molelekeng
10. Mr Siyabonga Masiza
11. Mr Tshepo Nawane

Mr Themba Mathibe – appointed CEO effective 01 June 2024

Mr Sinovuyo Mpakama appointed Chief Financial Officer effective 01 January 2024

The appointed Independent Audit and Risk Committee members are:

1. Ms Winie Nozuko Yawa
2. Ms Ellen Rakodi
3. Mr Dalton Radimetja Ramaoma
4. Mr Oupa Madala Galane

TABLE 6: BOARD COMPOSITION

Board member	Capacity: Executive/ Non-executive	Race	Gender	Board Committee Membership
Mr. Julias Maputla	Chairperson (Non-executive)	Black	Male	Development and Investment Committee
Ms. Daliwe Oliphant	Non-executive	Black	Female	Audit and Risk Committee (Chair)
Ms. Morwesi Ramonyai	Non-executive	Black	Female	Audit and Risk Committee and Development & Investment Committee
Mr. Mongezi Ntanga	Non-executive	Black	Male	Social & Ethics, Human Resources and Remuneration Committee

Ms. Ella Veyi	Non-executive	Black	Female	Social Ethics, Human Resources and Remuneration Committee
Ms. Mally Mokoena	Non-executive	Black	Female	Social & Ethics, Human Resources and Remuneration Committee (Chair)
Mr. Thabo Sibeko	Non-executive	Black	Male	Audit and Risk Committee
Mr. Vukile Hlongwa	Non-executive	Black	Male	Audit and Risk Committee
Mr. Siyabonga Masiza	Non-executive	Black	Male	Social & Ethics, Human Resources, & Remuneration Committee
Mr. Boitumelo Molelekeng	Non-executive	Black	Male	Development and Investment Committee
Tshepo Nawane	Non-executive	Black	Male	Development and Investment Committee (Chair) & Audit and Risk Committee

The JDA Directors collectively possess a diverse array of skills and experiences that they contribute to the benefit of the organization. Their expertise encompasses areas such as accounting, finance, law, business management, human resources, labour relations, marketing, construction, and development management.

The Board convenes regularly, exercising full and effective control over the organization while overseeing the execution of the company's strategic programs by the executive management through a structured reporting and accountability framework. It establishes the strategic direction for the JDA and monitors overall performance. All Board Committees are chaired by non-executive directors, who are responsible for overseeing the entity's performance.

1.2 Board Committees

Board Meeting Attendance

The Board and its Committees operate under the Group Policy established by the shareholder, which directs the functions of the City entities' Boards along with their respective charters. This policy stipulates that the Board should hold four regular meetings each financial year, with special meetings requiring justification. The table below outlines attendance at meetings during the second quarter.

TABLE 7: BOARD AND BOARD COMMITTEE MEETINGS & ATTENDANCE (01 JULY 2024 TO DECEMBER 2024)

Name	Board Meetings = Total of 5 Meetings				Audit & Risk Committee= Total of 5 Meetings				Social & Ethics/ HR & Remuneration Committee = Total Of 4				Development Committee = Total of 3			
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent
Julius Maputla (Chairperson)	5	3	1	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3	2	0	0
Daliwe Oliphant	5	5	0	0	5	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	NA
Makoko Makgonye Ceased to be a NED on 31 July 2024	3	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	1	0	0
Mongezi Ntanga	5	4	1	0	N/A	N/A	N/A	N/A	4	3	1	0	N/A	N/A	N/A	N/A
Pinkie Numa Ceased to be a NED on 31 July 2024	3	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	1	0	0
Morwesi Ramonyai	5	5	0	0	5	4	N/A	N/A	N/A	N/A	N/A	N/A	3	3	0	0
Siyabonga Masiza	5	5	0	0	2	1	0	0	4	4	0	0	N/A	N/A	N/A	N/A
Vukile Hlongwa	5	5	0	0	5	5	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nandipha Zonela Ceased to be a NED on 31 July 2024	3	1	0	0	N/A	N/A	N/A	0	N/A	N/A	N/A	N/A	2	1	0	0

Mally Mokoena	5	5	0	0	N/A	N/A	N/A	0	4	4	0	0	N/A	N/A	N/A	N/A
Bruce Sarela Ceased to be a NED on 31 July 2024	3	1	0	0	2	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Boitumelo Molelekeng	5	3	0	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3	2	0	0
Thabo Sibeko	5	4	0	0	5	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tshepo Nawane	5	5	0	0	5	4	0	0	2	1	0	0	3	2	0	0
Nomakhosazana Ella Veyi	5	4	0	0	N/A	N/A	N/A	N/A	4	3	0	0	N/A	N/A	N/A	N/A
Sivuyile Mndawe (IAC) Ceased to be IAC member on 31 July 2024	N/A	N/A	N/A	N/A	2	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Patrick Lebopa (IAC) Ceased to be a member of an IAC member on 31 July 2024	N/A	N/A	0	0	2	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr Oupa Madala Galane (IAC)	N/A	N/A	0	0	5	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr Dalton Radimetja Ramaoma (IAC)	N/A	N/A	0	0	5	3	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms Ellen Rakodi (IAC)	N/A	N/A	0	0	5	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms Winnie Nozuko Yawa (IAC)	N/A	N/A	N/A	N/A	5	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Board Committees

The following committees have been constituted, 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 8: COMPOSITION OF COMMITTEES AS AT DECEMBER 2024

Composition	Mandate and Quarterly Activities
Audit and Risk Committee	
<p>The Audit and Risk Committee, which consists of five non-executive directors and four independent members, meet not less than four times a year. Most 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"> • Daliwe Oliphant (Chairperson) • Tshepo Nawane • Vukile Hlongwa • Morwesi Ramonyai • Thabo Sibeko • Nozuko Yawa (Independent Audit Member) • Ellen Rakodi (Independent Audit Member) • Dalton Ramaoma • Oupa Galane <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>	<ul style="list-style-type: none"> • Auditor-General's Report: The Auditor-General (AG) reported that the JDA received an unqualified audit opinion. The AG noted improvements in achieving performance targets, from 67% in the previous year to 89%. Repeat findings on non-compliance with legislation, including late payments to creditors and budget overspending, were highlighted. • The report detailed the status of material irregularities, confirming that previous issues regarding advance payments had been resolved through appropriate actions taken by management. The committee approved both the Management Report and the Audit Report. <p>Irregular Expenditure: The committee considered irregular expenditure across several projects.</p> <p>Audit Action Plan: The committee reviewed and approved an Audit Action Plan outlining measures to improve financial systems and strengthen internal controls to prevent future non-compliance and irregular expenditure.</p> <p>The ARC further covered a wide range of topics, focusing primarily on reviewing and recommending several reports to the Board. These included:</p> <ul style="list-style-type: none"> • JDA Revenue Collection Strategy: This report outlined strategies to improve revenue collection from city departments, addressing challenges such as outstanding balances, missing

Composition	Mandate and Quarterly Activities
<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> <p>The following key activities were recorded for the quarter</p> <p>The ARC focused primarily on reviewing and recommending the Audited Financial Statements and the Auditor-General's Management and Audit Reports for the 2023/24 financial year. This included detailed discussions regarding:</p> <ul style="list-style-type: none"> Financial Performance: The committee reviewed the financial statements, noting increases in both current and non-current assets, but also a significant increase in liabilities due to loans from the shareholder. Concerns were raised regarding the entity's financial health and the ongoing losses. Management responded with assurances of actions underway to improve cash flow and address the situation. 	<p>SLAs, and budget constraints. The committee recommended the Revenue Collection Strategy to the Board for approval.</p> <ul style="list-style-type: none"> Internal Audit Assurance Reports: The committee reviewed internal audit assurance reports for several projects. The reports highlighted delays, necessitating contract extensions and budget revisions, and also recommended enhanced oversight and improvements in control environments. The committee recommended the reports to the board for noting. S116 Report (Extension of Contracts): The committee reviewed reports regarding contract extensions for professional teams working on various projects. The committee recommended these to the board for approval.
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 4 (four) 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"> Mally Mokoena (Chairperson) Mongezi Ntanga Siyabonga Masiza Nomakhosazana Ella Veyi 	<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>Report on JDA's Strategic Objectives: The committee reviewed and recommended to the Board for approval an update on the Stakeholder Engagement: The committee acknowledged the need for improved communication and collaboration with stakeholders (especially in relation to project implementation) to ensure smooth project delivery. Regular meetings and proactive communication were recommended.</p> <p>Timely Project Implementation: Delays in implementing the SAP system and other projects were identified as needing urgent attention. The committee emphasised the importance of ensuring that necessary approvals are obtained in a timely manner.</p> <p>Financial Management: Concerns about the homeowners' allowance and freezing of interest on JDA's books need to be</p>

Composition	Mandate and Quarterly Activities
<p>The remuneration of the Chairperson, the non-executive directors and independent audit committee members is determined by the City of Johannesburg.</p> <p>The following key activities were recorded for the quarter</p> <p>Q1 Implementation of SCM Policies and Procedures: The committee reviewed and noted the progress report on the implementation of Supply Chain Management (SCM) policies and procedures from 1 July 2024 to 26 September 2024. Key highlights included exceeding B-BBEE spending targets and meeting SMME spending targets. No complaints or objections were received regarding tender processes. Risk tolerance limits were adhered to.</p> <p>Corporate Services Report: The committee reviewed the Q1 Corporate Services Report.</p> <p>implementation of the JDA mitigation plans across capital projects, finance, and corporate shared services. Key points included updates on project management system implementation, revenue enhancement strategies, and debt collection efforts.</p>	<p>addressed. The management acknowledged these issues and the need for a timely resolution.</p> <p>The committee considered the Performance Management Report for the 2023/24 financial year, outlining the process for awarding performance bonuses in accordance with the JDA's approved policy and relevant guidelines.</p> <p>The presentation highlighted the key performance indicators (KPIs), assessment tools, and scoring system. The report detailed the number of employees eligible for bonuses, categorised by performance level and eligibility criteria.</p> <p>Discussions included financial viability, and ensuring compliance with the relevant audit requirements. The committee recommended the payment of performance bonuses for the 2023/24 financial year to the Board for approval.</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"> • Tshepo Nawane (Chairperson) • Julius Maputla • Boitumelo Molelekeng • Morwesi Ramonyai <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> <p>The following key activities were recorded for the quarter</p> <p>Project Updates: The committee reviewed progress on numerous projects, including city beautification, walkable networks, housing developments, and transport infrastructure improvements. Several projects faced delays due to town planning issues, contractor performance issues, and funding shortfalls. The committee stressed the importance of better</p>	<p>Financial Performance: The committee received a project implementation report, noting that overall expenditure surpassed the 10% target but that several projects were significantly underfunded. The report highlighted the need for stricter financial controls and a more proactive approach to managing budget shortfalls. Concerns were raised about delayed payments to contractors.</p> <p>Compliance and Risk Management: The committee reviewed internal audit reports highlighting compliance issues, especially regarding town planning approvals and procurement processes. Recommendations focused on strengthening risk management practices, improving oversight, and ensuring compliance with regulations. Specific attention was paid to the need for better communication and more proactive management of project risks.</p>

Composition	Mandate and Quarterly Activities
oversight, improved communication, and stronger risk management to mitigate these challenges.	

Duties of the Board

The Board retains full and effective control over the organization and monitors the implementation of the JDA's strategic objectives. It sets the entity'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 the City of Johannesburg 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 organization's purpose and values in accordance with 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 included the City of Johannesburg's corporate governance protocol in its charter, which governs its relationship with the City of Johannesburg as its sole member and parent municipality, promoting good corporate governance and ethical practices. This protocol is based on the principles outlined in the King Code. The charter details the Board's composition and its powers.

1.3. Directors And Prescribed Officers Remuneration

The JDA remunerates non-executive directors and independent audit committee members according to a policy and in amounts set periodically by the City of Johannesburg Metropolitan Municipality, acting

as the sole shareholder of the JDA. This arrangement was reaffirmed by a special resolution at the Annual General Meeting. Non-executive directors and independent audit committee members receive payment for each meeting attended. Executive directors and prescribed officers are employees of the JDA and do not receive any additional compensation related to their positions. The table below shows the gross amounts or total costs incurred by the JDA for the fees of executive directors, non-executive directors, and independent audit committee members.



**TABLE 9: EXECUTIVE DIRECTORS, SENIOR MANAGEMENT AND NON-EXECUTIVE DIRECTORS & INDEPENDENT AUDIT COMMITTEE MEMBERS REMUNERATION AND ALLOWANCES
AS AT 31 DECEMBER 2024**

Name	Designation	Salar/Board Fees	Pension	Acting allowance	Bonus/Board Retention Fees	Travel allowance	Non-Pensionable Gratuity	Total
Executive Directors & Senior Management -								
T Mathibe	CEO	1 367 945,58	211 944,30	-	177 159,50	-	1 818,00	1 758 867,38
S Mpakama	CFO	1 062 043,44	164 543,63	-	136 440,00	-	9 090,00	1 372 117,07
T Msane	Company Secretary	742 665,42	115 065,96	-		-		857 731,38
O Nkoane	EM: Development Planning and Facilitatio	1 124 434,74	125 745,60	-	310 702,28	-	10 908,00	1 571 790,62
S Genu	EM: Project Implementation	773 604,27	107 036,74	-	318 360,00	-	7 272,00	1 206 273,01
M Mazibuko	EM: Corporate Services	1 175 157,43	182 058,99	-	113 700,00	-	9 090,00	1 480 006,42
T Maota	Chief Audit Executive	847 246,92	131 269,14	-		-		978 516,06
Sub-Total		7 093 097,80	1 037 664,36	-	1 056 361,78	-	1 818,00	9 225 301,94
Non-Executive Directors & Independent Audit Committee Members								
1 July 2024 to December 2024								
Mr Julius Maputla	Board Chairperson	0.00	N/A	N/A	N/A	N/A	N/A	0.00
Ms Daliwe Oliphant	Board Member (ARC Chair)	R116 000	N/A	N/A	N/A	N/A	N/A	R116 000
Ms Mally Mokoena	Board Member (SEHR Chair)	R94 000	N/A	N/A	N/A	N/A	N/A	R94 000
Mr Mongezi Ntanga	Board Member	R64 000	N/A	N/A	N/A	N/A	N/A	R64 000
Ms Morwesi Ramonyai	Board Member	R116 000	N/A	N/A	N/A	N/A	N/A	R116 000
Ms Nandipha Zonela	Board Member	R22 000	N/A	N/A	N/A	N/A	N/A	R22 000
Mr Bruce Sarela	Board Member	0.00	N/A	N/A	N/A	N/A	N/A	0.00
Ms Pinkie Numa	Board Member	0.00	N/A	N/A	N/A	N/A	N/A	0.00
Mr Vukile Hlongwa	Board Member	R100 000	N/A	N/A	N/A	N/A	N/A	R100 000

Name	Designation	Salar/Board Fees	Pension	Acting allowance	Bonus/Board Retention Fees	Travel allowance	Non-Pensionable Gratuity	Total
Mr Makoko Makgonye	Board Member	R20 000	N/A	N/A	N/A	N/A	N/A	R20 000
Mr Siyabonga Masiza	Board Member	0.00	N/A	N/A	N/A	N/A	N/A	0.00
Mr Tshepo Nawane	Board Member	R112 000	N/A	N/A	N/A	N/A	N/A	R112 000
Mr Boitumelo Molelekeng	Board Member	R52 000	N/A	NA	N/A	N/A	N/A	R52 000
Mr Thabo Sibeko	Board Member	R80 000	N/A	N/A	N/A	N/A	N/A	R80 000
Ms Ella Veyi	Board Member	R64 000	N/A	N/A	N/A	N/A	N/A	R64 000
Mr Sivuyile Mndawe	Independent Audit & Risk member	R8 000	N/A	N/A	N/A	N/A	N/A	R8 000
Mr Patrick Lebopa	Independent Audit & Risk member	R8 000	N/A	N/A	N/A	N/A	N/A	R8 000
Ms Nozuko Yawa	Independent Audit & Risk member	R8 000	N/A	N/A	N/A	N/A	N/A	R8 000
Ms Ellen Rakodi	Independent Audit & Risk member	R32 000	N/A	N/A	N/A	N/A	N/A	R32 000
Mr Dalton Ramaoma	Independent Audit & Risk member	R8 000	N/A	N/A	N/A	N/A	N/A	R8 000
Mr Oupa Galane	Independent Audit & Risk member	R8 000	N/A	N/A	N/A	N/A	N/A	R8 000
Sub total		R912 000	N/A	N/A	N/A	N/A	N/A	R912 000
TOTAL		R8 005 097,8	R1 037 664,36	-	R1 056 361,78	-	R1 818,00	R10 137 301,94

The directors' emoluments were taxed according to South African Revenue Services' guidelines.

Loans and advances

In accordance with 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.

1.4. Company Secretarial Function

The Company Secretary has a key role to play in ensuring that Board procedures are followed and regularly reviewed. The Chairperson and the Board consult with the Company Secretary for guidance on Board responsibilities, under the rules and regulations as well as how these responsibilities should be discharged. All Directors have access to the advice and services of the Company Secretary and recognise that the Chairperson is entitled to support from the Company Secretary in ensuring the effective functioning of 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:

- Organizing, preparing agendas, and taking minutes of meetings.
- Dealing with correspondence, collating information, writing reports, ensuring decisions 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 optimize the impact of the catalytic public investments, and the establishment of urban management partnerships to ensure the sustainability of the catalytic public investments. The organizational structure during the reporting period is presented below.

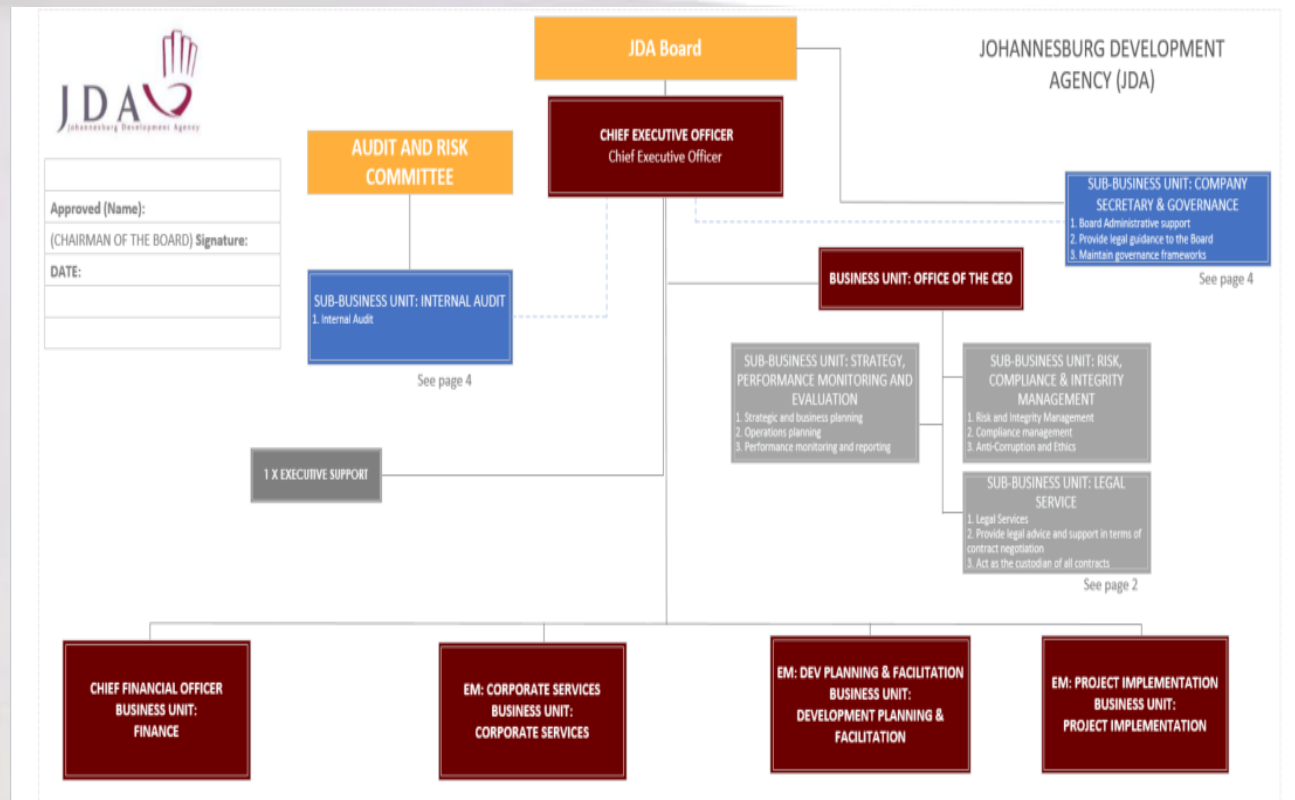


FIGURE 4: HIGH LEVEL ORGANISATION STRUCTURE

SECTION 3: RISK MANAGEMENT

The JDA has an integrated approach to risk management and has adopted the City's Group Risk Management Framework with few amendments as approved by Council and it is important to note the following:

- The JDA's Compliance Framework is aligned to the City's Group Framework and approved by the ARC.
- The Risk Management Frameworks are reviewed every three years or earlier, as and when necessary. The Framework has been adopted and approved by the JDA's ARC.

3.1 Risk Management Implementation Plan

The Annual Risk Management Implementation Plan for the current financial year 2024/25 was approved by the ARC. The planned KPI's have been implemented in the mid-year (1st and 2nd quarter) of the current financial year, these KPI's are as follows:

- Operational Risk Assessments.
- Strategic Risk Management Report.
- Operational Risk Management Report.
- Compliance Assessment to URR.
- Updated the Universal Regulatory Register (URR)
- 100% Collation of Employees Declaration of Interests (2024/25).
- Conduct Ethics awareness.
- Fraud Risk Monitoring (conducted Anti-Fraud and Anti-Corruption Awareness/ Training).
- Compiled the Business Continuity Management Policy.
- Reviewed the Enterprise Risk Management Framework.
- Reviewed the Risk Appetite and Tolerance Management Framework.
- Investigations (compiled UIFW write-off Reports that were tabled at Board in August 2024, October 2024 and November 2024, post the investigations).

3.2 Status on the Strategic Risk Management Mitigation Plans

There is 89% achievement on the committed strategic future mitigation plans for the 2nd quarter of 2024/25 financial year. This achievement is against the target of 80%, that is among the City-Wide Gatekeeping KPI's incorporated in the JDA's 2024/25 Business Plan Scorecard. Hence achieving 89% means there is a positive variance of 9% (achievement exceeded the set target). The table below depicts the overall achievement in the implementation of strategic risks mitigations for the 2nd quarter.

TABLE 10: OVERALL MITIGATION IMPLEMENTATION AS AT 31 DECEMBER 2024

Key Performance Indicator	2 nd Quarter - Target	2 nd Quarter Performance	– Variance
Implementation of committed Strategic Action Plans.	80%	89%	9%

3.3 Residual Strategic Risks triggered by Risk Tolerance threshold and reported as per Priority for Attention Reporting Framework

Key Risk Indicators (KRI's) have been developed and linked to risk categories and risks. These KRI's are aligned to the organization's key performance indicators (KPI's) to monitor the defined milestones and targets in pursuit of the set objectives.

The strategic risks reported below trigger reporting for the attention of EXCO and ARC to intervene, treat and monitor these risks more closely to ensure achievement of expected performance.

Residual risk rating level of amber and above must be reported to EXCO and ARC to allow early intervention as per the JDA's adopted Risk Management Framework.







Progressed	Stagnant	Regressed
		

TABLE 11: RESIDUAL STRATEGIC RISKS TRIGGERED BY RISK TOLERANCE THRESHOLD

No	Risk Name	RR- 01 October 2024	RR- 31 December 2024	RR -Movement	KRIs triggered	Status on the KRIs	Proposed Action Plans
1.	Poor project performance.	16	16		Number of contractors put on terms/ terminated contractors.	The residual risk rating is stagnant. There were two (2) contractors put on terms/ terminated. There is one (1) contractor that is put on terms and another contractor terminated in Q2. Hence, there will be continuous monitoring of this risk.	Close monitoring of the project implementation.
2.	No/insufficient working capital to finance the project (contractor).	12	12		Delay in payment of contractors/ Invoices paid outside 30 days.	<p>In quarter two, JDA paid a total of 571 invoices. Of these invoices, only 4% were paid outside 30 days payment cycle amounting to R30 734.53.</p> <p>The risk has regressed by a further 1% from 3% to 4% and JDA has a zero tolerance on invoices paid over 30 days.</p> <p>The residual risk has remained stagnant, and the effectiveness of the implemented control will be monitored.</p>	<p>JDA has developed a central point where all invoices will be received for timeous processing.</p> <p>Cashflow CoJ diversifying the business.</p>
6.	Inability to ensure financial sustainability.	12	10		20% of the budget spent on city-wide infrastructure.	JDA has achieved 44,82% Capex spent as per quarter two target.	Close monitoring of the project implementation.

No	Risk Name	RR- 01 October 2024	RR- 31 December 2024	RR -Movement	KRIs triggered	Status on the KRIs	Proposed Action Plans
						Therefore, the residual risk rating has progressed.	

Considering the information contained in the table above, there is a heightened level of concern regarding the risks that have triggered the risk tolerance. These risks, if not effectively managed to reduce the level of residual risk exposure to the JDA, threaten the achievement of key strategic objectives and the vision of JDA being perceived as the implementing agent of choice.

Corporate Ethics and Organizational Integrity

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 Company, through its Social, Ethics & Human Resource Committee, addresses issues relating to the ethical conduct of the Company and its employees. It is a requirement for any Director and Executive Manager at any meeting of the Board of Directors, Board Sub Committees, and the Audit & Risk Committee to declare interest and sign a register to that effect. Should such a conflict exist, the Director or Executive Manager concerned is recused from the proceedings. Furthermore, employees are requested to sign a declaration of interest on an annual basis to ensure issues of conflict of interest are addressed accordingly.

Minimizing conflict

Employees who participate in Supply Chain Management processes are required to disclose their interests in business enterprises that bid for the provision of goods/services at the JDA. The declarations are registered and filed for audit purposes. An undeclared conflict of interest will, when detected, lead to the bid not being awarded to the enterprise in which an employee has interest and result in consequence management.

In terms of the Standard Bidding Documents (SBD) documents, bidders are required to submit a declaration whether their close family member/ partner/ associate are in the employ of the state. The conflict of interest thus disclosed will be kept in the register for audit purposes. If employees or their close family members/partners/associates of the bidder, director or shareholder have business interests in an enterprise that has submitted a bid to the JDA, the employee is required to disclose his/her interest and withdraw from participating in the process.

Non-adherence to the Conflict-of-Interest disclosure requirements will lead to irregular expenditure being incurred by the JDA. The irregular expenditure will then be reported to the Audit and Risk Committee, City of Johannesburg and Auditor General. Disciplinary measures will be instituted against employees who do not comply with the disclosure requirements.

JDA has developed a Conflict-of-Interest Form, with effect from 2024/25 financial year that it will be completed by employees as and when they declare conflict of interest and it will be kept for record purposes.

SECTION 4: ANTICORRUPTION AND FRAUD

Annual Fraud Risk Awareness is conducted through risk assessment and awareness workshops which focuses on fraud risk, fraud prevention, detection, the right to remain anonymous, reporting procedure and the various platforms to which suspected fraud and corruption can be reported.

Fraud Prevention Awareness Programme also focuses on five strategic pillars {Detection, Prevention, Reporting, Investigation and Resolution} regarding fraud and corruption and other factors that propel individuals to fall prey to committing fraud and corruption.

Critical to the anti-fraud and anti-corruption programme is the prevention strategic pillar as contained in the Fraud Prevention Strategy and Response Plan, as part of the prevention strategy, the following fraud risk management documents are in place:

- Fraud Risk Management Policies.
- Fraud Prevention Strategy and Response Plan.
- Whistle-Blowing Policy.
- Code of Ethics Policy.

JDA utilizes the City of Johannesburg Anti-Corruption Hotline (NACH) which is managed by an independent service provider. Internal reporting processes include electronic reporting of fraud allegations via telephone, email, and walk in reporting.

An internal electronic system for fraud allegations received via the hotline is captured and maintained in a log register from the point of reporting, before allegations are escalated to the Anti-Fraud and Anti-Corruption unit for investigation.

Fraud, Corruption and Maladministration allegations are investigated by the Group Forensics and Investigation Department as per memorandum signed by the City Manager on the 07 March 2017.

There were no cases reported in the 2nd quarter of the 2024/25 financial year, as illustrated in the below table.

REPORTED CASES

The JDA utilizes the City of Johannesburg Anti-Corruption Hotline (NACH) which is managed by an independent service provider. Internal reporting processes include electronic reporting of fraud allegations via telephone, email, and walk in reporting.

TABLE 12: REPORTED CASES

NO	GFIS Number	Date captured	Allegation	Current Status	Limitations/Challenges
1.	04/05/2024	07/05/2024	Alleged Fraud & Corruption of a person perpetuating to be JDA's CEO requesting a bribe from a service provider in the tendering process.	The matter was closed as undetected	None
2.	71/02/2022	02/28/2022	Alleged possible Fraud & Corruption in the implementation of the projects related to Selby Depot and JDA. Braamfischerville Project valued at around R94mil.	The matter was closed, it will be referred to JDA Board because it involves section 57 employees. GFIS does not have mandate to	GFIS does not have mandate to investigate section 56/57 employees.

Progress on fraud cases is provided monthly via Teams meetings given the slow pace in resolving cases. The objective of these meetings is to discuss the progress of each case and the challenges encountered.

SECTION 5: ICT GOVERNANCE

According to Principle 12 of King IV™, the purpose of IT Governance is “to support the organization to set and achieve its objectives. To the above extent, ICT continues to recognize that technology is now more than just an enabler, but that technology is now both the source for future opportunities at JDA and for all platforms on which the JDA conducts its business.

5.1 ICT SECURITY**5.1.1 ANTI-VIRUS AND MALWARE**

The JDA uses Bitdefender Gravity Zone Antimalware, which is currently installed on 93 Active JDA Physical Endpoints and 31 JDA Virtual machines.

5.1.1.1 Summary Statistics

In the months of Quarter 2, the statistics were as follows.

- **BitDefender GravityZone Antimalware** has been installed on **96** Active JDA Physical Endpoints and **38** JDA Virtual Machines.
- The diagram on the previous page shows the **TOP 5** types of threats that were blocked by the Bitdefender GravityZone Antimalware during this reporting period, as well as the total managed endpoints and active endpoints.
- Out of the TOP 5 types of threats, Lateral Movement is the highest in this reporting period.
- **BitDefender GravityZone Antimalware** has successfully blocked a total of **11** threats in this reporting period.
- **BitDefender GravityZone Antimalware** successfully identified and blocked Lateral Movement, Virus, Spyware, Adware and Rootkit.

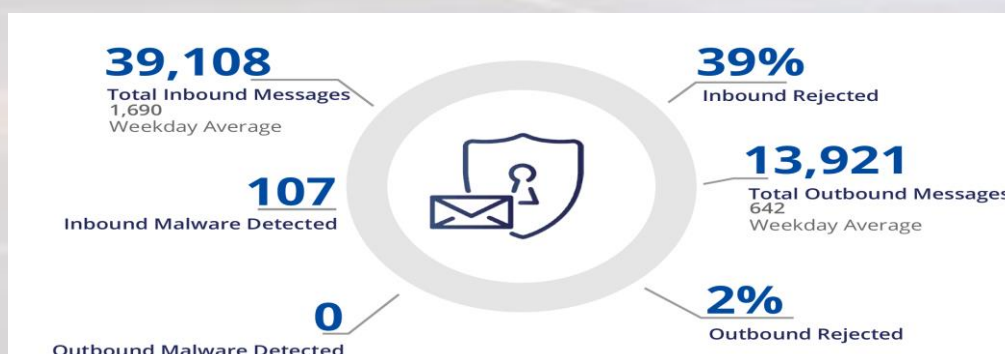
In terms of incidents, the following remediation actions were reported:

- 10 incidents were detected.
- The remediation Actions:
 1. Out of the 10 threats, **BitDefender GravityZone Antimalware** detected the following remediation actions were carried out:
 2. 100% Blocked
 3. 0% Deleted
 4. 0% Malicious processes killed
 5. 0% Moved to quarantine
 6. 0% Disinfected

5.1.2 MIMICAST EMAIL SECURITY

Mimecast is a secure email gateway that scans and protects JDA inbound and outbound emails before they reach the Microsoft platform.

A complex filter is built to detect non-business-related messages, which is mostly marketing related. In this quarter, there was a total of 107 malware detections on inbound emails and zero malware detections on outbound emails. A total of 885 impersonations were detected and held.



5.1.3 PENETRATION TESTS

Penetration tests, represent a form of “ethical hacking”, which is a preventative measure which tests that the JDA ICT environment is protected against hackers. The Penetration test uses various tools to test if a hacker can successfully manage to access the JDA ICT internal environment. In this quarter, the overall outcome of the assessment reflects that the internal environment is secure. In the context of ICT, management understands that security requires a continuous process of assessment, and remediation, and will therefore continue to monitor the environment until the next penetration test cycle. Quarter 2 penetration tests will be run on the 20th of December 2024.

5.1.4 PATCH MANAGEMENT

Patch management is the process of applying updates to software, drivers, and firmware to protect against vulnerabilities. Effective patch management also helps ensure the best operating performance of systems, boosting productivity. In this quarter, Microsoft released the highest number of patches to resolve vulnerabilities within the windows OS environments across all hardware platforms as follows,

A total of 168 patches relevant to the JDA server and laptop OS environment were successfully tested and deployed.

5.2 INFRASTRUCTURE MANAGEMENT

5.2.1 Cloud Backup and Dr

The JDA uses a cloud backup and DR Solution.(as per illustration below) The executive summary for this quarter reflects that 100% data was backed up for all servers and user data. The data was replicated in full to the azure cloud environment .The JDA cloud backup architecture, as well as backup statistics are illustrated below.

Summary Backups and DR

5.2.2. Critical Server Backup status-SAP

It is important in line with the JDA ICT risk register that there is close backup up management of the JDA’s critical servers . Sap has 3 critical servers ,A development server , Quality Assurance server , as well as a Production (live) server .As at Quarter 1, a snapshot of the backup status report shows that all 3 critical SAP servers were 100% backed up and replicated to the cloud DR environment.

Great Plains

JDAGP001-OLDRST	Disaster Recovery Plan	Virtual machine	✓ OK	11/16/2024 1:04 AM	11/16/2024 1:04 AM
JDAGP001-OLDRST	JDA VM Backup	Virtual machine	✓ OK	11/16/2024 1:31 AM	11/16/2024 1:31 AM

SAP

JDAECCPRODU.jda.org.za					
JDAECCPRODU.jda.org.za	JDA QA and SAP Servers	Machine	✓ OK	11/29/2024 9:33 PM	11/29/2024 9:33 PM
JDAECCPRODU.jda.org.za	Disaster Recovery Plan	Machine	✓ OK	11/29/2024 10:13 PM	11/29/2024 10:13 PM

The other critical server is the Great Plains Financial management system server . As at quarter 1, a snapshot of the backup status report, shows that there was a 100% successful backup and replication to the cloud DR environment , of the of the Great Plains server as shown below.

NETWORK PERFORMANCE

The performance of the network in this context refers to uptime of internet and allied services. The JDA outsources these services to an appointed ISP. ISPs typically guarantee 99,9% uptime and setup a tight support system to maintain this standard. This is the KPI value that has been set for network performance.

As at quarter 2, the link performance was as follows.

- The average usage of the link was around 75,19%
- Site availability was at 99.75%
- RFO: As per feedback received from our technical support team was, the Link was down due to a suspected client power failure.

SERVER PERFORMANCE MANAGEMENT

An assessment of virtual server environment in this quarter shows that there is adequate capacity to support the virtual server ecosystem. The report below shows that there is still adequate memory and CPU capacity in physical server host to successfully run all 26 virtual servers . There were no hardware failures reported on the two server hosts in this quarter.

SECTION 6: COMPLIANCE WITH LAWS & REGULATIONS

The Universal Regulatory Register (URR) and the MFMA Circular 68 Register are the two primary compliance management tools which are key pillars that bring to life what the Compliance Management Framework articulates. The Universal Regulatory Register (URR) is made up of applicable legislation and regulations. The URR is split in three broad compliance management sections, which are the following:

- Compliance Universe.
- Compliance Risk Register.
- Compliance Assessment Report.

The URR has identified 41 applicable Acts and Regulations that have been categorized as follows:

- 18 identified as Core/Primary.
- 21 as Topical/Secondary; and
- 2 as Pertinent/Tertiary.

In the 2nd quarter, URR reflects a total of 41 Legislations/Regulations with a corresponding 302 regulatory compliance obligations identified, of which 4 are reported as non-compliant and details of such are captured on table below:

TABLE 13: OVERALL URR COMPLIANCE STATUS:

Overall URR Compliance Status:

Description	# of Obligations	Compliance %
Compliant	298	98.67%
Non-compliant	4	1.33%
Total	302	100%

TABLE 14: IDENTIFIED NON-COMPLIANCE AND ACTION PLANS / STATUS

Legislation	Relevant Section	Compliance Requirement	Committed Action Plan/Status
National Archives and Record Service of South Africa, No. 43 of 1996	Section 13(2)(b)	<p>The National Archivist shall -</p> <p>i. determine records classification systems to be applied by governmental bodies.</p> <p>i. determine the conditions subject to which records may be microfilmed or electronically reproduced; and</p>	<p>The version 2 of Records Management Policy was tabled at EXCO and recommended for board approval.</p> <p>Records Management Matrix has been approved by EXCO and file plan is in place and being used by records management specialist.</p> <p>The Records Management Matrix has been</p>

Legislation	Relevant Section	Compliance Requirement	Committed Action Plan/Status
		i. determine the conditions subject to which electronic records systems should be managed.	<p>approved by EXCO, and the file plan is actively being utilized by the Records Management Specialist. However, the Provincial authorities have recommended that the Matrix/Schedule be formatted using their prescribed template and submitted for approval to ensure compliance with their standards. The Records Management Specialist to ensure that the Matrix is adapted to the provincial template and submitted promptly for their review and approval.</p> <p>The Records Management Specialist to review the current approved file plan, having identified additional records that were previously omitted. Once the review is completed, the updated file plan will be circulated to relevant business units for their review and comments. Following this internal review process, the revised file plan will be submitted to Provincial Archives for final approval.</p>
Municipal Finance Management Act, No. 56 of 2004.	Section 99(2)(b)	Service Providers must be paid within 30 days.	JDA has developed a central point of receiving invoices to ensure timeous processing of invoices
Employment Equity Act 1998 (Act no 5 of 1998)	Chapter 3, Section 25 Subsection 1 to 3	<p>A designated employer must in each of its workplaces, place in prominent places that are accessible to all employees</p> <p>a. the most recent report submitted by that employer to the Director General</p>	Display the EE report in common areas.

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 unauthorized, irregular, fruitless and wasteful expenditure issued by National Treasury on 10 May 2013. The compliance status of the MFMA Circular 68 report is illustrated in the table below:

TABLE 15: UNAUTHORIZED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

COMPLIANCE CATEGORY	COMPLIANCE STATUS
Unauthorized Expenditure	- None incurred in Q2
Fruitless and Wasteful Expenditure	- None incurred in Q2
Irregular Expenditure.	- None incurred in Q2
Failure to pay Service Providers within 30 days.	In quarter two, JDA paid a total of 571 invoices. Of these invoices, only 4% were paid outside 30 days payment cycle amounting to R30 734.53.

SECTION 7: SUSTAINABILITY REPORT

The Joburg 2040 GDS is driven by the goal of capable and capacitated communities and individuals. With this realised, the COJ will be able to become a more sustainable, inclusive city in which people hold the potential and means to grow their neighbourhoods, their communities, and themselves. A balanced focus on environmental management and services, good governance, economic growth, and human and social development will help in achieving a resilient and sustainable city – and a city in which all aspire to live.

The JDA's area-based development approach has evolved over the last 12 years. It begins by identifying the local competitive advantages, development needs, and opportunities within the development area. Capital works projects are then used to catalyse private investment, enterprise, and neighbourhood development. This area-based development approach ensures the long-term sustainability of the capital assets created by ensuring a greater focus on developing strategic capital works projects, facilitating development to increase the impact of public investments, and establishing urban management partnerships to ensure the sustainability of the public investments.

During this reporting period, the JDA continued working closely with the Department of Development Planning to communicate the strategic vision for the TOD corridors and the City of Johannesburg's spatial transformation objectives. The JDA also participated in stakeholder engagements regarding spatial transformation and urban planning and the development of good practices.

Environmental Impact

Environmental sustainability plays an integral part in all the JDA's development projects, which all comply with environmental impact regulations. To minimize their environmental impact, all professional teams involved in preparing designs for the JDA are briefed to include the following environmental considerations:

- The design of more permeable ground surfaces and soakaways or swales to reduce the storm-water run-off in areas upgraded by the JDA to achieve sustainable urban drainage standards.
- Indigenous and water-wise planting in all landscaping interventions in compliance with City Parks requirements. These interventions are currently being implemented on most of JDA's public environment upgrades, NMT, streets and BRT related projects across the city.
- The environmental design for crime prevention guidelines as promoted by the City Safety Programme.
- Environmental construction and infrastructure options such as energy-efficient lighting and rainwater harvesting. This design intervention is currently being explored on JDA's BRT Depots and some Public Health Clinics that are at design stage.
- Environmental health regulations for informal trading where the JDA upgrades trading and taxi facilities. Currently, the JDA has four projects relating to the upgrading of Informal Trading and six projects relating to upgrading of Taxi Facilities.
- Including urban environmental management as an integral part of the urban regeneration projects that the JDA implements, such as, the upgrading of parks, the construction of storm-water facilities and public transport infrastructure and facilities. Currently, the JDA has more than six projects that focus on urban regeneration and public environment upgrades with more emphasis on Randburg, Orange Grove and the Inner City.

Four major outcomes define the Joburg 2040 GDS:

- Improved quality of life and development-driven resilience for all.
- Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy.
- An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens.
- A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region.

Outcome 2 highlights the need for “Sustainable human settlements”. The COJ plans to lead in the establishment of sustainable and eco-efficient infrastructure solutions (for example, housing, eco-mobility, energy, water, waste, sanitation, and ICT) to create a landscape that is liveable, environmentally resilient, sustainable, and supportive of low-carbon economy initiatives. The two JDA programmes are a direct response to Outcome 2.

JDA Substantive Programme	JDA Sub-Programme
1. Strategic Economic Node Delivery Programme.	1A: Inner city transformation Programme. 1B: Economic Node Sub-Programme.
2. Accelerated Public infrastructure Delivery Programme.	2A: Deprivation Areas Revitalization Sub-Programme. 2B: Urban Infrastructure Delivery Sub-Programme.



CHAPTER 3: SERVICE DELIVERY PERFORMANCE

SECTION 1: HIGHLIGHTS AND ACHIEVEMENTS

The following are the key highlights and achievement for the mid-term of 2024/25 FY:

The JDA is the entity of the City of Johannesburg municipality, as such the entity report in line with the MFMA, the City requirements and against the City templates. the entity has complied with the provision of the MFMA and ensured that the entity has a business plan which is approved by Council beginning of the 2024/25 FY. The business plan has a scorecard with twenty-one (21) key Performance indicators (including gatekeeping KPIs) and targets for the entire FY, broken down into quarters.

In the quarter under review, the JDA scorecard has seven (7) KPIs that were not due for reporting because there were no targets set for these KPI. In total, the entity has measured fourteen (14) of the twenty-one (21) KPIs that are in the scorecard.

The graph below presents the Q2 results in comparison of the same period in the previous FY. The entity has recorded 93% targets achieved, and 7% not achieved by end of Q2 based on the fourteen(14) targets that were measured. However, it is important to indicate that the entity has also recorded positive performance on one (1) of the seven (7) KPIs that were not measured. In comparison with the same period in the previous financial year, the entity's performance has improved significantly as compared to the 50% in 2nd quarter of 2023/24.

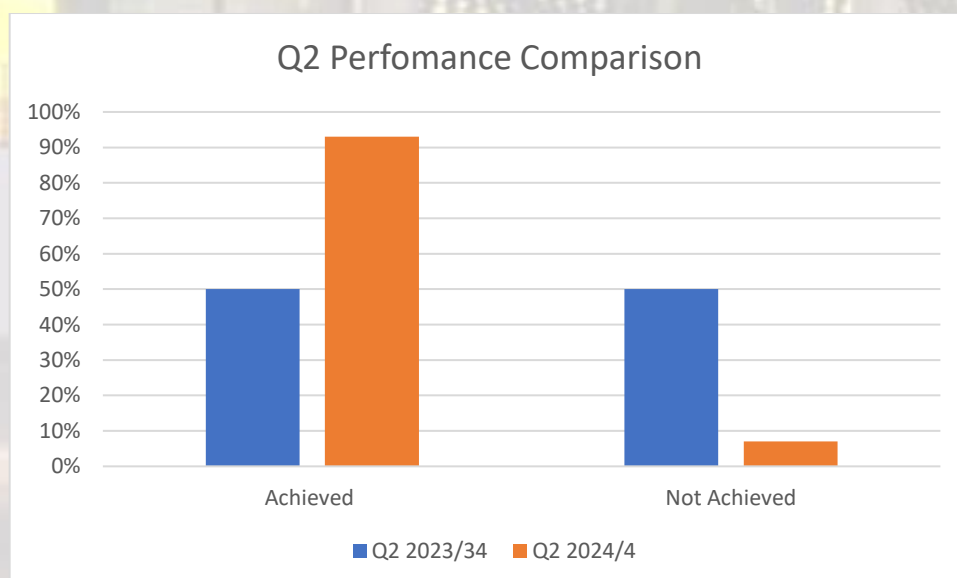


FIGURE 5: JDA PERFORMANCE

The JDA's Programme Performance Information Policy and Reporting Framework was reviewed to align with the City's threshold for recording performance achieved at 85%. The policy covers the procedures and

content in the JDA's programme performance information management system. This includes for example, the definition of key performance areas, 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 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.

SECTION 2: SERVICE DELIVERY CHALLENGES

The JDA's biggest challenge is poor performance by contractors that usually result into termination and prolongs the implementation of the project. However, the process of entire value chain was reviewed and measures are in place to intensify.

SECTION 3: RESPONSE TO STRATEGIC DIRECTION

The City of Johannesburg has reviewed its priorities post the change of government early 2023 from the Multiparty Government to the Government of Local Unity (GLU). The entity has aligned its objectives with the strategic priorities that came with the new government as reflected in the table below:

TABLE 16: JDA RESPONSE TO CITY STRATEGIC DIRECTION

GDS Outcomes	GDS Output	Strategic Priorities	JDA Objectives	JDA Programme	Outcome
1. Improved quality of life and development-driven resilience for all.	1. Reduce poverty and increase productivity	Safer City	To support the growth and development of strategic nodes into high quality, investor friendly and sustainable urban environment	1. Strategic Economic Node Delivery Programme	The growth and development of strategic economic nodes into high-quality, investor friendly and sustainable urban environments.
	2. Food security that is both improved and safeguarded	Sustainable Economic Growth		2. Economic Empowerment Programme.	
	3. Access to knowledge and lifelong learning				
	4. A society characterised by healthy living for all				
	5. A safe and secure city				
	6. A city characterised by social inclusivity and enhanced social cohesion				Efficient delivery infrastructure that produces a socio-economic return.

GDS Outcomes	GDS Output	Strategic Priorities	JDA Objectives	JDA Programme	Outcome
2. Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy	1. Sustainable and integrated delivery of water 2. Sustainable and integrated delivery of sanitation 3. Sustainable and integrated delivery of energy 4. Sustainable and integrated delivery of waste 5. Improved eco-mobility Sustainable human settlements 6. Climate change resilience and environmental protection	Sustainable service delivery Energy mix Infrastructure development and refurbishment	To efficiently, effectively and economically deliver sustainable social and economic infrastructure projects	1. Accelerated infrastructure Delivery Programme	Efficient delivery infrastructure that produces a socio-economic return.
3. An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens	1. Job-intensive economic growth 2. Promotion and support to informal and micro businesses 3. Increased competitiveness of the economy 4. A 'Smart' City of Johannesburg, that is able to deliver quality services to citizens in an efficient and reliable manner (cross-cutting output).	Sustainable Economic Growth Job opportunity and creation Green Economy. Smart city	To promote economic empowerment and transformation through the structuring and procurement of the JDA developments	1. Economic Empowerment Programme. 2. Good Governance, Management and Administration Programme	The growth and development of strategic economic nodes into high-quality, investor friendly and sustainable urban environments.
4. A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and	1. Partnerships, intergovernmental & international relations 2. A responsive, accountable, efficient and productive metropolitan government	Active and engaged citizenry. Good governance. Financial sustainability.	To strengthen and improve the JDA's corporate governance and operations to	1. Good Governance, Management and Administration	A financially viable, effective and well-governed development agency.

GDS Outcomes	GDS Output	Strategic Priorities	JDA Objectives	JDA Programme	Outcome
globally competitive Gauteng City Region	3. Financially sustainable and resilient city 4. Meaningful citizen participation and empowerment 5. Guaranteed customer and citizen care and service		ensure that it remains an effective, efficient, self-sustained and well-governed organization.	Programme	

To ensure that the JDA is well positioned to respond to the development priorities as outlined above, the agency co-ordinates and manages its activities through three substantive programmes. In addition, the JDA ensures good governance of the organisation through one operational programme, resourced to support the optimal performance of the three substantive programmes.

TABLE 17: SUMMARY OF JDA PROGRAMMES

JDA Substantive Program	JDA Sub-Program	Purpose
1. Strategic Economic Node Delivery Program	1A: Inner-city transformation Sub- Program	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 through capital investments in selected precincts, by overseeing integrated investments by other departments and entities, and by facilitating partnership initiatives.
	1B: Economic Node Sub-Program	<p>The objective is to develop nodes that are compact, walkable, live able, 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 policy³ on the categorizing of the current city nodes with prospects for growth, the work of the program 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 Program	2A: Deprivation Areas Revitalization Sub-Programme	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 live able settlements as an outcome. Several deprivation area programs are already in place (previously referred to as marginalized area programmes) including Orange Farm, Diepsloot, Ivory Park/Kaalfontein and Alexandra.
	2B: Urban Infrastructure Delivery Sub-Program	The objective is to deliver on the City's priority social effectively and efficiently and/or economic infrastructure programs. This work includes overseeing capital investments by other departments and entities. This program includes Rea Vaya BRT infrastructure, taxi and transport facilities, primary healthcare clinics and fire-stations.

SECTION 4: PERFORMANCE AGAINST SERVICE STANDARDS

Section Not Applicable to the JDA

SECTION 5: CAPITAL PROJECTS & 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.

Actual capital expenditure for the first quarter ended 30 September 2024 was R100.9 million (2023/24: R138.4 million) against the budget of R997.9 million (2023/24: R1.3 billion). The performance represents 10% of the overall annual budget spent by end of fourth quarter. There are still various factors that continue to affect projects expenditure including poor contractor performance.

TABLE 18: CAPEX SPENT FOR THE QUARTER

Programme	2024/25 Annual Budget	Target YTD	Actual YTD	Target %	% Actual /annual budget
	R' 000	R' 000	R'000	%	%
Capex for 2024/25 FY	897 956 775	89 795 678	100 994 147	10%	11.25%
Total	897 956 775	89 795 678	100 994 147	10%	11.25%

TABLE 19: CAPITAL PROJECTS UPDATE AS AT END OF DECEMBER 2024

PROJECT UPDATE AS AT 31 DECEMBER 2024

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
1. NUMBER OF PRE-FEASIBILITY STUDIES CONDUCTED						
1.1	Draft Sandton Transport Masterplan	E	R 1 750 000	Development of a Transport Sandton CBD Masterplan with an implementation plan	<p>Bid Specifications and IPW have been completed. Appointments to be finalised on the 4th of October</p> <p>Q2 PROGRESS</p> <p>Bid Specifications and new IPW have been completed. Kick off to meeting to be in January 2025</p>	<p>None</p> <p>Q2 STATUS</p> <p>The recommended bidder did not accept the IPW as a result a new IPW process had to be re-started.</p>
1.2	Draft Alexandra Masterplan	E	R 1 750 000	Development of a transport Masterplan for Alexander with an implementation plan	<p>Procurement is currently on hold and to be done in Q3</p> <p>Q2 PROGRESS</p>	<p>None</p> <p>Q2 STATUS</p>

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
					Procurement is currently on hold and to be done in Q3.	
1.3	Integrated Corridor Management Strategy and Model	Citywide	R1 304 347,83	Development of a Strategy and Model for the introduction of the Integrated Corridor Management	<p>Bid Specifications and IPW have been completed. Appointments to be finalised on the 4th of October</p> <p>Q2 PROGRESS</p> <p>A servicer provider has been appointed, and the project is at project inception.</p>	<p>None</p> <p>Q2 STATUS</p> <p>The service provider requested a revised budget to continue with the project, from R1,9 million to R2,9 million. An adjusted budget has been requested from the Transport Department that would allow the offer to be revised to R2,5 million.</p>
1.4	Green Energy by Road Based Transport Plan	Citywide	R1 500 000	Development of a Strategy for the introduction of Alternative Energy for Road Based Transport	<p>Bid Specifications and IPW have been completed. Appointments to be finalised on the 4th of October</p> <p>Q2 PROGRESS</p> <p>A servicer provider has been appointed, and the project is at project inception.</p>	<p>None</p> <p>Q2 STATUS</p>
2. NUMBER OF FEASIBILITY STUDIES CONDUCTED						
2.1	Erf 80 Stafford (Marily House)	F	R6 000 000	Building Conditional Assessment, Bulk Infrastructure capacity confirmation and GPR concrete floor and column scanning. The aim is to convert and existing industrial building for the development	<p>Inception report submitted and approved by JDA and client Status Quo analysis and site investigation has commenced</p> <p>Q2 PROGRESS</p>	<p>Safety of consultants during site visit may require additional security</p> <p>Q2 STATUS</p>

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
				of affordable rental units to a minimum of 200 units.		
2.2	Erf 286 Lorentzville	F	R 7 000 000	The development of affordable rental units for erf 286 Lorentzville. The scope requires the acquisition of development rights, Concept designs and design development.	<p>Bid Specifications and IPW have been completed. BAC to be finalised on the 4th of October</p> <p>Q2 PROGRESS</p> <p>Bid Specifications, IPW and BEC have been completed. Document has been sent to probity and the report will serve at the BAC of 20 December 2024. The project is to kick-off in January 2025.</p>	<p>Q2 STATUS</p> <p>The bidder had challenges in completing the pricing table as a result the had been a delay.</p>
3. NUMBER OF URBAN DEVELOPMENT FRAMEWORKS AND PRECINCTS MANAGEMENT IMPLEMENTATION PLANS COMPLETED						
3.1	Orlando Industrial Park Development	D	R610 287, 83	Completion of an Urban Development Framework for the revitalisation of the Orlando Industrial Park precinct.	<p>Project at Status quo development.</p> <p>Q2 PROGRESS</p> <p>A draft UDF Report has been submitted for comments and was presented and approved at the DEVCO meeting for EXCO approval on 11 December 2024.</p>	<p>Project delayed by Stakeholder Engagements.</p> <p>Q2 STATUS</p> <p>The project completion will be delayed outstanding external stakeholder engagements that have been scheduled for January 2025.</p>
3.2	Desmond Tutu Precinct development	F	R 1 500 000	Development of the Desmond Tutu Precinct plan. The project is meant to develop the transportation plan as well as the urban development concept and evaluate the impact the precinct will have on transport. The Precinct Plan should be complete with a functional Implementation Plan and Urban Management Plan to assist the City of Johannesburg transform the study area.	<p>Bid Specifications and IPW have been completed. Appointments to be finalised on the 4th of October</p> <p>Q2 PROGRESS</p> <p>Procurement is complete. The Inception report was submitted to the JDA and the Department of Transport on the 6th of December 2024 and has been approved.</p>	<p>None identified and profiled today</p> <p>Q2 STATUS</p> <p>Possible delays caused by stakeholders within the study area.</p>

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
3.3	Minibus Taxi Feeder Service Integration Study	A, E and F	R 1 000 000	Integration of mini-bus taxi services operating within the north-east quadrant of the City to serve as a feeder and distributor services in support of the Integrated Public Transport Network (IPTN). This project aims to improve mobility and accessibility in the city, reduce congestion and emissions (<i>green economic strategies</i>), improve customer satisfaction, and enhance seamless integration with other modes of transport such as bus, rail and non-motorized transport (NMT).	<p>Approved ToRs awaiting signed IPW</p> <p>Q2 PROGRESS</p> <p>The BAC approved the appointment of the Transport Team on 12 December 2024. The LoA and SLA are awaiting the CFOs approval. The project kick-off meeting will be scheduled for 14th January 2025.</p>	<p>None</p> <p>Q2 STATUS</p>
3.4	Universal Access Plan Phase 1	Citywide	R 2 500 000	UDAP is to guide the CoJTD on improving public transport systems and capacity building in terms of universal accessibility of the public transport systems in the municipality. The plan will give input on the planning of the network, the infrastructure constructed, the vehicles used, operations of the systems, marketing and communication, customer care and passenger-related research on universal access requirements, information and signage, fares and fare system.	<p>The first Bsc was convened and comments provided the final BSC will reconvene on 01 October to consider the revised Spec.</p> <p>Q2 PROGRESS</p> <p>The first BEC convened on 11 December 2024, however, the committee requested for additional information from the Bidder. The final BEC is scheduled to convene on the 18th of December 2024 to recommend the report to serve at the BAC of the 20th of December 2024. The project kick-off will be mid-January 2025.</p>	<p>The appointment of a Universal Access Specialist may delay the procurement for this project given that the highly specialised work that is not included in the panel.</p> <p>Q2 STATUS</p> <p>The appointment of a Universal Access Specialist may delay the procurement for this project given that the highly specialised</p>

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
						work that is not included in the panel.
3.5	City of Johannesburg E-hailing Management Policy	City Wide	2 000 000	This project is the development of a new policy for the management of the e-hailing sector in the City.	<p>The Terms of Reference have been completed, with IPW and the Requisition been signed, BSC will convene early October to consider the specification</p> <p>Q2 PROGRESS</p> <p>The BAC approved the appointment of the Transport Team on 12 December 2024. The LoA and SLA are awaiting the CFOs approval. The project kick-off meeting will be scheduled for 14th January 2025.</p>	<p>None</p> <p>Q2 STATUS</p>
4. NUMBER OF PROJECTS AT CONCEPT DESIGN PHASE						
4.1	Bramley View and Lombardy West	E	R 988 810 Exc vat	City of Johannesburg department of human settlements appointed the JOHANNESBURG DEVELOPMENT AGENCY (JDA) to select a suitable team to conduct feasibility and conceptual planning in Bramley View and Lombardy West in the City of Johannesburg metropolitan Municipality	<p>The status quo has been completed, the client department and JDA are busy making comments before the Status Quo can be approved. Stakeholder engagement is currently ongoing.</p> <p>Q2 PROGRESS</p> <p>The project team has commenced with the feasibility work.</p>	<p>None</p> <p>Q2 STATUS</p>
4.2	Main Reef Strip in Roodepoort	C	R 766 000	Feasibility studies, and a development framework that will guide implementation of human settlements in the identified properties and supporting uses	<p>Draft Urban Development Framework awaiting stakeholder engagement Scheduled for October 2024</p> <p>Q2 PROGRESS</p> <p>Draft Urban Development Framework comment period ended on the 13th of</p>	<p>None</p> <p>Q2 STATUS</p>

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
					December 2024. The revised UDF will be submitted on the 17 th of January 2025.	
4.3	City and Suburban	F	R2 500 000	Completion of a feasibility study, concept, and detail design to guide the construction of temporary and emergency accommodation in City and Suburban	<p>Feasibility and Concept Development Stages have been completed; project is at detail design stage which will be completed by end of October 2024</p> <p>Q2 PROGRESS</p> <p>The Feasibility Study (Stage 2 Concept Development) and Stage 3 Detail design report have been submitted and approved by Human Settlements and the JDA. The project is in the process of finalising the project costing, Town Planning and TIA approvals.</p>	<p>Town planning application submission has been delayed</p> <p>Q2 STATUS</p> <p>Delayed submission of comments by City Departments and entities on the TIA and Town Planning application.</p>
4.4	Lilian Ngoyi Public Environment upgrade	F	R2 500 000	Planning and Concept development of key streets in and around Lilian Ngoyi for the public environment upgrade in support of Lilian Ngoyi rehabilitation programme.	<p>Inception report completed and approved. Stakeholder engagement commenced and is ongoing. Status Quo analysis, data collection and concept development are ongoing.</p> <p>Q2 PROGRESS</p> <p>Status Quo analysis and data collection was submitted and approved by the JDA and Development Planning.</p> <p>The Professional team has commenced with the concept development.</p>	<p>Additional scope of work as requested by the Executive Mayor.</p> <p>Q2 STATUS</p> <p>Additional scope of work as requested by the Executive Mayor.</p>

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
5. NUMBER OF PROJECTS IN DETAILED DESIGN PHASE						
5.1	Orange Farm NMT links		R 1000 000	Non-motorized Transport in Orange Farm	Surveys to update the As-builts Q2 PROGRESS DevCo approved 11 December 2024. Design Development sent to Joburg Roads Agency for approval.	None Q2 STATUS
5.2	Community Based Projects – Phase 1	Citywide	R 10 950 000	The upgrading of community facilities throughout the City of Johannesburg.	Stage 4: Documentation and Procurement. The contractor should be appointed in October for commencement in November 2024. Q2 PROGRESS Design approved.	None. Q2 STATUS
5.3	Soweto Strategic Area Framework & Implementation – Phase 1	D	R 5 000 000	Public Environment Upgrade of Kumalo Main Road and Vilakazi Street	Finalise the approval of the Detailed Design and Preparation of the Stage 4: Tender Documentation Q2 PROGRESS Finalise the approval of the Detailed Design and Preparation of the Stage 4: Tender Documentation	None Q2 STATUS
6. NUMBER OF PROJECTS REACHING CONTRACT AWARD STAGE						
6.1	Louis Botha TOD – Stormwater Master Plan: Phase 3	E	R4 250 000	The implementation of the Louis Botha Orange Groove Stormwater Master Plan Phase 2.	Project has reached practical completion. Q2 PROGRESS Project has reached practical completion.	The Principal Agent is owed payments; as a result, they are not submitting a close-out report until they are paid. Request has been sent to Finance to prioritize payments Q2 STATUS




NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
6.2	Community Based Projects – Phase 1	Citywide	R10 950 000	The upgrading of community facilities throughout the City of Johannesburg.	<p>Stage 4: Documentation and Procurement. A contractor should be appointed in October for commencement in November 2024.</p> <p>Q2 PROGRESS Contractor appointed, with commencement of works planned for 15 January 2025.</p>	<p>None</p> <p>Q2 STATUS</p>
6.3	Jabulani Precinct Upgrades: Molapo Bridge	D	R 4 600 000	The completion contract for. Molapo Bridge	<p>Stage 5: Construction – on suspension.</p> <p>Q2 PROGRESS Stage 5: Construction – on suspension.</p>	<p>Registration of servitude, with cannot be defined and the date for lifting of suspension unknown.</p> <p>Q2 STATUS Acquisition of land and Registration of servitude. , with cannot be defined and the date for lifting of suspension unknown until dependency resolved.</p>
6.4	Soweto Strategic Area Framework & Implementation – Phase 1	D	R 5 000 000	Implementation of Public Environment Upgrade of Kumalo Main Road and Vilakazi Street	<p>Stage 5: Construction – on suspension.</p> <p>Q2 PROGRESS Stage 5: Construction – on suspension.</p>	<p>The client has indicated that they will not have a budget for implementation in fin year 2024/25 and 2025/26 – thus stage onboarding of a contractor will be postponed until budget is availed.</p> <p>Q2 STATUS The client has indicated that they will not have a budget for implementation in fin year 2024/25 and 2025/26 – thus stage onboarding of a</p>

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
						contractor will be postponed until budget is availed.
7. NUMBER OF PROJECTS REACHING PRACTICAL COMPLETION STAGE						
7.1	Chris Hani Sports Centre: Phase 1	G	R 13 260 000	Design and Construction of Chris Hani Multi-Purpose Sports Complex, which includes sports courts, rugby/soccer field, running pitch	60% progress, with a due completion date of 12 December 2024. Q2 PROGRESS 66% progress, with a due completion date of 30 January 2025.	None Q2 STATUS
7.2	Bulk Stormwater Upgrade in Ward 3: Phase B (Street 2)	G	R 11 700 000	The construction of bulk stormwater channelling along Street 2 and Ngonyama Drive, including the outlet structure.	63% progress, with a due completion date of 30 November 2024. Q2 PROGRESS 90% progress, with a due completion date of 13 January 2025	None Q2 STATUS
7.3	Upgrading of Moyane Drive and 16th Street	G	R 13 750 000	Upgrading of Moyane Drive and 16th Street, including NMT upgrades	50% progress with a due completion date of 2 December 2024 Q2 PROGRESS 72% progress with a due completion date of 15 January 2025. Additional scope has been added – which allows the contractor adjustment to the programme taking us to April 2025.	None Q2 STATUS
7.4	Drieziek Recreational Park	G	R15 500 000	The construction of the recreational park including an amphitheatre, agricultural area.	20% progress with a due completion date of 20 March 2025. Q2 PROGRESS 6520% progress with a due completion date of 25 0 March 2025.	None Q2 STATUS

NO	PROJECT NAME	REGION	BUDGET (24/25)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (31 December 2024)	CHALLENGES AND PROPOSED REMEDIAL ACTION
7.5	Matholesville New MPC – Phase 1	C	R11 400 000	The construction of a community library.	<p>83% completion, with a due completion date of 11 September 2024</p> <p>Q2 PROGRESS 87% completion, with an approved practical completion date of March 2025</p>	<p>Delayed completion due to consultants not issuing information timeously.</p> <p>Q2 STATUS Delayed completion due to consultants not issuing information timeously.</p>

SECTION 6: ORGANISATIONAL PERFORMANCE

KPI ACHIEVEMENT RATINGS

Achievement	Rating	Current JDA Rating
	Target achieved	85% - 100% rating
	Target partially achieved	75% -84% rating
	Target not achieved	<74% rating

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 revitalization.


The JDA policy and reporting framework was reviewed and aligned to the City's performance rating

threshold where a target is achieved with 85–100% rating, a target is partially achieved with a 75–84% rating and a target not achieved with anything less than a 74% rating.

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

TABLE 20: JDA CORPORATE SCORECARD

OUTCOME: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy										
STRATEGIC PRIORITY: Infrastructure Development and Refurbishment										
JDA STRATEGIC PROGRAMME: Accelerated Public infrastructure Delivery Programme/ Strategic Economic Node Delivery Programme										
KPI No	Key Indicator	Performance	Baseline 2022/23	2024/25 Annual Target	2024/25 Q2 Target	2024/25 Q2 Actual	Variance	Quarterly Achieve ment Rating	Explanation of progress as at the end of 30 September 2024	Variations and steps to be taken to improve performance.
1.	Number of pre-feasibility studies conducted. ⁴	6	4	-	-	-	-	-	Not due for reporting	None
2.	Number of feasibility studies conducted.	0	2	-	-	-	-	-	Not due for reporting	None
3.	Number of urban development frameworks completed.	2	5	1	1	-	-	😊	Achieved	
4.	Number of projects at the concept design phase.	25	4	-	1	-	-	-	The Drieziek NMT concept was not targeted however, it progressed to completion in the quarter under review	None
5.	Number of projects in detailed design phase.	13	3	-	-	-	-	-	Not due for reporting	None




6.	Number of projects reaching contract award stage.	12	3	-	-	-	-	Not due for reporting	None
7.	Number of projects reaching practical completion stage.	2	5	2	3	1		The following Projects reached Practical Completion in Q2. The projects will be included in the Business Plan through the Mid-Year Deviation process. Elias Motsoaledi. Rosebank PTF 1 Driezek Extension 3	None

GDS 2040 OUTCOME: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City



MAYORAL STRATEGIC PRIORITY: Good Governance

JDA STRATEGIC PROGRAMME: Good Governance, Management and Administration

KPI No	Key Indicator	Performar	Baseline 2022/23	2024/25 Target	Ann 2024/25 Q2 Target	2024/25 Q2 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 September 2024	Variations and steps to be taken to improve performance.
8.	External Audit Opinion		Unqualified	Unqualified	-	-	-	-	Not due for reporting	None

GDS 2040 OUTCOME: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region									
MAYORAL STRATEGIC PRIORITY: Financial sustainability									
JDA STRATEGIC PROGRAMME: Good Governance, Management and Administration									
KPI No	Key Performance Indicator	Baseline 2022/23	2024/25 Annual Target	2024/25 Q2 Target	2024/25 Q2 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 September 2024	Variations and steps to be taken to improve performance
9.	Percentage of capital budget spent on city-wide infrastructure.	76%	95%	20%	45%	25%		The entity was able to meet the expenditure target with the allocation made available from the city	None
10.	Percentage of valid invoices paid within 30 days.	75%	100%	100%	96%	-4%		The target was not due to Coj cash flow challenges	JDA will diversify revenue and have separate bank where payments will be made within 30 days
11.	Percentage vacancy rate.	New	10%	10%	6.1%	+3.9%		Constant monitoring of the recruitment plan has attributed to an improved vacancy rate	The HR department will continue with close monitoring of the positions

GDS 2040 OUTCOME: An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens**MAYORAL STRATEGIC PRIORITIES: Job opportunity and creation and sustained economic growth****JDA STRATEGIC PROGRAMME: Economic Empowerment**

KPI No	Key Performance Indicator	Baseline 2022/23	2024/25 Annual Target	2024/25 Q2 Target	2024/25 Q2 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 September 2024	Variations and steps to be taken to improve performance
12.	Percentage spent on specific goal through local procurement as a share of total expenditure.	109%	100%(Non-Cumulative)	100%	100%	0%		Achieved	None
13.	Number of Expanded Public Works Programme (EPWP) work opportunities created City-wide.	368	100 (cumulative)	0	355	355	-	The are number of projects that were not planned to create EPWP due to cashflow issues. However, number of them managed to create EPWP jobs.	The entity has increased the target through mid-year deviation.
14.	Percentage of SMME expenditure as a share of total expenditure.	48%	30% (cumulative)	3%	33%	27%		Overachievement is attributed to the commitment that the JDA has made into supporting SMMEs	The entity will close monitor the trend to ensure that it does not drop








DAY TO DAY PROGRAMME									
KPI No	Key Performance Indicator	Baseline 2022/23	2024/25 Annual Target	2024/25 Q2 Target	2024/25 Q2 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 September 2024	Variations and steps to be taken to improve performance
15.	Number of JDA Communication, Stakeholder and Media related initiatives.	363	280	70	146	76		The entity has strengthened its stakeholder engagement through various social media platform.	Close monitoring to ensure that the standard does not drop

TABLE 21: 2024/25 GATEKEEPING INDICATORS AND TARGETS

KPI No	Key Performance Indicator	Baseline 2022/23	2024/25 Annual Target	2024/25 Q2 Target	2024/25 Q2 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 30 September 2024	Variations and steps to be taken to improve performance
1.	Percentage spent on operating budget against approved operating budget.	101%	95%	50%	158%	108%		The operational expenditure includes interest of R39.7 million that is charged on the JDA overdrawn sweeping	The target was over-achieved
2.	Percentage spent on repairs and maintenance to property, plant and equipment.	New	5%	2%	12%	10%		The over achievement its due to repairs and maintenance that were done in Q2	The target was over-achieved
3.	Percentage resolution of Internal Audit findings.	92%	95%	30%	78%	48%		The over achievement its is due to internal audit findings that were cleared in Q2 for the previous year's audit cycle	The target was over-achieved
4.	Percentage resolution of AG findings.	88%	95%	95%	99%	4%		The over achievement it is due to external audit findings that were cleared in Q2 for the previous year's audit cycle	The target was over-achieved

5.	Percentage implementation of the strategic risk management action plan.	76%	80%	80%	89%	9%		Management was highly committed towards implementing the strategic risks mitigations and achieving the target.	Not Applicable
6.	Percentage reduction of unauthorized, irregular, fruitless, and wasteful (UIFW) expenditure incurred citywide.	New	50%	30%	66%	36%		Management was highly committed towards ensuring reduction and also clearing the UIFW backlog and also actioning consequence management.	Not Applicable

6.1. Economic Development

A cluster of the JDA's economic development programmes that aims to:

- (i) Develop skills and capacity within the construction industry in Johannesburg.
- (ii) Optimize 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.

EPWP PERFORMANCE

The SA government describe the EPWP Programme as one of government's key programmes aimed at providing poverty and income relief through temporary work for the unemployed. The JDA has an annual target of 100 jobs to be created through this programme. Of the annual target of 100 jobs, 101 jobs were achieved in Q2. The EPWP job opportunities range from skilled work to manual labour (depending on the type of projects) and the existing skills in the community. The JDA has split the Project Implementation into 3 portfolios and this table also shows how portfolios contributed towards reported EPWP jobs.

TABLE 22: EPWP PERFORMANCE

Q1 EPWP	Q2 EPWP	Q3 EPWP	Q4 EPWP	YTD
254 Jobs	102 Jobs			356
254	102			356

SMME PERFORMANCE

In line with national development and shared growth imperatives, the COJ recognizes 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 recognized 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 % of expenditure paid to SMME companies as a % of total expenditure (Opex and Capex) for the period under review:

1 July 2024 to 31 December 2024

The annual target for SMME spending as a percentage of total expenditure (excluding employee costs, depreciation, and amortisation) is 30%. In the period 1 July 2024 to 31 December 2024, the SMME share of JDA's total expenditure was **R143 148 217,3**. This constitutes an achievement 33%.

Table 23 below indicates the SMME expenditure from 1 July 2024 to 31 December 2024

Description	1 July 2024 to 31 December 2024		
	Total Expenditure	SMME Claimed	SMME %
Capex	R391 673 867,42	R128 462 043,9	33%
Opex	R44 516 212,56	R14 686 173,37	33%
Consolidated Opex and Capex	R436 190 080,00	R143 148 217,3	33%

6.3. 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.

CHAPTER 4: HUMAN RESOURCES & ORGANISATIONAL MANAGEMENT

The nature of the human capital function within the JDA is broadly encapsulated in the HR legislative framework. The framework plays an important role in governing the HR processes towards creating, developing and supporting a collaborative culture in the workplace. Furthermore, the human resource department takes care of the employees in terms of recognition, benefits, and many other aspects. To this extent, the Employment Policy emphasises that its employment practices and remuneration policies motivate and retain talented employees and create an attractive work environment.

HR priorities for the year under review and the impact of these priorities

Human Resources Management is a management function concerned with hiring, training, motivating, developing and maintaining workforce within JDA. Human Resource Management further ensures the satisfaction of its employees to get maximum contribution of employees for the achievement of JDA's objectives, it is for this reason that the entity is undergoing a Change Management process which includes a Climate and Organisational Culture survey which was conducted during FY24. JDA is in hyper-growth mode, with the closing of FY24 seeing all of its executive management positions being filled with the appointment of the CEO as the last appointment, the organisation has the necessary talent and skills necessary to cultivate a culture of high performance. In an attempt to address organizational performance, the CEO is continuously working on resolving Labour Relations matters which includes addressing salary disparities concerns and through actively managing the conditions of services and/or benefits such as Medical Aid, Housing Allowance.

Since May 2019, the JDA became a two Union workplace, with SAMWU now being the majority Union ahead of IMATU (Independent Municipal and Allied Trade Union).

Seven (7) Corporate Services Policies were reviewed approved and workshopped to all relevant structures (Board, Labour Management Forum and Employees. More policies are being reviewed during this financial year which includes:

1. Conditions of Services
2. Overtime Policy (New)

In order for JDA to establish a culture baseline and improve its current organization's culture there was a need for a service provider to conduct an Organisational Climate and Culture Survey and facilitate the Change Management Process, a Service Provider (SPT Consulting) was appointed and are currently undergoing the Organisation Analysis Phase. The project is estimated to be concluded within a maximum of 6 months from date of appointment of the service provider, thus far the Analysis phase is almost concluded, this process involved an Organisational Culture and Climate Survey, Executive Committee members debrief and one-on-one sessions and employee focus groups sessions.

The employee performance management system has been put in place to ensure that the organizational objectives are cascaded down and aligned with individual performance contract. The performance management process is embedded on the following principles:

- Performance management is consistently applied across the JDA to ensure effective alignment of strategic objectives and individual outputs;
- Performance objectives are based on a scorecard of metrics featuring both financial and non-financial indicators, which are aligned with the JDA's strategic imperatives, and
- Performance management is an ongoing process rather than an event.

SECTION 1: EMPLOYEE REMUNERATION (TOTAL COSTS INCLUDING EXECUTIVES)

This section provides the total employee remuneration of all employees that were in the JDA's employment during quarter two (2) (including the Executive members).

The Total Remuneration Costs for the period ending 31 December 2024 amount to R 43652874.77. This figure is inclusive of the Pension Fund, the JDA participates in the eJoburg Retirement Fund. The total contribution for Group Life Cover for the JDA employees and directors for the period ending 31 December 2024 amount to R 4853869.46

SECTION 2: EMPLOYMENT AND KEY VACANCIES

Below is the list of the key vacancies

TABLE 24: VACANCY PROGRESS AS AT 31 DECEMBER 2024

Vacancies	Progress
Manager: Stakeholder Engagement and Relationship Management	On hold
Senior Manager : Information, Communication & Infrastructure Management	On hold
Senior Manager: Development Planning & Facilitation	Resumed duty on 01 November 2024

Project Manager	Resumed duty on 01 December 2024
Legal Specialist	Resumed duty on 15 November 2024
Human Capital Business Partner	Offer Accepted, to resume duty on 01 Jan 2025
Specialist: Strategy, Performance and Monitoring	Resumed duty on 01 December 2024
Senior Internal Auditor	Offer Accepted, to resume duty on 01 Jan 2025
Executive Support Finance	Offer Accepted, to resume duty on 01 Jan 2025
Security Supervisor	Resumed duty on the 01 October 2024

TABLE: 25 VACANCY RATE ANALYSIS

Description	Approved no. of posts per approved organogram	Funded no. of posts per approved organogram	Approved no. of posts per approved organogram	No. of employees	No. of vacancies Quarter 1 2024	% of vacancies	No. of funded vacancies Quarter 1 2024	% of vacancies
Top management level	1	1	1	1	0	0%	0	0%
Executive management	5	5	5	4	1	1.5%	1	0%
Senior management	20	16	20	416	2	0%	0	2%%
Middle management	47	39	47	36*	3	3%	3	3,%
Skilled technical/junior management	42	26	42	26	3	03%	0	3,0%
Semi-skilled	13	10	13	10	0	0,%	0	0%
Unskilled housekeepers/cleaners	17*	7*	16	7*	0	0%	0	0%
Total	145	104	144	94	52	3,8%	4	3.8%

SECTION 3: EMPLOYMENT EQUIT

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 a geographical representation of our society and create equal employment opportunities for 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.

Structures such as an Employment Equity Committee and Nominated Shop Stewards have been put in place to coordinate and monitor employment equity implementation across the organisation.

JDA Human Resources undertakes an annual review of its employment equity processes and general employment practices to inform them of 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 26: EMPLOYMENT EQUITY DEMOGRAPHICS STATUS FOR PERIOD UNDER REVIEW

Occupational Levels											Total
	Male				Female				Foreign Nationals		
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Executive Management	4	0	0	0	1	0	0	0	0	0	4
Senior Management	7	0	0	0	9	0	0	0	0	0	16
Professionally qualified and experienced specialists and mid-management	15	0	0	0	22	1	0	0	0	1	39
Skilled technical and academically qualified workers,	10	0	0	0	15	0	1	0	0	0	26

junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making	3	0	0	0	7	0	0	0	0	0	10
Unskilled and defined decision making	4	0	0	0	3	0	0	0	0	0	7
TOTAL PERMANENT	43	0	0	0	57	1	1	0	0	1	100
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	43	0	0	0	57	1	1	0	0	1	100

The JDA targets and achievements for period under review:

- 97% of its employees are Black African.
- 59% of its staff members are Female.
- 45% of Executive and Senior Management positions are held by black women.
- The JDA has employees with physical disabilities of 1%.

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

Table 27: EE PERFORMANCE AGAINST THE TARGET

City Targets (JDA)		JDA Achievements
Black African employees	80.9%	97%
Senior Management Female	35.9%	45%
Disability	2%	1%

TABLE 28: WORKFORCE PROFILE IN TERMS OF AGE, RACE, GENDER, AND FOREIGN NATIONAL STATUS AS AT 31 DECEMBER 2024

Occupational Level (Below EAP row)	Age Group	Male				Female				Foreigner		Total
		A	C	I	W	A	C	I	W	M	F	
Top Management	18-34	1	0	0	0	0	0	0	0	0	0	1
(Level 1-2)	>35	4	0	0	0	1	0	0	0	0	0	5
	Total	5	0	0	0	1	0	0	0	0	0	6
Senior Management	18-34	0	0	0	0	0	0	0	0	0	0	0
(Level 3-4)	>35	7	0	0	0	8	0	0	0	0	0	14
	Total	6	0	0	0	8	0	0	0	0	0	14
Professional Qualified	18-34	6	0	0	0	5	0	0	0	0	0	9
(Level 5-6)	>35	11	0	0	0	17	1	0	0	0	1	30
	Total	15	0	0	0	22	1	0	0	0	1	39
Skilled Technical	18-34	4	0	0	0	3	0	0	0	0	0	7
(Level 7-8)	>35	4	0	0	0	12	0	1	0	0	0	17
	Total	8	0	0	0	15	0	1	0	0	0	24
Semi-Skilled	18-34	1	0	0	0	2	0	0	0	0	0	3
(Level 9-10)	>35	2	0	0	0	5	0	0	0	0	0	7
	Total	3	0	0	0	7	0	0	0	0	0	10
Unskilled	18-34	1	0	0	0	0	0	0	0	0	0	1
(Level 11)	>35	2	0	0	0	4	0	0	0	0	0	6
	Total	3	0	0	0	4	0	0	0	0	0	7
Temporary	18-34	0	0	0	0	0	0	0	0	0	0	0
	>35	0	0	0	0	0	0	0	0	0	0	0

	Total	43	0	0	0	57	1	1	0	0	1	100
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TABLE 29: PERCENTAGE STANDING ON RACE AND GENDER

Occupational Level (Below EAP row)	Age Group	Male				Female				Foreigner		Total
		A	C	I	W	A	C	I	W	M	F	
Top Management	18-34	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
(Level 1-2)	>35	4%	0%	0%	0%	1%	0%	0%	0%	0%	0%	5%
	Total	5%	0%	0%	0%	1%	0%	0%	0%	0%	0%	6%
Senior Management	18-34	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
(Level 3-4)	>35	6%	0%	0%	0%	8%	0%	0%	0%	0%	0%	14%
	Total	6%	0%	0%	0%	8%	0%	0%	0%	0%	0%	14%
Professional Qualified	18-34	4%	0%	0%	0%	5%	0%	0%	0%	0%	0%	9%
(Level 5-6)	>35	11%	0%	0%	0%	17%	1%	0%	0%	0%	1%	30%
	Total	15%	0%	0%	0%	22%	1%	0%	0%	0%	1%	39%
Skilled Technical	18-34	4%	0%	0%	0%	3%	0%	0%	0%	0%	0%	7%
(Level 7-8)	>35	4%	0%	0%	0%	12%	0%	1%	0%	0%	0%	17%
	Total	8%	0%	0%	0%	15%	0%	1%	0%	0%	0%	24%
Semi-Skilled	18-34	1%	0%	0%	0%	2%	0%	0%	0%	0%	0%	3%
(Level 9-10)	>35	2%	0%	0%	0%	5%	0%	0%	0%	0%	0%	7%
	Total	3%	0%	0%	0%	7%	0%	0%	0%	0%	0%	10%
Unskilled	18-34	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%

(Level 11)	>35	2%	0%	0%	0%	4%	0%	0%	0%	0%	0%	6%
	Total	3%	0%	0%	0%	4%	0%	0%	0%	0%	0%	7%
Temporary	18-34	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	>35	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

SECTION 4: 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.

Training is an on-going process of improving employees' knowledge, skills and attitude to enhance job performance, create opportunities for growth and advance careers.

An 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 training and development programmes, it also supports employees who wish to attain further qualifications to improve their productivity and career enhancement.

A budget of R 676 000 has been allocated for training and development for the 2024/2025 financial year. The actual expenditure incurred during this quarter stands at R 89 666,53, JDAs bursary approval window is communicated during this second quarter and the training spend usually increases between the second and third quarter of the financial year. 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.

TABLE 30: SKILLS DEVELOPMENT AND TRAINING

Occupational category	Number of employees	Training provided within the reporting period		
		Informal Training/Webinars	Short Courses/Seminars	Bursaries
Top Management	6	3	1	0
Senior Management	14	12	0	0
Middle Management	39	39	1	3
Skilled Technical and academically Qualified	24	24	2	3
Semi-Skilled	10	10	0	1
Unskilled	7	7	0	0

The following skills gaps have been identified and we resumed addressing the need in the previous financial year and will continue into this financial year to enable JDA to improve on productivity and service delivery:

- **ICT – SAP; data analysis and Business Improvement** - training will be addressed as part of WSP 2024/2025
- **Strategic Change and Business Processes Development** - training will be addressed as part of WSP 2024/2025
- **Multimedia and Graphic Design** - training will be addressed as part of WSP 2024/2025
- **Legal Services** – A resource (Legal Specialist) to address this gap has been appointed during this second quarter as reported within the Recruitment section above.
- **Contract Management** - Funds were set aside to recruit the skill needed.

Program and Project Management - training will be addressed as part of WSP 2024/2025

SECTION 5: 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 CoJ'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 employee to perform to the required performance standard.

TABLE 31: PERFORMANCE MANAGEMENT AS AT 31 DECEMBER 2024

Department	Performance Agreements 2024/2025			Mid Term Reviews 2024/2025		
	Eligible Staff	Performance Agreements Submitted	Outstanding	Eligible Staff	Reviews Submitted	Outstanding
Office of the CEO	10	8	2*	8	0	8
Company Secretary	2	1	1	2	0	2
Internal Audit	7	6	1*	6	0	6
Finance	14	14	0	14	0	14
Corporate Services	18	15	3*	18	0	18
Project Implementation	30	26	4*	29	0	29
Development Planning & Facilitation	9	8	1*	8	0	8
Total	90	78	12*	85	0	85

*Includes New Appointments

SECTION 6: DISCIPLINARY MATTERS AND OUTCOMES

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

TABLE 32: DISCIPLINARY CASES/ CONSEQUENCE MANAGEMENT SCHEDULED AND/OR FINALIZED

Outcome	Number
Written Warning	0
Final Written Warning	0
Suspension without pay (31 days)	4
Dismissal	0

TABLE 33: TYPES OF MISCONDUCT ADDRESSED AT DISCIPLINARY HEARINGS FINALISED FOR THE YEAR TO DATE

Type of misconduct	Number
Dishonesty	0
Intimidation and Harassment	0
Insubordination	0
Gross Negligence	2
Failure to adhere to company processes	2
Total	4

SECTION 7: LEAVE & PRODUCTIVITY MANAGEMENT

JDA is committed to the effective management of leave for its employees to ensure sufficient rest for employees as legislated and manage the liability to the organisation, and all Line Managers have an obligation to ensure effective planned leave management within their respective Departments.

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

The most highly utilised leave type is Annual leave with a total of 154 days, with Family Responsibility leave being the second most utilised leave type with a total of 11 days, followed by Sick Leave with 8 days.

TABLE 34: LEAVE ANALYSIS AS AT 31 DECEMBER 2024

Type of Leave	July	August	September	October	November	December	January	February	March	April	May	June	Total
Annual Leave	76	59	19	37	56.5	155							403
Sick Leave	0	8	0	24	14	3							49
Family Responsibility	9	2	0	6	4	1							22
Maternity Leave	0	0	0	0	0	0							0
Paternity Leave	0	0	0	0	0	0							0
Study Leave	0	1	0	13	10	0							24
TOTAL	85	70	19										174

SECTION 8: EMPLOYEE BENEFITS

The Total Remuneration Costs for the period ending 31 December 2024 amount to R 43652874.77. This figure is inclusive of the Pension Fund, the JDA participates in the eJoburg Retirement Fund. The total contribution for Group Life Cover for the JDA employees and directors for the period ending 31 December 2024 amount to R 4853869.46.

SECTION 9: OCCUPATIONAL HEALTH & SAFETY PROGRAMMES

HIV/AIDS in the Workplace

The JDA's HIV/AIDS Policy is aligned with the CoJ'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 awareness and educational campaigns, provides free condoms, shares videos and offers free helplines continues. The programme ensures that employees with HIV/AIDS are treated in a fair, consistent manner and are informed about their rights and employee benefits.

Occupational Health and Safety (OHASA)

The following deliverables were achieved in the quarter under review to ensure that the JDA complies with the relevant provision of the OHASA Act:

1. **Repairs and maintenance:** Servicing of HVAC, Lift, Hygiene services, Pest control and general building maintenance have been conducted as per the maintenance plan and as and when required.
2. **Fire Compliance:** There's been improvement as statutory document as per SANS 1545-4: 2015 EDITION 1.03 is in place to ensure compliance (Inspection conducted on the 19th of August 2024 and is to be conducted annually)
3. **Pest control service:** Appointment of the new service provider is completed and awaiting PO for the services to be rendered.
4. **Hygiene services:** Monthly hygiene service and deep cleaning of all bathrooms are conducted as per the SLA valid until 25th of May 2025.
5. **Lift maintenance:** Monthly lift maintenance conducted including lift inspection that was conducted as per the OHS Act 85 of 1993 (see Annexure E- Lift inspection report)
6. **Acquisition of New Office space:** Potential office space viewing with the CEO was conducted.
 - 6.1 EXCO reached an agreement to look for new office space, a report to Board requesting approval to look for new office accommodation through JPC was tabled on the 15th May 2024.
 - 6.2 JDA Board signed and approved a request to relocate JDA to a conducive & habitable environment through JPC was approved on the 23rd of May 2024.
 - 6.3 SLA between JPC and JDA signed in June 2024 and the move is to be action in March 2025.

7. **Consumables:** Development and implementation of Consumables and stationery SOP and request form. 100% Issuing of Consumables and stationery within 30 days. Outstanding is approval of the SOP by EXCO.
8. **Groceries:** Service prover was appointed for a period of 12 months and first delivery was received on the 2nd of December 2024.
9. **Stationery:** RFQ for supply and delivery for a period of 12 months at BCS stage and to be advertised in January 2024.
10. **Office tools:** RFQ for supply and delivery on a once off basis at the advertisement stage.
11. **Shredders:** The shredders were taken offsite for fault finding and it was discovered that they cannot be repaired as they have depleted their lifespan the solution would be 2 (two) options- to either replace them by trading in the old units and pay the difference or by disposing them off as they cannot be repaired and replacing with new units.
12. **Occupational Health and Safety:** Implementation of approved OHS policy is underway, employees were workshopped on the policy. Approved policy statement is displayed in common areas. OHS Committee was established and legal appointments were finalized.
13. **SHE Committee meeting with the CEO:** Annual SHE committee meeting with the CEO was conducted in October 2024 and going forward it will be conducted with the EM: CS as the pointed Section 16.2 and ToR was approved.
14. **First aid consumables:** RFQ for supply and delivery concluded awaiting PO.
15. **Physical Security:** Enforced Access control including screening of all visitors by security officials. SOP and security checklist to be tabled at EXCO for approval.
16. **Asset Management:** Movement of asset are conducted as and when required and completed asset movement forms are submitted to Finance for records.

SECTION 10: CORPORATE SOCIAL RESPONSIBILITY (CSR)

The entity did not have any CSR activities that were undertaken in the quarter under review. However there are number of CSR initiatives identified and the process is going through SCM process

SECTION 11: MARKETING AND COMMUNICATIONS

11.1 Media Management (Digital)

The JDA media content development aims to increase awareness of JDA development projects and create awareness of the JDA's mandate around area-based development initiatives; provide progress updates and highlight best practice trends around urban development.

The media coverage was received from 01 October to 30 November 2024, for the Johannesburg Development Agency.

MEDIA ANALYSIS REPORT

TABLE 35: MEDIA MANAGEMENT

The report shows media content on the Johannesburg Development Agency's digital platforms between 01 October to 31 December 2024.

Totals for October to December 2024

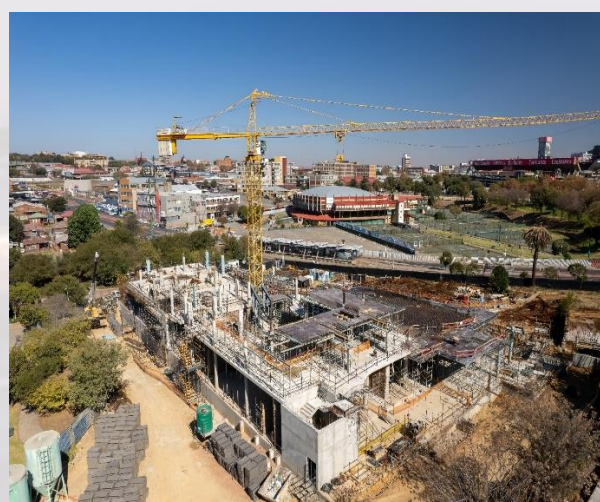
Social Media Platform	Posts	Growth	Engagement	Reach
FACEBOOK	46	206	2 985	147 486
X	47	100	41 455	22 18 879
INSTAGRAM	27	65	539	4 301
LINKEDIN	14	193	379	25 291

Total as at end of Q2 2024

Social Media Platform	Followers
FACEBOOK	11 024
X	4 514
INSTAGRAM	1 787
LINKEDIN	7 108

11.2 PUBLIC RELATIONS ENGAGEMENTS

07 October 2024 1800m2 MATHOLESVILLE MULTIPURPOSE CENTRE TO STIMULATE GROWTH AND DEVELOPMENT



08 October 2024 RAPID PROGRESS ON THE BERTRAMS

MULTIPURPOSE CENTRE

In eastern Johannesburg, a tower crane rises above the landscape, marking the center of the future high-rise Bertrams Multipurpose Centre.

The Johannesburg Development Agency (JDA), the City of Johannesburg's infrastructure development arm, has been making steady progress on the Bertrams Multipurpose Centre.

08 October 2024

UPDATE: CONSTRUCTION OF BRIXTON SOCIAL CLUSTER

The Brixton Social Cluster is aimed at benefiting the community of Ward 58 and its surrounds, improving the area as a space to live, work, and play in, promoting social cohesion, and creating a vibrant urban environment

15 October 2024

NON-MOTORISED TRANSPORT (NMT): BUILDING INFRASTRUCTURE FOR PEOPLE



29 October 2024 TRANSPORT MONTH UPDATE ON THE REA

VAYA PHASE 1C

EXPANSION IN THE GANDHI SQUARE PRECINCT

31 October 2024

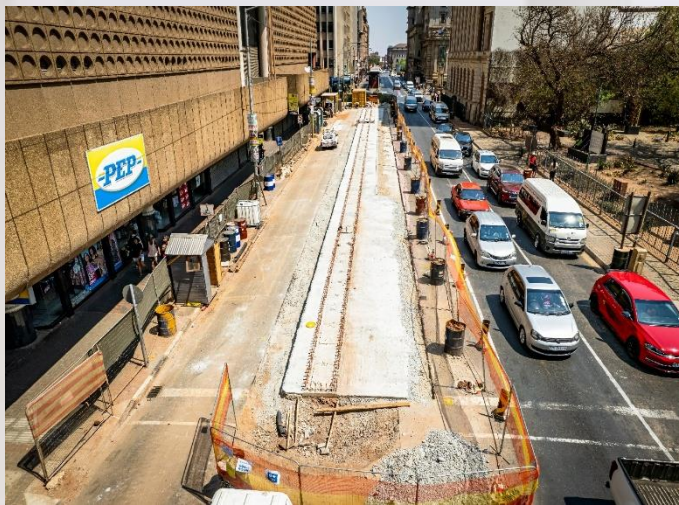
CITY OF JOHANNESBURG LAUNCHES VLAKFONTEIN SUPER STOP FACILITY

04 November 2024 TRANSPORT MONTH UPDATE ON

THE REA VAYA

PHASE 1C EXPANSION IN THE GANDHI SQUARE

PRECINCT



The City of Johannesburg's Transport Department is committed to improving its transportation systems in alignment with the City's agenda to make public transport and Non-Motorised Transport (NMT) the mode of choice by 2040.

The Johannesburg Development Agency (JDA), on behalf of the City of Johannesburg's Transport Department, is continuing its expansion of the Rea Vaya Bus Rapid Transit (BRT) infrastructure into the heart of the City Centre.

In a significant step towards improving public transportation in Region G, the City of Johannesburg celebrated the official launch of the Vlakfontein Super Stop Facility.

The launch was attended by esteemed dignitaries, including the Member of the Mayoral Committee (MMC) for Development Planning, Cllr. Eunice Mgcina, the MMC for Transport, Cllr. Kenny Kunene, and the Johannesburg Development Agency (JDA) CEO, Mr. Themba Mathibe.

The Johannesburg Development Agency (JDA), on behalf of the City of Johannesburg's Transport Department, is advancing the Rea Vaya Bus Rapid Transit (BRT) infrastructure into the heart of the City Centre.

07 November 2024

ARTISTS TO CURATE PUBLIC ART FOR THE JOHANNESBURG CITY LIBRARY WATER TANK AND PUMP



The Johannesburg Development Agency (JDA) invites artists to contribute to a public art project that will enhance the urban landscape and celebrate the rich cultural heritage of Johannesburg. This initiative is part of the City of Johannesburg's long-standing public art and placemaking programme, which adds unique identity and expression to public spaces.

14 November 2024

CALL FOR PUBLIC INPUT ON THE DRAFT MAIN REEF ROODEPOORT URBAN DEVELOPMENT FRAMEWORK



The City of Johannesburg, in partnership with the Johannesburg Development Agency (JDA), invites residents and stakeholders to share their insights and feedback on the draft Main Reef Roodepoort Urban Development Framework (UDF).

18 November 2024

KLIPFONTEIN WELLNESS CENTRE TAKES SHAPE, BRINGING HOPE TO THE COMMUNITY



The Johannesburg Development Agency (JDA) is making significant strides in the construction of the Klipfontein Wellness Centre, a groundbreaking initiative aimed at combating drug and alcohol abuse in Ward 32's Klipfontein View community.

11.3 JDA EVENTS

Labour Wednesday

by

HR Department

PROGRAMME

1. Incident reporting -Tshepho Mpyatona : Facilities Manager
- 2.Employee Wellness -Kelebogile Lekgetho:Snr Mager: Human Capital

09 October 2024

14h00

Virtual

Joburg

J.D.A.

Labour Wednesday

by

HR Department

PROGRAMME

1. 2025 Bonitas Medical Aid Offerings Update
Presenters : Danica Nel -Bonitas and Katlego -The People Company:
- 2.Password Policy
Presenters: Mr .Tshwarelo Mashigo (ICT Officer) and Mr Elia Rangwato (IT Support Officer)

23 October 2024

10h00

Virtual

Joburg

J.D.A.

Webinar

ON

JDA's Risk Management with,
Mr Nelisa Hadebe

29 October 2024

10:30

Virtual

PROJECT INFORMATION SESSION

Speaker : Ms. Phumla Mkhize
Senior Project Manager
Topic: Gravel Roads Upgrades : Drieziek Ext 3,4 and 5

Objectives :
Keeping the JDA employees abreast of projects we are implementing and the milestones to completion.

Venue :
Virtual

Date :
14 November 2024

Time :
10h30

1. JDA ACTIVITIES FOR OFFICE OF THE MMC Development Planning, Cllr Eunice Mgcina

The Johannesburg Development Agency planned events for the MMC Development Planning, Cllr Eunice Mgcina to visit JDA projects for – oversight visits, handover, stakeholder engagement, and Corporate Social Investment in different regions:

MMC for Development Planning
Cllr Eunice Mgcina

OFFICIAL OPENING OF THE ALEXANDRA HOSPICE

City of Johannesburg MMC for Development Planning, Cllr. Eunice Mgcina and the CEO of the Johannesburg Development Agency Mr Themba Mathibe will officiate at the Ceremonial Opening of the Alexandra Hospice, a facility that the JDA built which offers care for frail and ill patients.

The details are as follows:

- Wednesday, 09 October 2024
- 10:00 - 13:00
- Alexandra Hospice, Alexandra Township, Johannesburg

For more information, please contact

Lulama Luti
LulamaL@joburg.org.za
 083 453 2913

www.joburg.org.za

The City of Johannesburg MMC for Development Planning
Cllr Eunice Mgcina

The City of Johannesburg MMC for Transport
Cllr Kenny Kunene

VLAKTEFONTEIN TRANSPORT FACILITY OPENING AND COMMUNITY OUTREACH

The City of Johannesburg Member of the Mayoral Committee (MMC) for Development Planning, Cllr. Eunice Mgcina and the Member of the Mayoral Committee (MMC) for Transport Cllr. Kenny Kunene, will officially open and handover the Vlaktefontein Public Transport Facility to the community of Vlaktefontein in Region G as part of Transport Month celebrations.

There will also be a Community Outreach Programme to inform community members about the various services offered by the City's various departments and entities, and how the community can access these services.

Details are as follows:

- Wednesday, 30 October 2024
- 10:00 - 13:00
- Vlaktefontein Public Transport Hub, Region G

For more information contact:

Chris Vondo
 079 851 9908

www.joburg.org.za

CHAPTER 5: FINANCIAL PERFORMANCE

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

TABLE 36: STATEMENT OF FINANCIAL POSITION FOR THE QUARTER ENDED 31 December 2024

	Year ended 31 December 2024			
	Actual	Budget	Variance	
	R'000	R'000	R'000	
Non-current assets	38 698	25 800	12 898	1
Property plant and equipment	4 933	5 000	(67)	
Deferred tax	18 605	2 800	15 805	
Intangible assets	15 160	18 000	(2 840)	
Current assets	1 353 830	950 002	403 828	2
Trade and other receivables	1 098 726	700 000	398 726	
Vat Receivable	255 103	250 000	5 103	
Cash and cash equivalents	1	2	(1)	
Total assets	<u>1 392 528</u>	<u>975 802</u>	<u>416 726</u>	
EQUITY AND LIABILITIES				
Capital and reserves	-49 778	76 278	(195 743)	3
Contribution from owner	16 278	16 278	(69 687)	
Accumulated surplus/(deficit)	-66 056	60 000	(126 056)	
Non-current liabilities	2 806	2 860	(54)	4
Finance lease obligation	259	260	(1)	
Deferred taxation	2 547	2 600	(53)	
Project funds payable	-	-	0	
Current liabilities	1 439 500	1 436 824	2 701	
Loans from shareholders	1 206 811	1 203 524	3 287	5
Trade and other payables	229 430	230 000	(570)	6
Project fund payable	1 976	2 000	1	
Provisions – bonus	1 283	1 300	(17)	
Total equity and liabilities	<u>1 392 528</u>	<u>1 515 962</u>	<u>-193 096</u>	

Notes	
1	The decreases on the property plant and equipment it is due to depreciation.
2	The increases on the current assets it due to the following (1) The increases on the trade and other receivables it due to claims that were issued in December (2) The decreases on VAT its due payments that were made by SARS between July to November 2024
3	Changes on the Reserve/Net Assets it is due to the deficit of 33 million which arise from sweeping account.
4	The movement of the non-current liability is immaterial
5	The variance is above than the target overdraft of R300 million. This is mainly due to invoices that were raised /accrued in June 2023 that were paid in July. However, 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 the current month.

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

TABLE 37: STATEMENT OF FINANCIAL PERFORMANCE FOR THE QUARTER ENDED 31 December 2024

	December 2023	Original approved	Quarter ending 31 December 2024			Notes
	Actual	budget	Actual	Budget	Variance	
	R'000	R'000	R'000	R'000	R'000	
Gross revenue	51 739	136 065	74 758	68 033	6 726	5
Operating costs	(47 208)	(128 195)	(67 921)	(64 098)	(3 824)	6
Gross surplus/(deficit)	(13 291)	7 870	6 837	3 935	2 902	
Other operating income and expenditure	(31 697)	(7 870)	(39 764)	(3 935)	(35 829)	
Interest expense	(31 137)	(7 870)	(39 764)	(3 935)	(35 829)	7
Interest income	0	0	0	0	0	
Surplus/(Deficit) before tax	(26 606)	0	(32 927)	0	(32 927)	
Taxation	0	0	0	0	0	
Surplus/(Deficit) after tax	(26 606)	0	(32 927)	0	(32 927)	

Notes	
7	JDA Revenue is made up of Grant Subsidy and Management fees and management fees are calculated based on the capital expenditure spend. The overall actual revenue is above the budget revenue by 10%. The management fees generated in quarter 2 was R 38 million which above the target of R32 million which yield positive result and subsidy of
8	The Positive variance it mainly due to the consulting fees for the payment of the legal fees.
9	The interest expenditure incurred relates to interest charged on an overdrawn treasury account balance. The overdrawn balance is mainly due to long outstanding claims that was received late or still outstanding from the various departments. 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. The outstanding balance as at the end of the first quarter relates to balances that were owing from the 2023/25 financial year.

SECTION 3: CASH FLOW STATEMENT

TABLE 38

	Year to date			
	Actual	Budget	Variance	
	R'000	R'000	R'000	
Cash flows from operating activities				
	(206 292)	(134 057)	(72 235)	
<i>Receipts</i>				
Grants	36 083	36 000	83	11
Interest received	0	0	0	
Cash receipts from CAPEX funding	492 294	500 000	(7 706)	10
Other receipts	0	0	0	
		0	0	
<i>Payments</i>		0	0	
Employee cost	(48 917)	(50 000)	1 083	12
Suppliers	(685 752)	(690 000)	4 248	13
Interest paid	0	0	0	
Cash flows from investing activities				
<i>Expenditure to maintain operating capacity</i>				
Property, plant and equipment acquired	0	0	0	
Proceeds from sale of property, plant and equipment			0	

Purchase of intangible assets	0		0
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Cash flows from financing activities**206 298****137 918****344 216****14**

Movement in project funds payable	0	0	0
Proceeds from Shareholders' loan	206 298	207 000	(702)
Repayments of Shareholders' loan		0	0
Finance lease repayments	0	0	0

Net increase/(decrease) in cash and cash equivalents**6****(639)****645****Cash and cash equivalents at beginning of the year****4****639****(635)****Cash and cash equivalents at the end of the year****10****0****10****Notes**

- | | |
|-----------|---|
| 10 | The negative it is mainly due to the target not being achieve which resulted in decreases on the Capital receipts |
| 11 | The variance it mainly due to vacant position that are not yet filled |
| 12 | The variance it mainly due decreases on the capex invoice due to target not being meet/not achieved |
| 13 | The variance it due to money borrowed from loan to shareholder since there is a delay in the settlement of debtors by COJ departments |

3.1: Net Assets

TABLE 39: STATEMENT OF CHANGES IN NET ASSETS FOR THE QUARTER ENDED 31 December 2024

	Share capital	Share premium	Total share capital	Accumulated surplus	Total net assets
	R'000	R'000	R'000	R'000	R'000
Balance on 01 July 2023	60	16 278	16 278	(14 990)	1 287
Changes in net assets					
Deficit for the year	0	0	0		
Total changes					
Balance on 01 July 2024	60	16 278	16 278	(66 402)	(50 124)
Changes in net assets					
Profit/(deficit) for the year				(32 927)	(32 927)
Total changes					
Balance on 30 JUNE 2024	60	16 278	16 278	(32 674)	(83 051)

SECTION 5: CAPITAL PROJECTS & EXPENDITURE

TABLE 40: CAPEX EXPENDITURE FOR THE YEAR

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
JDA ON BUDGET									
Randburg CBD regeneration Renewal Precinct Redevelopment	R 8 929 155	R 807 161	R 8 121 994	R 8 929 155	807 161	R 8 121 994	1 006,24%	R 3 228 643	276,56%
Diepsloot Development Renewal Precinct Redevelopment	3 066 726	550 000	2 516 726	3 066 726	550 000	2 516 726	457,59%	2 200 000	139,40%
Balfour Park Transit Precinct Development (Louis Botha Corridor) Renewal	0	356 250	(356 250)	0	356 250	(356 250)	(100,00%)	1 425 000	0,00%
CORR - Louis Botha Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA)	4 184 687	1 062 500	3 122 187	4 184 687	1 062 500	3 122 187	293,85%	4 250 000	98,46%
Pennyville Precinct Renewal Precinct Redevelopment	0	1 197 064	(1 197 064)	0	1 197 064	(1 197 064)	(100,00%)	4 788 257	0,00%
Operational Capex New Operational Capex NEWTOWN F City Wide	135 256	475 000	(339 744)	135 256	475 000	(339 744)	(71,53%)	1 900 000	7,12%
Melville Activity Street_Neighbourhood Development_CoF_Upgrade	R 0	R 840 417	(840 417)	R 0	840 417	(R 840 417)	(100,00%)	3 361 668	0,00%
Roodeport CBD regeneration Renewal Precinct Redevelopment REGION C	0	100 000	(100 000)	0	100 000	(100 000)	(100,00%)	400 000	0,00%
Watt Street Precinct Wynberg	6 645 973	1 645 473	5 000 501	6 645 973	1 645 473	5 000 501	303,89%	6 581 890	100,97%
Inner City Eastern Gateway_TOD and Movement Corridors	6 161 734	1 170 134	4 919 119	6 161 734	1 170 134	4 991 600	426,58%	4 680 535	131,65%
Klipfontein View Wellness centre	23 566 494	6 250 000	17 316 494	23 566 494	6 250 000	17 316 494	277,06%	25 000 000	94,27%
Braamfischer Ext 12 Roads and stormwater (New line item)	552 240	700 000	(147 760)	552 240	700 000	(147 760)	(21,11%)	2 800 000	19,72%
23775_Ivory Park Urban Renewal Programme	10 639 326	750 000	9 889 326	10 639 326	750 000	9 889 326	1 318,58%	3 000 000	354,64%
23776_Kliptown Urban Renewal Programme	46 058	128 250	(82 192)	46 058	128 250	(82 192)	(64,09%)	513 000	8,98%
23705_Orange Farm Urban Renewal Programme	81 043 911	13 800 828	66 692 904	81 043 911	13 800 828	67 243 084	487,24%	55 203 310	146,81%
Community Based Projects	605 735	2 737 500	(2 131 765)	605 735	2 737 500	(2 131 765)	(77,87%)	10 950 000	5,53%
SUB-TOTAL	145 577 295	32 570 576	112 384 058	145 577 295	32 570 576	113 006 719	346,96%	130 282 303	111,74%

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
COMMUNITY DEVELOPMENT (Comm Dev)									
Ivory Park Swimming pool	0	250 000	(250 000)	0	250 000	(250 000)	(100,00%)	1 000 000	0,00%
Drieziek MPC	1 896 325	250 000	1 646 325	1 896 325	250 000	1 646 325	658,53%	1 000 000	189,63%
Kaalfontein New Community Centre KAALFONTEIN EXT4 A Ward	12 234 810	4 250 000	7 844 748	12 234 810	4 250 000	7 984 810	187,88%	17 000 000	71,97%
Mathoeshville New MPC Community Centre MATHOESHVILLE C Regional	6 686 547	2 860 000	3 826 547	6 686 547	2 860 000	3 826 547	133,80%	11 440 000	58,45%
Johannesburg Library	9 676 122	6 252 000	3 424 122	9 676 122	6 252 000	3 424 122	54,77%	25 008 000	38,69%
Maintenance and repairs of public art and Heritage assets	1 192 640	793 750	398 890	1 192 640	793 750	398 890	50,25%	3 175 000	37,56%
SUB-TOTAL	31 686 444	14 655 750	16 890 632	31 686 444	14 655 750	17 030 694	116,20%	58 623 000	54,05%
DEVELOPMENT PLANNING									
Brixton Social Cluster	18 345 201	2 756 000	15 589 201	18 345 201	2 756 000	15 589 201	565,65%	11 024 000	166,41%
Mayfair PEU	0	1 250 000	(1 250 000)	0	1 250 000	(1 250 000)	(100,00%)	5 000 000	0,00%
Soweto Strategic Area Framework & Implementation	0	1 250 000	(1 250 000)	0	1 250 000	(1 250 000)	(100,00%)	5 000 000	0,00%
GEF Global Environmental	0	3 750 000	(3 750 000)	0	3 750 000	(3 750 000)	(100,00%)	15 000 000	0,00%
Area based design Inner City	0	375 000	(375 000)	0	375 000	(375 000)	(100,00%)	1 500 000	0,00%
New Clinic De Villiers Street Turf	0	3 000 000	(3 000 000)	0	3 000 000	(3 000 000)	(100,00%)	12 000 000	0,00%
City Building Demolitions	0	2 500 000	(2 500 000)	0	2 500 000	(2 500 000)	(100,00%)	10 000 000	0,00%
Kliptown Multipurpose Centre	0	375 000	(375 000)	0	375 000	(375 000)	(100,00%)	1 500 000	0,00%
Walkable Networks	0	750 000	(750 000)	0	750 000	(750 000)	(100,00%)	3 000 000	0,00%
High court	0	625 000	(625 000)	0	625 000	(625 000)	(100,00%)	2 500 000	0,00%
ZANDSPRUIT MULTIPURPOSE		2 875 000	(2 875 000)		2 875 000	(2 875 000)	(100,00%)	11 500 000	0,00%

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
SUB-TOTAL	18 345 201	16 631 000	3 089 201	18 345 201	16 631 000	2 339 201	14,07%	66 524 000	27,58%
CITY MANAGER									
LG- FIDPM	0	0	0	0	0	0			
Lilian Ngoyi Work package 3	967 450	543 500	423 950	967 450	543 500	423 950	78,00%	2 174 000	44,50%
Masingita Development	31 590	326 000	(294 410)	31 590	326 000	(294 410)	(90,31%)	1 304 000	2,42%
SUB-TOTAL	999 040	869 500	129 540	999 040	869 500	129 540	14,90%	3 478 000	28,72%
HEALTH DEPARTMENT									
Protea South Clinic Renewal Clinic PROTEA SOUTH EXT1 G Ward	0	750 000	(750 000)	0	750 000	(750 000)	(100,00%)	3 000 000	0,00%
Zandspruit New Clinic ZANDSPRUIT EXT4 C Ward 114	0	225 000	(225 000)	0	225 000	(225 000)	(100,00%)	900 000	0,00%
Hikensile Clinic Renewal Clinic IVORY PARK EXT9 A Ward	11 220 756	5 500 000	5 720 756	11 220 756	5 500 000	5 720 756	104,01%	22 000 000	51,00%
Naledi clinic New Building NALEDI D	13 324 502	3 759 500	9 565 002	13 324 502	3 759 500	9 565 002	254,42%	15 038 000	88,61%
Elias Motsoaledi clinic Renewal Building DUBE EXT2 D	123 975	75 000	(64 451)	123 975	75 000	48 975	65,30%	300 000	41,33%
Southhills Clinic and Regional Health Offices Renewal Clinic S	0	75 000	(75 000)	0	75 000	(75 000)	(100,00%)	300 000	0,00%
Rabie Ridge Clinic Renewal and Community Health Centre	0	75 000	(75 000)	0	75 000	(75 000)	(100,00%)	300 000	0,00%
Freedom Park New Clinic DEVLAND EXT30 G Ward	0	75 000	(75 000)	0	75 000	(75 000)	(100,00%)	300 000	0,00%
SUB-TOTAL	24 669 233	10 534 500	14 021 307	24 669 233	10 534 500	14 134 733	134,18%	42 138 000	58,54%
HUMAN SETTLEMENTS									
Kanana Park Ext 1	0	1 250 000	(1 250 000)	0	1 250 000	(1 250 000)	(100,00%)	5 000 000	0,00%

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
Finetown Proper -Region G	405 191	1 000 000	(594 809)	405 191	1 000 000	(594 809)	(59,48%)	4 000 000	10,13%
Drieziek Ext3	21 992 349	1 250 000	20 742 349	21 992 349	1 250 000	20 742 349	1 659,39%	5 000 000	439,85%
Drieziek Ext5	0	1 250 000	(1 250 000)	0	1 250 000	(1 250 000)	(100,00%)	5 000 000	0,00%
Malibongwe Ridge	139 750	625 000	(485 250)	139 750	625 000	(485 250)	(77,64%)	2 500 000	5,59%
Lorenzville Building Erf286	0	1 564 750	(1 564 750)	0	1 564 750	(1 564 750)	(100,00%)	6 259 000	0,00%
Jeppeshtown Erf 2866	0	1 564 750	(1 564 750)	0	1 564 750	(1 564 750)	(100,00%)	6 259 000	0,00%
Ennerdale South	0	1 250 000	(1 250 000)	0	1 250 000	(1 250 000)	(100,00%)	5 000 000	0,00%
Drieziek Ext4	2 376 065	1 250 000	1 126 065	2 376 065	1 250 000	1 126 065	90,09%	5 000 000	47,52%
City and suburban ERF918,919,930 ,931	1 314 317	750 000	564 317	1 314 317	750 000	564 317	75,24%	3 000 000	43,81%
Roodepoort UDF	224 675	750 000	(525 325)	224 675	750 000	(525 325)	(70,04%)	3 000 000	7,49%
Elias Motsoaledi	15 474 845	3 750 000	11 724 845	15 474 845	3 750 000	11 724 845	312,66%	15 000 000	103,17%
SUB-TOTAL	41 927 192	16 254 500	25 672 692	41 927 192	16 254 500	25 672 692	157,94%	65 018 000	64,49%
PIKITUP									
Phase1 Limbro Park	0	3 780 718	(3 780 718)	0	3 780 718	(3 780 718)	(100,00%)	15 122 873	0,00%
Phase2 Marie Louise landfill site	0	8 450 662	(8 450 662)	0	8 450 662	(8 450 662)	(100,00%)	33 802 646	0,00%
Phase2 Goudkoppies landfill site	0	6 954 631	(6 954 631)	0	6 954 631	(6 954 631)	(100,00%)	27 818 525	0,00%
Zondi depot	0	1 474 480	(1 474 480)	0	1 474 480	(1 474 480)	(100,00%)	5 897 920	0,00%
Midrand Depot - Rabieridge Ext	0	945 180	(945 180)	0	945 180	(945 180)	(100,00%)	3 780 718	0,00%
Ennerdale Landfill Site	0	1 890 359	(1 890 359)	0	1 890 359	(1 890 359)	(100,00%)	7 561 436	0,00%
Phase1 Marie Louis Landfill Site	0	8 450 662	(8 450 662)	0	8 450 662	(8 450 662)	(100,00%)	33 802 646	0,00%
SUB-TOTAL	0	31 946 691	(31 946 691)	0	31 946 691	(31 946 691)	(100,00%)	127 786 764	0,00%
TRANSPORTATION PTNG									

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
2804_16_Rea Vaya BRT Phase 1C New Stations	29 899 613	3 250 000	26 649 613	29 899 613	3 250 000	26 649 613	819,99%	13 000 000	230,00%
2804_18_Selby Bus Depot (Phase 2C – Administration Building)	1 908 629	11 824 500	(9 915 871)	1 908 629	11 824 500	(9 915 871)	(83,86%)	47 298 000	4,04%
2804_15_Rea Vaya BRT Land Acquisition	0	3 750 000	(3 750 000)	0	3 750 000	(3 750 000)	(100,00%)	15 000 000	0,00%
BRT phase 1C Roadways	3 425 903	35 087 250	(31 661 347)	3 425 903	35 087 250	(31 661 347)	(90,24%)	140 349 000	2,44%
Passage Signage	6 763 483	10 000 000	(3 236 517)	6 763 483	10 000 000	(3 236 517)	(32,37%)	40 000 000	16,91%
Phase 1 A and B	0	6 250 000	(6 250 000)	0	6 250 000	(6 250 000)	(100,00%)	25 000 000	0,00%
Depot Rehabilitation	0	5 000 000	(5 000 000)	0	5 000 000	(5 000 000)	(100,00%)	20 000 000	0,00%
Sandton to Ivory park BRT Roadways	0	750 000	(750 000)	0	750 000	(750 000)	(100,00%)	3 000 000	0,00%
Sandton to Ivory park Depot terminals	0	750 000	(750 000)	0	750 000	(750 000)	(100,00%)	3 000 000	0,00%
SUB-TOTAL	41 997 628	76 661 750	(34 664 122)	41 997 628	76 661 750	(34 664 122)	(45,22%)	306 647 000	13,70%
DEPARTMENT OF SOCIAL DEVELOPMENT (SoC DEV)									
Shelter for Displaced People Region F	24 499 175	3 763 500	20 735 675	24 499 175	3 763 500	20 735 675	550,97%	15 054 000	162,74%
Betrams Multipurpose Centre	29 667 721	5 000 000	24 441 231	29 667 721	5 000 000	24 667 721	493,35%	20 000 000	148,34%
Yetta Nathan Social development Centre	6 867 399	2 500 000	4 367 399	6 867 399	2 500 000	4 367 399	174,70%	10 000 000	68,67%
Minor upgrades	0	200 000	(200 000)	0	200 000	(200 000)	(100,00%)	800 000	0,00%
Louis Botha - Co - Production zone for social interventions Renewal Corridors	0	386 000	(386 000)	0	386 000	(386 000)	(100,00%)	1 544 000	0,00%
SUB-TOTAL	61 034 295	11 849 500	48 958 305	61 034 295	11 849 500	49 184 795	415,08%	47 398 000	128,77%
TRANSPORTATION COJ FUNDING:									

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
PTF Small Public Transport Facility Design and Construction of Zola	0	200 000	(200 000)	0	200 000	(200 000)	(100,00%)	800 000	0,00%
PTF:Small Public Transport Facility Design and Construction of Lakeside	0	300 000	(300 000)	0	300 000	(300 000)	(100,00%)	1 200 000	0,00%
PTF: Public Transport Stops in Cosmo City	10 270 638	3 900 750	6 197 465	10 270 638	3 900 750	6 369 888	163,30%	15 603 000	65,82%
Complete Streets: NMT links to Railway Stations: Phefeni Station	112 574	250 000	(137 426)	112 574	250 000	(137 426)	(54,97%)	1 000 000	11,26%
Complete Streets: NMT links to public transport facilities in Tshepisoong	6 296 952	3 562 000	2 734 952	6 296 952	3 562 000	2 734 952	76,78%	14 248 000	44,20%
Complete Streets: NMT links to public transport facilities in Orange Farm	0	250 000	(250 000)	0	250 000	(250 000)	(100,00%)	1 000 000	0,00%
Ebhareni PTF	0	375 000	(375 000)	0	375 000	(375 000)	(100,00%)	1 500 000	0,00%
Metro Mall PTF	0	2 000 000	(2 000 000)	0	2 000 000	(2 000 000)	(100,00%)	8 000 000	0,00%
Orange farm PTF	9 239 113	2 500 000	6 739 113	9 239 113	2 500 000	6 739 113	269,56%	10 000 000	92,39%
Karzene	0	250 000	(250 000)	0	250 000	(250 000)	(100,00%)	1 000 000	0,00%
Jack Mincer	0	1 000 000	(1 000 000)	0	1 000 000	(1 000 000)	(100,00%)	4 000 000	0,00%
PTF KYA Sand	61 160	250 000	(188 840)	61 160	250 000	(188 840)	(75,54%)	1 000 000	6,12%
PTF Rosebank	550 000	125 000	425 000	550 000	125 000	425 000	340,00%	500 000	110,00%
Orlando East Non Motorised	383 974	250 000	133 974	383 974	250 000	133 974	53,59%	1 000 000	38,40%
Minibus Taxi Feeder	0	217 391	(217 391)	0	217 391	(217 391)	(100,00%)	869 565	0,00%
IPTN and Secondary Network	0	108 696	(108 696)	0	108 696	(108 696)	(100,00%)	434 783	0,00%
Sandton Transport Master	0	380 435	(380 435)	0	380 435	(380 435)	(100,00%)	1 521 739	0,00%
Southern Area Transport Master plan	0	434 783	(434 783)	0	434 783	(434 783)	(100,00%)	1 739 130	0,00%
Alexandra Transport Master plan	0	380 435	(380 435)	0	380 435	(380 435)	(100,00%)	1 521 739	0,00%
Desmond Tutu Precinct	0	434 783	(434 783)	0	434 783	(434 783)	(100,00%)	1 739 130	0,00%
Universal Design Access Design	0	543 478	(543 478)	0	543 478	(543 478)	(100,00%)	2 173 913	0,00%
Protea Glen Transport Master plan	0	543 478	(543 478)	0	543 478	(543 478)	(100,00%)	2 173 913	0,00%
Parking Management Policy	1 372 130	614 460	757 670	1 372 130	614 460	757 670	123,31%	2 457 840	55,83%
Parking Management Policy Phase 2	0	326 087	(326 087)	0	326 087	(326 087)	(100,00%)	1 304 348	0,00%
COJ Ehailing Management Policy	0	217 391	(217 391)	0	217 391	(217 391)	(100,00%)	869 565	0,00%

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
Park and Ride Plan	0	326 087	(326 087)	0	326 087	(326 087)	(100,00%)	1 304 348	0,00%
Feasibility:Alternative Green Energy	0	543 478	(543 478)	0	543 478	(543 478)	(100,00%)	2 173 913	0,00%
Comprehensive Integrated Transport Plan (CITP)	0	217 391	(217 391)	0	217 391	(217 391)	(100,00%)	869 565	0,00%
ICM Strategy and Model	0	271 739	(271 739)	0	271 739	(271 739)	(100,00%)	1 086 957	0,00%
Subsidizes Bus contracts Due diligence study	0	434 783	(434 783)	0	434 783	(434 783)	(100,00%)	1 739 130	0,00%
Guideline Doc SOP Evaluation PTF and non-motorised Impacts of Dev	0	326 087	(326 087)	0	326 087	(326 087)	(100,00%)	1 304 348	0,00%
Development of Fare Policy	0	54 348	(54 348)	0	54 348	(54 348)	(100,00%)	217 391	0,00%
Transport Dep Project Prioritization Model	0	54 348	(54 348)	0	54 348	(54 348)	(100,00%)	217 391	0,00%
SUB-TOTAL	16 680 164	21 642 427	6 580 387	16 680 164	21 642 427	6 752 810	31,20%	86 569 708	19,27%
UNCONFIRMED									
Ptf Small Public Trans Facilities Lehae	313 360			313 360					
Lombardy West	274 278			274 278					
Review of Kliptown Business plan	50 665			50 665					
Sidewalk Chiawelo	3 438 191			3 438 191					
Marily house	300 892			300 892					
New Turfontein clinic and multi p	5 272 635			5 272 635					
Zakaria Park ptf	133 650			133 650					
Travel Demand management	688 181			688 181					
Innercity Partnership fund	7 181 218			7 181 218					
Alex Auto Hub Security	359 128			359 128					
GIS Intergrated Spatial Data	3 185 492			3 185 492					
Inner City Core	1 669 439			1 669 439					
Guard Houses and customer centre	2 910 527			2 910 527					
Jabulani Public Enviroment Upgrade	7 398 473			7 398 473					
Pimville Zone 9	1 161 389			1 161 389					
Alexandra Depot	305 202			305 202					

CAPITAL EXPENDITURE AS AT 31 December 2024	CAPEX FOR QUARTER			CAPEX FOR THE YEAR				ANNUAL	BUDGET
	ACTUAL R	BUDGET R	VARIANCE R	ACTUAL R	BUDGET R	VARIANCE R	VARIANCE %	BUDGET R	USED %
Central Fire station	1 293 084			1 293 084					
SUB-TOTAL	35 935 804			35 935 804					
TOTAL	418 852 296	233 616 194	161 640 371	418 852 296	233 616 194	161 640 371	69,19%	934 464 775	44,82%

SECTION 6: RATIO ANALYSIS TABLE 41: RATIO ANALYSIS FOR THE PERIOD ENDED 31 December 2024**RATIO ANALYSIS FOR THE QUARTER ENDED 31 December 2024**

Key Performance Area	-	Actual 31 December 2023	Actual 31 December 2024	
Current ratio	Above 1,5: 1	1.16:1	0.94:1	1
Solvency ratio	Above 2: 1	0.97:1	0.97:1	2
Salaries to expenditure ratio	Below 60%	58%	47%	3
Revenue	R68 million	51.7 million	74.7 million	
Expenditure (including taxation)	R68 million	78.3 million	R107.6 million	
Surplus / (Deficit)	R nil	(26.6 million)	(R25 million)	
Total net assets	R15.4 million	(R25.6million)	(32.9 million)	
Capital expenditure	50%	23%	45%	4

Notes	
1	Current ratio is just below the target and slightly below when you compare with last year quarter. Included in current liabilities is the sweeping account with the shareholder which increases with the interest monthly.
2	Solvency ratio it below to the target and below to last year quarter mainly due to cash flow challenges. The continued pressure on the overall loan from shareholder due to outstanding debtors still puts pressure on the liquidity ratios.
3	Remuneration to expenditure ratio is below target and below to the last year quarter due to vacancy positions which affects the denominator of the ratio.
4	The target was not achieved since it below to the target of 5%

SECTION 7: SUPPLY CHAIN MANAGEMENT AND BBBEE (DEVIATIONS, PAYMENTS WITHIN 30 DAYS, REPORT ON IRREGULAR, UNAUTHORISED, FRUITLESS AND WASTEFUL EXPENDITURE AND DUE PROCESSES)

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.

7.1 Black Economic Empowerment

Analysis of BBBEE and SMME results for the period 1 July 2024 to 31 December 2024

The % of expenditure paid to companies with B-BBEE credentials out of total expenditure for the period under review:

1 July 2024 to 31 December 2024

JDA's target in respect of B-BBEE spending as a percentage of total expenditure is 100%.

For the period 1 July 2024 to 31 December 2024 the JDA achieved **100%** B-BBEE Opex and Capex procurement.

The total B-BBEE expenditure commitment in terms of active contracts was **R 436 190 080,00** for the period **1 July 2024 to 31 December**, and the BBBEE share of expenditure achieved within the period was **R 434 289 080.20**

Table 42 below indicates the B-BBEE expenditure from 1 July 2024 to 31 December 2024

Description	1 July 2023 to 31 May 2024		
	Total Expenditure	BBBEE Claimed	BBBEE %
Capex	R391 673 867,42	R404 760 597,8	103%
Opex	R44 516 212,56	R29 528 482,35	66%
Consolidated Opex and Capex	R436 190 080,00	R434 289 080,2	100%

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, 60% for level 6, 50% for level 7 and 10% for level 8 which constitutes the overall 107% B-BBEE claimed.

The % of expenditure paid to SMME companies as a % of total expenditure (Opex and Capex) for the period under review:

1 July 2024 to 31 December 2024

The annual target for SMME spending as a percentage of total expenditure (excluding employee costs, depreciation, and amortisation) is 30%. In the period **1 July 2024 to 31 December 2024**, the SMME share of JDA's total expenditure was **R143 148 217.3**. This constitutes an achievement **33%**.

Table 43 below indicates the SMME expenditure from 1 July 2024 to 31 December 2024

Description	1 July 2024 to 31 December 2024		
	Total Expenditure	SMME Claimed	SMME %
Capex	R391 673 867,42	R128 462 043,9	33%
Opex	R44 516 212,56	R14 686 173,37	33%
Consolidated Opex and Capex	R436 190 080,00	R143 148 217,3	33%

4 Deviations and Ratifications

Regulation 36(1)(a) of the Municipal Supply Chain Management Regulations the regulation provides that the Accounting Officer may dispense with the normal procurement processes and procure the required goods or services through any convenient process, which may include direct negotiations, but only ;

- In an emergency;
- If goods or services are available from a single supplier;
- In respect of acquisition of special works of art;
- In respect of acquisitions of animals for Zoo's;
- In any other exceptional case where it is impossible or impractical to follow official procurement processes.

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, which are of a purely technical nature.

4.1 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.

It should be noted that from 1 July 2024 to 31 December 2024 there were (4) service providers appointed for employee training and development where less than three quotations were obtained with a combined value of R95 862.15.

SECTION 8: PENDING LITIGATIONS AND POSSIBLE LIABILITIES

The below table reflects claims that have been instituted in various courts by JDA against external parties. The amount claimed against an external party is classified as a “contingent asset”. The table only reflects matters that are pending either in the High Court or Magistrates Court.

TABLE 44: PENDING LITIGATIONS**(Contingent assets)**

CASE / MATTER	DATE INSTITUTED/ APPOINTED ATTORNEYS	TYPE/ DESCRIPTION	EXPECTED COMPLETION DATE AND PROSPECTS OF SUCCESS	VALUE OF CONTINGENT ASSET
1. Mayibuye i-Afrika, Khum Investments JV //JDA (Performance Guarantee application)	June 2024 MNS Inc. Attorneys	This is a High Court application lodged by JDA against Mayibuye i-Afrika, Khum Investments to enforce payment of the construction guarantee for an amount of R8 084 159.74. Parties have filed their founding and answering affidavits in the matter however, the respondent’s attorneys have withdrawn from record, and we currently await appointment of new attorneys. In the interim, court papers will be served directly on the respondents. The matter is relatively new, and no invoices have to date been submitted.	The matter is relatively new, so the completion date is unknown. JDA has good prospects of success in the matter.	R8 084 159.74
2. Mayibuye i-Afrika, Khum Investments JV //JDA (Recovery Statement claim)	June 2024 MNS Inc. Attorneys	This is a court action against Mayibuye i-Afrika, Khum Investments JV to recover an amount of R4 744 036.14 which is owed to JDA on the basis of a payment certificate that was issued in 2021. Attorneys have issued summons, and Mayibuye i-Afrika and Khum Investments CC have filed notices of intention to defend	The matter is relatively new, so the completion date is unknown.	R4 744 036.14

		<p>the matter, and must now file their defences to the claim. Mayibuye i-Afrika filed a notice of exception to JDA's papers.</p> <p>The legal expenditure incurred to date amount to R 157 087.13.</p>	JDA has good prospects of success in the matter.	
<p>3. JDA// Lombard Insurance Co. Ltd and Kingsway Civil (Pty) Ltd</p>	<p>October 2021 Cliff Dekker Hofmeyer Inc. Attorneys</p>	<p>JDA instituted action in the High Court against Lombard Insurance (the guarantor) and Kingsway Civil for payment under a Performance Guarantee issued by Lombard Insurance. The guaranteed amount was R8 944 302.06. The claim arose as a result of termination of the contract between JDA and Kingsway Civil for construction of Braamfishcerville Extension 12 internal roads and stormwater. The basis of the termination was failure by Kingsway Civil to complete the project in accordance with the approved programme. The guarantor claims that JDA failed to attach the contract termination notice to the letter of demand calling on the guarantee. As a result, the guarantor refused to make payment to JDA. JDA though its attorneys, submitted the termination notice to the guarantor however, the guarantor still refuses to make payment. As a result of this failure, JDA will continue to pursue this matter in court. Parties still need to exchange further court papers (discovery notices and affidavits) and hold a Pre-trial meeting, whereafter a court date will be obtained for trial.</p> <p>The legal costs incurred to date amount to R197 863.25.</p>	<p>The anticipated completion date can only be determined after parties exchange all court papers and hold a Pre-trial meeting.</p> <p>JDA has good prospects of success in the matter.</p>	<p>R8 944 302.06 against Lombard Insurance alternatively, R9 860 628,48 against Kingsway Civil for additional costs incurred to complete the works, alternatively R916 326.42.</p>

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The below table reflects claims that have been instituted in various courts by external parties against JDA. The amount claimed against JDA by an external party is classified as a “contingent liability”. The table only reflects matters that are pending either in the High Court or Magistrates Court.

(Contingent liabilities)

CASE / MATTER	DATE INSTITUTED/ APPOINTED ATTORNEYS	TYPE/ DESCRIPTION	EXPECTED COMPLETION DATE AND PROSPECTS OF SUCCESS	VALUE OF CONTINGENT LIABILITY
1. Yiyo Luna Properties & Bisanele Consulting //JDA & Basil Read Umso JV	September 2024 Khumalo Masondo Attorneys	<p>JDA appointed Basil Read Umso JV (“BRU”) in April 2016 for the construction of the Kazerne Intermodal Facility. The plaintiffs entered into a sub-contractor agreement with BRU on 16 January 2017.</p> <p>Early June 2018, JDA became aware that BRU was in business rescue. After numerous failed attempts to get BRU to perform, notices of intention to terminate were given and the contract was finally terminated on 28 August 2018.</p> <p>According to the plaintiffs, prior to the termination of the agreement the plaintiffs submitted invoices to BRU and BRU paid partial amounts and there is an outstanding payment of R8 331 113.89.</p> <p>The plaintiffs cannot make their claim from JDA as they have no valid contract with JDA, so JDA has no legal obligation to pay BRU directly for their claim. A direct payment by JDA to BRU would mean paying twice for the same work, a fruitless and wasteful expenditure for which there might be negative consequences for JDA such as regression in JDA audit outcome and liability for the accounting officer.</p>	<p>The completion date is unknown as the matter is still new.</p> <p>There are good prospects of success for JDA based on discussions held with the project manager, and the absence of a contractual link between JDA and the plaintiff.</p>	R8 331 113.89

		<p>JDA has filed its Plea (defence) through Khumalo Masondo Attorneys.</p> <p>The matter is relatively new, and no invoices have been received at this stage.</p>		
<p>2. EBESA Architects// JDA</p>	<p>September 2024</p> <p>Khumalo Masondo Attorneys</p>	<p>We received a Notice of Motion for an application for default judgment which was set down for hearing on 6 January 2025.</p> <p>According to EBESA's attorneys, Summons were served on JDA on 24 July 2024. The time for filing a Notice of Intention to Defend expired on 7 August 2024.</p> <p>There was a challenge with locating the summons, and the appointed attorneys were instructed to retrieve a copy from Caselines, which was done.</p> <p>It was established that the amount claimed in the summons (R710 527.71) was indeed owing, and JDA has settled the invoices.</p> <p>The plaintiff has withdrawn the matter from court following payment of the invoices.</p>	<p>The matter has been withdrawn from court following payment of the invoices.</p>	<p>R710 527.71</p>
<p>3. Inkululeko Yethu Cleaning// JDA</p>	<p>6 June 2024</p>	<p>The matter relates to monies owed to the plaintiff (subcontractor) by the contractor that was appointed by the JDA.</p>	<p>The matter has been finalised.</p>	<p>n/a – Claim has been withdrawn.</p>

	Motsoeneng Bill Attorneys	<p>The plaintiff withdrew the matter from court after receiving JDA's notice of exception to the claim. In the notice of exception, the plaintiff was advised that their papers did not explicitly state who the parties to the contract that formed the basis of the proceedings were. It was also pointed out that the agreement relied on, showed that JDA was not party to the agreement.</p> <p>The legal costs incurred to date amount to R80 617.93</p>		
4. Phakamani Properties// JDA	6 June 2024 Motsoeneng Bill Attorneys	<p>The matter relates to monies owed to the plaintiff (subcontractor) by the contractor that was appointed by the JDA. The plaintiff is claiming an amount of R4 399 825.17.</p> <p>Attorneys are in the process of filing a notice of exception to the amended particulars of claim in this matter (similar to the Inkululeko Yethu matter).</p> <p>The legal costs incurred to date amount to R 138 362.34</p>	<p>The matter is relatively new, so the completion date is unknown.</p> <p>JDA has good prospects of success with defending the claim as there is no contractual link with the plaintiff.</p>	R4 399 825.17
5. MACP Construction//JDA & Bergstan South Africa Consulting and Development Engineers	September 2024 MNS Inc. Attorneys	<p>On or about May 2022, JDA appointed MACP Construction ("MACP") for the construction of the Soweto Railway Stations NMT Links-Chiawelo facility. The original construction programme was 10 months. MACP established its plant, equipment and personnel on the project on 12 July 2022 and submitted interim payment certificate for certification by the engineers. The full site handover occurred on 16 August 2022.</p> <p>In September 2022, MACP was notified of the suspension of the works.</p> <p>Consequent to the requisite wayleaves not being availed by the engineers, MACP submitted a written intention to claim standing costs and extensions of time in the amount of R966 182.83 (excluding VAT). The engineers rejected the claims.</p>	<p>The completion date is unknown at this stage, as parties still need to exchange further court papers before applying for a court date.</p> <p>JDA has fair prospects of success in the matter.</p>	R966 182.83

		<p>MACP had initially referred the matter for adjudication however, the matter was dismissed as it had been referred for adjudication outside of the prescribed timeframe. MACP thereafter lodged the claim in the High Court.</p> <p>Attorneys have been instructed to defend the matter, and have filed JDA's Plea (defence) in the matter. A Special Plea was also filed, which is aimed at having the matter dismissed due to the late referral of the dispute to adjudication.</p>		
6. Modisethupa // Masakhane Mbali & JDA	<p>Oct 2015</p> <p>Mchunu Attorneys</p>	<p>On 26 November 2014, JDA published an advertisement inviting tenders for the construction management (managing contractor) of start-ups, SMMEs. On 5 March 2015, Tranacon Construction was appointed as the managing contractor on the project. During or about December 2014, Mr Mbali, acting in the course and scope of his employment with the JDA at the time, invited SMMEs within the area of Alexander Township to bid for appointment as sub-contractors in respect of the project.</p> <p>During the evaluation of the bid submissions phase, Mr Mbali removed Modisethupa from the evaluation process. On 6 October 2015, JDA advised the plaintiff's attorneys that the plaintiff was removed from the process as it was from Ward 76, which was not one of the affected wards in respect of the project.</p> <p>It is against this background that the plaintiff instituted the action, in terms of which an amount of R2 193 953.58 is being claimed from JDA, couched as a claim for loss of income.</p> <p>On 11 December 2015, JDA filed an exception to the plaintiff's particulars of claim. The parties appeared in court on 2 September 2016 for purposes of arguing the exception.</p> <p>On 25 October 2018, judgment was delivered, the judge was not persuaded that the grounds provided by JDA had any merit. JDA was ordered to pay the plaintiff's costs.</p>	<p>Anticipated completion date is unknown at this stage.</p> <p>JDA's prospect of success may be negatively impacted should JDA not be able to retrieve the required documents to defend the claim.</p>	R2 193 953.58

		<p>On 14 February 2019, the parties agreed by a settlement agreement, that JDA shall pay an amount of R30 000 for purposes of settling the plaintiff's bill of costs. The settlement amount was paid by JDA on 14 March 2019.</p> <p>Pleadings have closed and the parties have made discovery.</p> <p>JDA's attorneys attended a Pre-Trial Meeting on 30 August 2024. We are currently still gathering information in preparation for the trial.</p> <p>The legal costs incurred to date amount to R107 588.48.</p>		
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The below table reflects matters that have been referred either by JDA or a contractor for adjudication or arbitration. Adjudication and arbitration are alternative dispute-resolution processes provided for in the contracts JDA has signed. Parties are contractually obliged to first refer the matters to these forums for resolution. The processes allow parties to speedily have matters resolved without instituting action in court. Further included in the table are matters wherein only letters of demand have been received, and further action has not yet been taken. Depending on the nature of the claims, the matters/claims may be classified as either contingent assets or liabilities.

(Adjudications, arbitrations and letters of demand)

CASE / MATTER	DATE INSTITUTED/ APPOINTED ATTORNEYS	TYPE/ DESCRIPTION	EXPECTED COMPLETION DATE AND PROSPECTS OF SUCCESS	VALUE OF EXPECTED ASSET OR LIABILITY AS A RESULT
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1. JDA// Pro Power (JBCC 2018: Adjudication)	November 2024 No attorneys have been appointed at this stage.	This is a dispute which arose under a contract between JDA and Pro Power Construction, for the Kaalfontein Multipurpose centre. With respect to the works completed on Phase 1 of the project, the Project Manager noted that the grandstands were built outside of specifications. JDA has referred the matter to an adjudicator for determination and apportionment of costs in line with the outcome of the adjudication.	31 March 2025 There are good prospects of success for JDA based on the report compiled by the engineers.	The cost implications are yet to be determined.
2. JDA// African Moon Construction (GCC 2015: Adjudication)	June 2024 No attorneys have been appointed at this stage.	This is a dispute which arose under a contract between JDA and African Moon Construction, for the Ivory Park Public Environment Upgrade – Kopanong Sports Ground. The contractor seeks approval of a new rate for cabling, which would result in JDA incurring additional costs over and above the agreed contract amount for an item which ought to have been included in the contractor's rates. In the alternative, the Contractor is seeking another design (bollard lights), which would also result in a new rate. An adjudicator has recently been appointed, and parties are yet to file their papers in the matter.	31 March 2025 There are good prospects of success for JDA as the tender document was clear and descriptive on the lighting poles item.	JDA will incur additional project costs for the new rate if the matter is decided in favour of the contractor – approximate value is R 1 400 000.
3. JDA// REMBU Construction (Arbitration)	2018 ENSafrica	Potential liability through arbitration regarding the alleged unlawful termination of the JBCC agreement by JDA as a result of Rembu's failure to progress the works with due diligence and expedition. JDA has lodged three counterclaims. The matter was heard in July 2024, and parties are to file their closing submissions by the 13 th of December 2024.	The matter is nearing finalisation. There are good prospects of success for JDA.	Approximately R22.3 million

		The legal costs incurred to date amount to R3 568 501.10		
4. Keendom Druza JV// JDA	October 2021 Cliffe Dekker Hofmeyer Inc. Attorneys	<p>The Claimant, Keendom Druza JV had entered into a contract with JDA in May 2019, for completion of the construction of Braamfischerville Ext 12 internal roads and stormwater for a contract value amounting to R40 899 524.45 excl VAT.</p> <p>In October 2021, the Claimant initiated adjudication proceedings against the JDA for a claim of R8 955 387.97 following termination of the contract.</p> <p>The claim was dismissed in its entirety by the adjudicator on 19 February 2022 and although the contractor had filed a notice of disagreement with the adjudicator's decision, it took no further steps to refer the dispute to arbitration. The matter has become dormant.</p> <p>The legal costs incurred to date amount to R1 222 324.65.</p>	Given the amount of time that has lapsed since the dismissal of the claim, it is highly unlikely that Keendom Druza will take the matter any further.	n/a
5. Mayibuye i-Afrika, Khum Investments JV //JDA (Arbitration)	June 2024 MNS Inc. Attorneys	<p>Selby 2C Bus Depot project – Termination of Building Contract</p> <p>The contractor has referred a dispute to arbitration, challenging JDA's termination of the agreement. JDA has through its attorneys filed a statement of defence. The termination was based on the contractor's breach of contract.</p> <p>The legal costs incurred to date amount to R178 825.00.</p>	<p>The matters are relatively new, so the completion date is unknown.</p> <p>JDA has good prospects of success in the matter.</p>	The contractor is demanding reinstatement of the contract.

6	Dzata Properties Kuvu Civils JV// JDA	March 2022 MNS Inc. Attorneys	<p>In March 2022 JDA terminated the two JBCC agreements it entered into with Dzata Properties Kuvu Civils JV (“the JV”) for the repair and maintenance of Social and Community Development Facilities at various sites.</p> <p>The reason for the termination was due to failure by the JV to progress the works and reach the various completion stages set out in the JBCC agreements.</p> <p>The JV has challenged the lawfulness of the terminations for determination first by way of adjudication, and then Provisional Sentence Summons. The matter went before an Arbitration Tribunal set up under the auspices of the Association of Arbitrators and the High Court.</p> <p>In both the arbitration and the High Court, the JV sought awards for the payment in respect of retention and interest in the amount of R954 685.28 and a claim for loss of profit in the amount of R9 732 020.75 (incl. VAT) for loss of profit on the COMMDEV contract, together with interest tempore morae. Alternatively, the JV seeks payment in the amount of R5 739 289.21 (incl. VAT) for loss of profit on the SOCDEV contract, together with interest. Alternatively, payment in the amount of R2 958 401.14 (incl. VAT) for loss of profit on the SOCDEV contract together with interest.</p> <p>Both the High Court and arbitration matters have been settled by the parties.</p>	<p>The matter has been finalised.</p> <p>R R954 685.28</p>

		Legal expenditure incurred to date is R5 172 792.54		
7. JDA // HL Matlala t/a Gorogang Plant Hire	29 January 2024 No attorneys have been appointed at this stage.	Jabulani Phase 5 Received letter of demand dated 29 January 2024. The Contractor claims that they should be furnished with a Certificate of Completion in terms of the applicable contract. However, that cannot be the case as he has not completed the works as per the conditions of Practical Completion given and accepted by the contractor. At this stage, there is only a letter of demand with no court application. JDA responded to the letter of demand, and there has been no further action by the contractor since receipt of JDA's response.	n/a	n/a

SECTION 9: INSURANCE CLAIMS AGAINST/TO MOE/DEPARTMENT.

JDA is covered by the city-wide insurance entered into by the City of Johannesburg on behalf of all its entities. The insurance cover is reviewed on an annual basis.

There were no new claims in quarter 1, we have 6 open claims that emanate from previous years as outlined in the table below:

TABLE 45: INSURANCE CLAIMS

Claim No.	Claim Notification	Description of Loss	Claims Status	Net Claim
ADRS00001394	01-Oct-2020	A bridge collapsed and resulted in the death of two people and 19 others injured.	Insurer handling TP claim	38 000.00

ADRS00008435	20-Apr-2021	JDA appointed contractor's damage third party's wall.	Corresponding with TP - TP Claim	85 000.00
ADRS00008441	13-Jan-2022	The JDA's appointed contractor damaged third party's property.	Awaiting TP approach	12 500.00
ADRS00006188	18-Apr-2021	Electric pole fell on TP	Claim prescribed	300 000.00
ADRS00011226	06-Jan-2023	The third party fell into an uncovered water main access panel.	Insurer handling TP claim	2 515 263.13
ADRS00011575	01-Oct-2020	Damages to third party property	Attorney handling TP summons	23 565 160.06

SECTION 10: STATEMENT ON AMOUNTS OWED BY AND TO GOVERNMENT DEPARTMENTS AND PUBLIC ENTITIES

This measures effective debtor management and an assessment of the amounts owing by the various Government departments and entities.

TABLE 46: AMOUNTS OWED BY GOVERNMENT DEPARTMENTS AND PUBLIC ENTITIES

Name of department	Balance on 30 JUNE 2024	Comments
	R' 000	
City of Johannesburg - CAM & USDG	181,398	Balance relates to invoices that will be paid once budget lift signed by the City Manager and other remaining balance it relates to current invoices.
City of Johannesburg - Department of transportation	270,111	Balance relates to invoices that are long overdue, however Transport Department has submitted the memo of R97 million to the City Manager for the payment to be made, the other remaining balance we are waiting for the addendum that need to be signed together with supporting document that are outstanding (R70 million for addendum and R35 million related to invoices that are in disputes).
City of Johannesburg - Department of planning	39,249	Balance relates mainly relates to invoices that are overdue, the payment will be affected once the SCM documents are submitted.
City of Johannesburg - EMS	46,319	Balance relates to invoices for Alexandra and Comsociety fire station which have been referred to legal department, the remaining balance will be settled in June.
City of Johannesburg - Department of Health	65,439	Balance relates to invoices that are current and the payment will be made June 2024.
City of Johannesburg - Economic Development	24,006	Balance relates to invoices that are long overdue i.e. Linear Market Project where DED they are still in the process of making the payment.
City of Johannesburg - Housing	148,827	Balance relates to the invoices that needed the SLA to be signed in order for the payment to be made.
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 – Comm Dev and City Manager	238,261	Balance relates to invoices which are over 90 days, however they are developments City Manager department they are waiting for the budget lift that need to be signed by City Manager to affect the payments and lastly majority of invoices from Comdev will be paid between May and June 2024
Total	952,021	

CHAPTER 6: INTERNAL & EXTERNAL AUDIT FINDINGS

SECTION 1: PROGRESS ON INTERNAL AUDIT PLAN

The Internal Audit progress to which this section of the report relates to is the work conducted in the period 01 October 2024 to 30 December 2024, this section of the report includes progress on the planned audit projects as well as special audit requests (if any) that were undertaken during this reporting period.

- a. There were six (6) planned audits for the period under review, two (2) are completed, two (2) is in progress and two is deferred to the next quarters.
- b. Internal audit undertook 4 projects of the planned audits in this quarter, therefore 50% of the projects undertaken in this quarter were completed and 50% are in progress.
- c. Internal audit further undertook the review of the UIFWE investigation reports, 7 investigation reports were submitted for review and all reviews were completed.
- d. On overall, internal audit undertook thirteen (13) audits and of the 13 Audits undertaken nine (9) audits are completed, 2 are in progress and 2 is deferred to the next quarters.
- e. 100% of the projects planned for this quarter have been completed.

TABLE 47: PROGRESS ON THE PLANNED Q2 PROJECTS

No.	Audit Description	Status	Progress Status	Overall control Environment
1.	Q2: Follow-up on internal and external audit findings	Completed	Completed	Requires improvement
2.	Integrated Governance and Risk Management process	Deferred	The project cannot be executed due to capacity and budget constraints.	Requires improvement
3.	2024/25 1st Quarterly Audit of performance information (APOO)	Completed	Completed	Requires improvement
4.	HR processes	In progress	The project is currently at execution stage	Requires improvement

No.	Audit Description	Status	Progress Status	Overall control Environment
5.	ICT audit	Deferred	The project is deferred to the last quarter to enable implementation of the 2023/24 audit report recommendations.	N/A
6.	SMME development	In progress	The project is currently at execution stage.	Requires improvement

Table 48: Progress on special audit request

No.	Audit Description	Status	Progress Status	Overall internal audit opinion on the report	Overall control Environment
1.	Assurance review on UIFWE report - Alexander Hospice	Completed	Completed	Supported	Requires improvement
2.	Assurance review on UIFWE report - Brixton Social Cluster Project	Completed	Completed	Supported	Unsatisfactory
3.	Assurance review on UIFWE report - BRT Stations Section 8 & 15 Project	Completed	Completed	Supported	Unsatisfactory
4.	Assurance review on UIFWE report - COMDEV & SOCDEV Projects	Completed	Completed	Supported	Unsatisfactory
5.	ASSURANCE REVIEW ON UIFWE REPORT - Lehae MPC Project	Completed	Completed	Supported	Unsatisfactory
6.	Assurance review on UIFWE report - Naledi Clinic Projects	Completed	Completed	Supported	Unsatisfactory
7.	Assurance review on UIFWE report - Drieziek MPC Projects	Completed	Completed	Supported	Unsatisfactory

TABLE 49: PROGRESS ON THE PLANNED Q1 PROJECTS

No.	Audit Description	Status	Progress Status	Overall Environment
1.	Q1: Follow-up on internal and external audit findings	Completed	Completed	Requires improvement
2.	Review of the Financial Statement	Completed	Completed	Requires improvement
3.	Review of the quarterly performance information review for completeness and reliability	Completed	Completed	Requires improvement

SECTION 2: PROGRESS ON PROBITY AUDITS

This section of the report relates to probity audits conducted in the period 01 October 2024 to 30 December 2024; in this reporting period there were no requests for probity audits.

SECTION 3: PROGRESS ON RESOLUTION OF INTERNAL AUDIT FINDINGS

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 the Group Risk Assurance Services for discussion with the City Manager. On a quarterly basis Internal Audit, presents these reports to the Audit and Risk Committee, which monitors the progress made by management on the implementation of recommendations and action plans.

GRAPH 1: RESOLUTION OF INTERNAL AUDIT FINDINGS

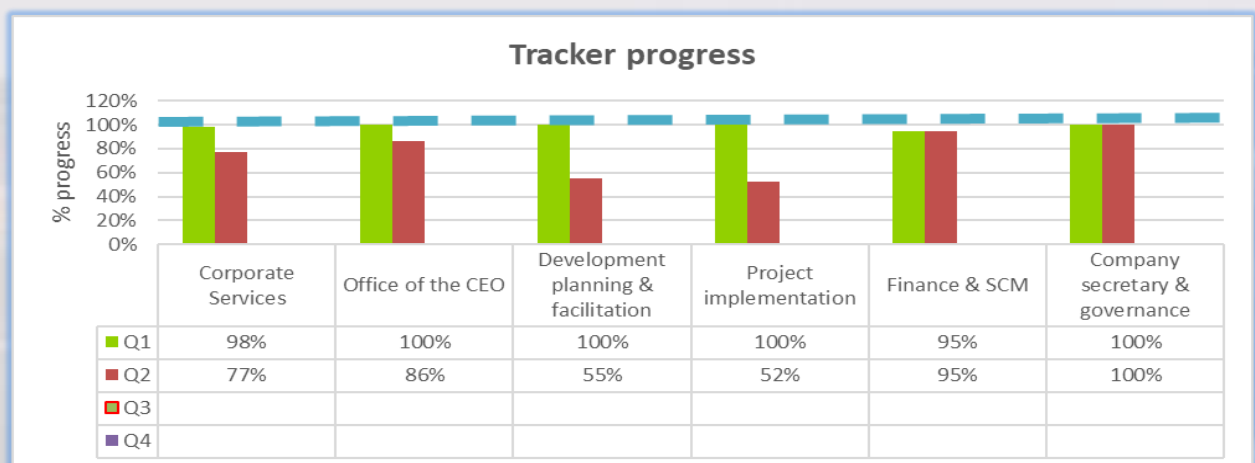
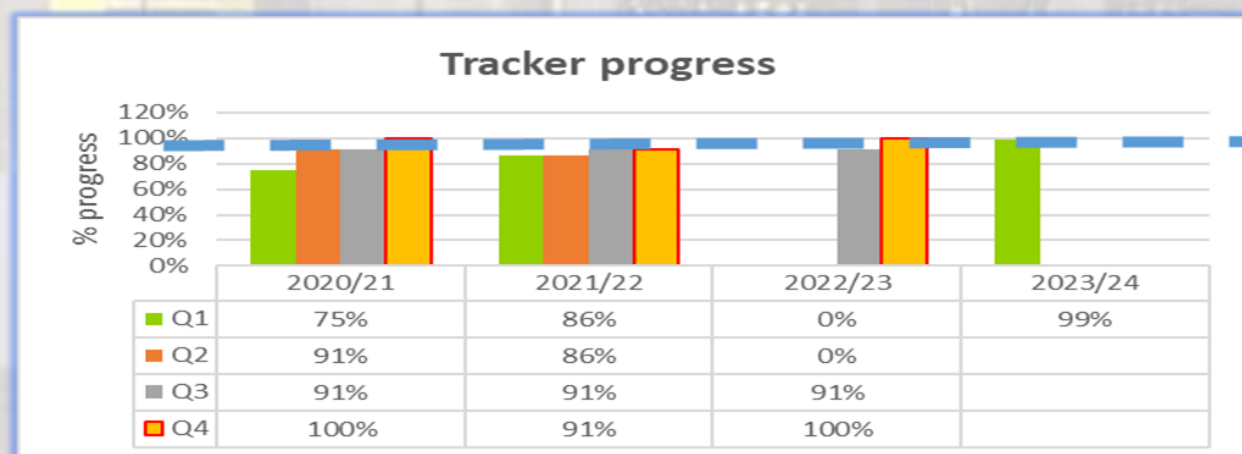


TABLE 50: RESOLUTION OF INTERNAL AUDIT FINDINGS

Financial Period	Total Unresolved Findings	Total Findings	Resolved	Total Findings
2020/21	0	31		31
2021/22	1	62		63
2022/23	2	58		60
2023/24	46	27		73
Total number as of 30 November 2024	49	178		227
Percentage	22%	78%		100%

SECTION 4: PROGRESS ON RESOLUTION OF EXTERNAL AUDIT FINDINGS

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 provides independent assurance to the Audit and Risk Committee on the progress made by management in resolving audit findings. In the 2nd quarter management made a progressive move in resolving Internal audit findings.

GRAPH 2: RESOLUTION OF EXTERNAL AUDIT FINDINGS**TABLE 51: RESOLUTION OF EXTERNAL AUDIT FINDINGS**

Financial Period	Total Unresolved Findings	Total Findings	Resolved	Total Findings
2020/21	0	11		11

2021/22	1	34	35
2022/23	0	24	24
Total number as of 30 November 2024	1	69	70
Percentage	1%	99%	100%

SECTION 5: 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 coordination and management vitally important by ensuring timeous implementation of corrective action to clear audit findings and 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 ensure that resources are used efficiently and effectively.

The JDA has a system of internal control to provide cost-effective assurance that the entity's 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 work done for 2nd quarter, we are not anticipating material deficiencies in the system of internal control for the reporting period. Based on the internal audit work done to date, the state of internal control is anticipated to be adequately documented and Ineffective.

The control adequacy of internal control is **partially adequate**, and the control effectiveness is **partially effective**, therefore the overall control environment is **Requires Improvement**

ANNEXURES

ANNEXURE 1: ACRONYMS AND ABBREVIATIONS

ACRONYM	DEFINITION
ARP	Alexandra Renewal Programme
BBBEE	Broad-Based Black Economic Empowerment
BRT	Bus Rapid Transit
CAE	Chief Audit Executive
CBD	Central Business District
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CPC	Community Participation Consultant
COJ	City of Johannesburg
CSA	Capability support agents
EM	Executive Manager
EPWP	Expanded Public Works Programme
GDS	Growth and Development Strategy Joburg 2040
GMS	Growth Management Strategy
GRAP	Generally Recognized Accounting Practice
ICT	Information and communication technology
SCM	Supply Chain Management
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)